



Kvalifikuotas elektroninis parašas

DARIUS MAIKŠTĖNAS

2026-02-25 06:38:46 GMT+2

Paskirtis: Parašas

Kvalifikuotas elektroninis parašas

JURGITA MAŽDŽIERĖ

2026-02-25 06:46:59 GMT+2

Paskirtis: Parašas

Kvalifikuotas elektroninis parašas

JONAS RIMAVIČIUS

2026-02-25 06:55:32 GMT+2

Paskirtis: Parašas



Integrated Annual Report 2025

Our purpose is to create
a 100% **green and secure**
energy ecosystem for current
and future generations

GREEN

Growing green generation and
green flexibility capacity

FLEXIBLE

Creating a flexible system that can
operate on 100% green energy in the
short, medium, and long term

INTEGRATED

Utilising the integrated business
model to enable Installed Green
Capacities build-out

SUSTAINABLE

Maximising sustainable value

**Renewables-
Focused
Integrated
Utility**



Contents

MANAGEMENT REPORT

1. Overview	4
1.1 CEO's statement	5
1.2 Business highlights	9
1.3 Performance highlights	14
1.4 Outlook	17
1.5 Sustainability highlights	18
1.6 Investor information	19
2. Business overview	22
2.1 Business model	23
2.2 Strategy and targets	25
2.3 Investment program	34
2.4 Business environment	40
3. Results	61
3.1 Annual results	62
3.2 Five-year annual summary	73
3.3 Results Q4	76
3.4 Quarterly summary	78
3.5 Results by business segments	81
4. Governance	90
4.1 Supervisory Board Chair's statement	91
4.2 Governance framework	93
4.3 General Meeting	98
4.4 Supervisory Board	101
4.5 Committees	110
4.6 Management Board	122
4.7 Risk management	129

5. Remuneration	138
5.1 Remuneration overview	139
5.2 Remuneration of the parent company's Management Board	144
5.3 Remuneration of the Supervisory Board and committees	151
5.4 Additional information on remuneration of the Group employees	155
6. Sustainability statement	158
6.1 ESRS 2: General information	160
6.2 Environment	185
6.3 Social	235
6.4 Governance	274
6.5 Other information	282
7. Additional information	288
7.1 Further investor related information	289
7.2 Alternative Performance Measures	292
7.3 Notes on restated figures	296
7.4 Information on Group companies	297
7.5 Information on the auditors	313
7.6 Compliance with the Corporate Governance Code	314
7.7 Compliance with the Guidelines for Ensuring the Transparency of State-Controlled enterprises	330
7.8 Other statutory information	334
7.9 Terms and abbreviations	338
7.10 Legal notice	339

FINANCIAL STATEMENTS

8. Consolidated financial statements	340
8.1 Consolidated statement of profit or loss	342
8.2 Consolidated statement of comprehensive income	343
8.3 Consolidated statement of financial position	344
8.4 Consolidated statement of changes in equity	345
8.5 Consolidated statement of cash flows	346
8.6 Notes	347
8.7 Accompanying information	392
9. Parent company's financial statements	405
9.1 Statement of profit or loss and Statement of comprehensive income	407
9.2 Statement of financial position	408
9.3 Statement of changes in equity	409
9.4 Statement of cash flows	410
9.5 Notes	411
9.6 Accompanying information	423
10. Report on income tax information	429
11. Responsibility statement and auditors reports	431
11.1 Responsibility statement	432
11.2 Independent auditor's report	433
11.3 Independent limited assurance report on sustainability statement	444

Overview

1.1	CEO's statement	5
1.2	Business highlights	9
1.3	Performance highlights	14
1.4	Outlook	17
1.5	Sustainability highlights	18
1.6	Investor information	19

1.1 CEO's statement

Highlights

Financial performance

- Adjusted EBITDA: 546.1 EURm (+3.4% YoY).
- Investments: 720.3 EURm with 53.1% to Networks and 39.7% to Green Capacities.
- Dividend: EUR 1.366/share¹ (+3.0% YoY) for 2025 (98.9 EURm in total).
- Credit rating: S&P reaffirmed 'BBB+' (stable).
- Outlook: for 2026, we expect Adjusted EBITDA of 550–600 EURm, Investments of 590–690 EURm.

Business development

Green Capacities: Installed Capacity increased to 2.1 GW (from 1.4 GW).

Key milestones:

- reached COD at Kelmė WF (313.7 MW) in Lithuania;
- reached COD at Silesia WF II (136.8 MW) in Poland;
- reached COD at Varme SF (94 MW) in Latvia;
- reached COD at Stelpe SF I (72.5 MW) in Latvia;
- reached COD at Stelpe SF II (72.5 MW) in Latvia;
- reached COD at Polish solar portfolio (24 MW) in Poland;
- made Final Investment Decisions for Kelmė (147.4 MW), Kruonis (99.2 MW), and Mažeikiai (45.1 MW) BESS projects in Lithuania;
- reached an agreement with Quaero Capital to dispose a 49% stake in Vilnius CHP.

Networks: 3.5 EURb (+40%) Investments set in the 10-year (2024–2033) Investment Plan; 2026 total RAB set at 1.9 EURbn (+0.1 EURbn), WACC (weighted average) at 5.74% (-0.05 pp), and additional tariff component at 51.8 EURm (+38.1%); completed the mass smart meter roll-out with 1.3 million of smart meters installed.

Reserve Capacities: won Polish capacity mechanism auctions for ensuring 381 MW capacity availability in Q1 2026, 484 MW – in Q4 2026, and 148 MW – in 2030.

Customers & Solutions: signed a 7-year PPA with the Lithuanian TSO (Litgrid) at a fixed price of EUR 74.5/MWh for up to 160 GWh/year, effective from January 2026; signed a grant agreement of up to 3.8 EURm to develop EV charging infrastructure in the Baltics; 1,799 (+708 since 31 December 2024) EV charging points installed.

Sustainability

- Green Share of Generation: 70.2% (-11.3% YoY).
- Total GHG emissions: 4.49 million t CO₂-eq (+10.1% YoY).
- Carbon intensity (Scope 1 & 2): 248 g CO₂-eq/kWh (+24.5% YoY).
- No fatalities; employee TRIR at 0.72 (-0.40 YoY) and contractor TRIR at 0.72 (-0.12 YoY).
- eNPS: 65.6 (+0.4 YoY).
- 29.4% of the top management positions were held by women (+1.7% YoY).

¹ The total dividend of EUR 1.366 per share consists of the EUR 0.683 dividend paid for H1 2025 and a proposed EUR 0.683 dividend for H2 2025, which is subject to the decision at our Annual General Meeting of Shareholders on 25 March 2026.



Darius Maikštėnas
Chair of the Management Board and CEO

Record strategic progress with +0.7 GW of new green capacities installed, completed mass smart meter roll-out, and Adjusted EBITDA beat

Financial performance

In 2025, our Adjusted EBITDA amounted to EUR 546.1 million and increased by EUR 18.2 million (+3.4%) compared to 2024, exceeding the upper end of our full-year guidance range of EUR 510–540 million. The growth was driven by the stronger performance of our two largest segments: Green Capacities and Networks.

The Green Capacities segment delivered a strong increase in Adjusted EBITDA due to new assets launched and new services provided.

The Networks segment's Adjusted EBITDA increased mainly due to higher RAB, which is the result of our continued Investments in the distribution network, and higher WACC set by the regulator.

The Reserve Capacities segment's result declined, driven by lower availability due to planned major overhaul of the CCGT unit as well as lower gross profit margin in relation to lower captured electricity prices and higher natural gas prices, although this was partly offset by higher volumes generated and new services provided.

The Customers & Solutions segment's Adjusted EBITDA decreased in both natural gas and electricity supply activities. The lower natural gas B2B supply result was attributed to less favourable margins secured compared to

2024, while lower electricity supply result was impacted by the prosumers operating under the current net-metering scheme. The negative result of the electricity supply business was further amplified by the negative effect related to imbalance operations.

In 2025, our Investments amounted to EUR 720.3 million (-11.3% YoY), within our full-year guidance range of EUR 700–800 million. We continued to invest heavily in the Networks and the Green Capacities segments. 53.1% of the total Investments were made in the Networks segment and 39.7% into the Green Capacities segment, primarily to new solar, onshore wind and Kruonis PSHP expansion projects. With several projects reaching the COD, the total Investments have decreased compared to 2024. The decrease was partly offset by higher Investments into Networks.

Due to continued significant Investments in Networks and Green Capacities, our Net Debt increased to EUR 1,912.0 million as of 31 December 2025 (+18.6% compared to EUR 1,612.3 million as of 31 December 2024). Together with a decrease in FFO, driven by the temporary regulatory differences specific to the regulated activities, this resulted in a decrease in our FFO/Net Debt to 21.0% (compared to 29.7% as of 31 December 2024). Despite that, following a regular review in September 2025, S&P Global Ratings reaffirmed our 'BBB+' (stable outlook) credit rating.

Finally, the most notable highlight after the reporting period – a debut asset rotation program transaction, as part of our strategy. We have reached an agreement with Quaero Capital to dispose a 49% stake in Vilnius CHP. Based on transaction valuation, 100% of Vilnius CHP equity is valued at EUR 244 million, 49% – at EUR 120 million, representing 4.6x multiple over the Group's equity invested. The agreement is expected to be signed by the end of March 2026, after the decision at our Annual General Meeting of Shareholders on 25 March 2026, with the transaction closing planned in Q2 2026. An acquiror – Quaero Capital – is a Switzerland-based infrastructure fund with EUR 3.8 billion in AUM and a presence in the Baltic States.

This is one of the largest foreign direct investments in the Lithuania over the last few years. The capital raised during this transaction will contribute to the further development of Green Capacities and Networks, while having a positive impact on the Group's leverage metrics. This transaction will also ensure compliance with the European Commission's decision related to the EUR 138 million support for the project received.

In terms of return to shareholders, we remain committed to our Dividend Policy. We propose to distribute a total dividend of EUR 1.366 per share (+3.0% YoY), amounting to EUR 98.9 million for 2025. Based on year-end closing



In 2026, we expect Adjusted EBITDA of EUR 550–600 million, Investments of EUR 590–690 million.

prices, it represents a 6.2–6.4% yield for global depositary receipt holders and ordinary registered shareholders. The total dividend of EUR 1.366 per share consists of the EUR 0.683 dividend paid for H1 2025 and a proposed EUR 0.683 dividend for H2 2025, which is subject to the decision at our Annual General Meeting of Shareholders on 25 March 2026.

And lastly, for 2026 we expect our Adjusted EBITDA to be in the range of EUR 550–600 million. We anticipate growth in Networks and Customers & Solutions, while Green Capacities and Reserve Capacities are expected to remain stable compared to 2025. Our Investments in 2026 are expected to be in the range of EUR 590–690 million.

Business development

In 2025, we made significant progress. Our Installed Capacity grew by 0.7 GW to 2.1 GW (from 1.4 GW) as six projects reached Commercial Operation Dates. By technology, 450.5 MW of onshore wind and 263.0 MW of solar capacity were added. By country, 313.7 MW of the capacity was installed in Lithuania, 239.0 MW in Latvia and 160.8 MW in Poland. The completed projects include Kelmė WF (313.7 MW), the largest onshore wind farm in the Baltics, Silesia WF II (136.8 MW), one of the largest onshore wind farms in Poland, and the largest solar farm cluster in Latvia, comprising Varne SF (94 MW), Stelpe SF I (72.5 MW), and Stelpe SF II (72.5 MW).

Focusing on the Kelmė WF (313.7 MW) in Lithuania, it reached COD in June and comprises 44 state-of-the-art Nordex N163/6.X turbines, each 7.13 MW and up to 240 meters tall – the most powerful wind turbines ever installed in

Lithuania. This model was selected for its high generation efficiency and suitability for local conditions. The project is expected to generate enough electricity to meet the demand of 250 thousand Lithuanian households. The total investments in the 313.7 MW Kelmė wind farm will amount to around EUR 550 million. In Q4 2025, we secured EUR 318 million in long-term non-recourse project financing for the project. The syndicate of lenders includes both investment and commercial banks: the European Investment Bank, Swedbank, the European Bank for Reconstruction and Development, and the Nordic Investment Bank. This is the largest debt financing transaction ever concluded by us, marking an important milestone not only for the Group but also for the future of Lithuania's energy sector.

Next, Silesia WF II (136.8 MW) reached COD in August and is equipped with 38 Nordex N117/3600 wind turbines. The wind farm is expected to meet the annual electricity demand of around 177 thousand households. The total investments in the wind farm are expected to reach up to EUR 240 million.

Additionally, CODs of the largest solar farm cluster in Latvia, comprising Varne SF (94 MW), Stelpe SF I (72.5 MW) and Stelpe SF II (72.5 MW), were reached in July, August and September respectively. The Varne SF (94 MW) project is located in the western part of Latvia, Kuldīga municipality. It spans 110 hectares and is equipped with 156 thousand solar panels. The project will be able to cover the electricity demand of more than 40 thousand households, with investments reaching up to EUR 66 million. The Stelpe SF I (72.5 MW) and Stelpe SF II (72.5 MW) projects are located in the southern part of Latvia, Bauska municipality. Each of

them covers 85 hectares and is equipped with 121 thousand solar panels. Together, the two solar farms are expected to cover the electricity demand of around 70 thousand households, with total investments of up to EUR 104 million.

The implementation of our Green Capacities projects Under Construction is progressing as planned, with no significant changes since Q3 2025.

On the offshore wind development front, we took over full control of the 700 MW Curonian Nord offshore wind project in Lithuania after acquiring a 49% stake from Ocean Winds. This change will not impact the project implementation. Ignitis Renewables continues the work of the project independently and has all the necessary managerial and financial capacities to implement the preparatory work and the required investments to obtain a construction permit in 2027. In addition, the Supervisory Board's working group has finalized its assessment of the Curonian Nord project development. Independent experts from Wood Mackenzie confirmed that the project is well-managed and aligned with industry best practices.

Also, the National Audit Office, following a decision by the Parliament, prompted by its Commission for Energy and Sustainable Development, carried out a State audit review of Curonian Nord offshore wind project and provided three recommendations. Based on these recommendations, Ignitis Renewables, the project implementing company, will transfer the assets created, the work done and the obligations assumed in relation to the Curonian Nord project to its wholly-owned subsidiary Offshore Wind Farm 1, will revise the agreements concluded with the suppliers performing seabed

surveys, and will conduct an analysis of internal and external factors affecting the project and will present the results to the stakeholders. All recommendations are already being implemented.

Lastly, we submitted a bid for the 700 MW Lithuanian offshore wind project with State support. However, the tender did not convene due to the limited number of participants (at least two participants were required).

In the Networks segment, we have updated our 10-year (2024–2033) Investment Plan for the distribution networks and aligned it with the regulator (NERC) on 23 January 2025. The plan foresees a 40% increase in Investments to EUR 3.5 billion compared to the previous 10-year Investment Plan submitted to NERC (EUR 2.5 billion for 2022–2031). In 2025, we successfully completed the mass smart meter roll-out with 1.3 million of smart meters installed.

Furthermore, the regulator (NERC) has adopted resolutions, setting the 2026 RAB at EUR 1.9 billion (EUR 1.8 billion in 2025), WACC (weighted average) – 5.74% (5.79% in 2025), and additional tariff component – EUR 51.8 million (EUR 37.5 million in 2025).

In the Reserve Capacities segment, we won a Polish capacity mechanism auction for ensuring 381 MW and 484 MW capacity availability in Q1 and Q4 2026 for approximately EUR 8.2 million and EUR 11.5 million respectively. After the reporting period, we won another Polish capacity mechanism auction for ensuring 148 MW capacity in 2030 for approximately EUR 14.7 million. Following the approval of the awards by the Polish energy regulator, we signed tripartite agreements with the Polish transmission system

operator Polskie Sieci Elektroenergetyczne (PSE) and the billing operator Zarządca Rozliczeń S.A. to ensure electricity supply during potential stress events in the Polish energy system.

In the Customers & Solutions segment, we signed a 7-year PPA with Litgrid, the Lithuanian transmission system operator, under which Litgrid will purchase up to 160 GWh of renewable electricity annually at a fixed price of EUR 74.5/MWh. The PPA took effect in January 2026. Additionally, we signed a grant agreement of up to EUR 3.8 million under CEF funding to develop EV charging infrastructure in the Baltics. The actual funding amount will depend on the project scope and the eligibility assessment. Lastly, the expansion of our EV charging network across the Baltics remains on track, with a total of 1,799 (+708 since 31 December 2024) EV charging points now installed across Lithuania, Latvia and Estonia.

Sustainability

In 2025, we remained committed to building a resilient and responsible organisation. We continued to follow the highest ESG standards and uphold the principles of the UN Global Compact.

Our Green Share of Generation amounted to 70.2% and decreased by 11.3 pp YoY due to proportionally higher electricity generation using the natural-gas-fired units at Elektrėnai Complex (Reserve Capacities) in relation to the new services provided to the transmission system operator.

The new services provided by Elektrėnai Complex led to a 54.7% YoY increase in Scope

1 emissions. Scope 2 emissions decreased by 4.0% YoY and Scope 3 emissions increased by 4.4% YoY due to a higher share of natural gas attributed to Networks for distribution-related emissions. Our total emissions amounted to 4.49 million t CO₂-eq (+10.1% YoY).

The intensified electricity generation from natural gas at Elektrėnai Complex resulted in a 24.5% increase in the carbon intensity (Scope 1 & 2) indicator compared to 2024.

Our top priority remains occupational health and safety, and we are continuing our initiatives with the goal of educating our employees and contractors to prevent any related issues. No fatal accidents were recorded. Both our employee and contractor TRIRs were 0.72, well below the targeted threshold.

High employee net promoter score (65.6) highlights the successful implementation and maintenance of our holistic approach to employee wellbeing and the overall employee experience.

As a result of our continuous efforts, we were recognised for our leadership in corporate transparency and performance on climate change by securing a place on Climate A List, which includes the top 4% of companies scored by CDP, a global environmental non-profit.

Changes in governance

The last year was also marked with changes on the Group's corporate governance front. Based on the Majority Shareholder's expectations, a number of Supervisory Board members (from 7 to 9) was increased in order to form Supervisory Board committees from among its members.

Therefore, in October 2025, as the Supervisory Board's term approached the end, our General Meeting of Shareholders has elected a new Supervisory Board, comprising nine members – six independent members and three representatives of the Majority Shareholder – for a four-year term. Regarding its composition – 6/9 members, including the Chair, are independent and 7/9 were re-elected ensuring continuity. Further on, the new Supervisory Board elected its Chair, Alfonso Faubel, and formed the committees – the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Sustainability Committee.

Finally, after the reporting period, the Supervisory Board selected candidates for the Management Board, who are expected to take office on 26 March 2026. With four out of five members being re-elected, we expect to ensure continuity in the Group's strategy.

Looking ahead

Strong strategic performance reflects our purpose to create a 100% green and secure energy ecosystem for current and future generations. We remain focused on building a resilient energy landscape that accelerates the green transition and delivers lasting value for our customers, communities and shareholders.

Darius Maikštėnas

Chair of the Management Board and CEO

1.2 Business highlights

January

Green Capacities:

- Thierry Aelens, the CEO of Ignitis Renewables, has resigned from his position effective from 30 March 2025.

Networks:

- On 23 January 2025, our 10-year (2024–2033) Investment Plan for distribution networks, which we submitted to the regulator (NERC) for public consultation and coordination on 11 June 2024, has been aligned with the regulator (NERC) (link in Lithuanian). The plan foresees a 40% increase in Investments to EUR 3.5 billion. The previous 10-year investment plan submitted to NERC projected EUR 2.5 billion in Investments for 2022–2031.

Customers & Solutions:

- On 1 January 2025, the 10-year designated supply period, during which the Group's company UAB "Ignitis" ensured the delivery of LNG cargoes to the Klaipėda LNG terminal, expired. In total, 40 TWh of natural gas was delivered over the 10-year period. With the conclusion of this obligation, Lithuania's LNG market has transitioned to a fully commercial model.
- Ignitis ON has successfully launched its multi-country EV charging app, enabling drivers in Lithuania, Latvia and Estonia to conveniently locate and access all Ignitis ON charging stations through a single, user-friendly mobile platform.

Governance:

- For the fourth year in a row, we were awarded the international Top Employer 2025 Lithuania Certificate for applying the highest HR management standards (link in Lithuanian).

February

Green Capacities:

- On 5 February 2025, the joint balancing capacity market for the Baltic states began operations.

Governance:

- At the Nasdaq Baltic Awards 2025, we were recognised as the best investor relations company in Lithuania and the second best company in the Baltic states.

Business environment:

- On 9 February 2025, the Baltic states' electricity grids were successfully synchronised with the Continental Europe Synchronous area, marking the end of the BRELL agreement and the final disconnection from the Russian and Belarusian grids, thereby strengthening the Baltic states' energy security and system reliability.

March

Finance:

- Erste Group has initiated the coverage of Ignitis Group's stock.

Governance:

- The AGM held on 26 March passed a resolution, among others, on the allocation of dividends for H2 2024 (EUR 0.663 DPS, or EUR 48.0 million in total).

April

Green Capacities:

- Kelmė WF I (114.1 MW) in Lithuania has reached COD.

Reserve Capacities:

- We won a Polish capacity mechanism auction for ensuring 381 MW and 484 MW capacity availability in Q1 and Q4 2026 for approximately EUR 8.2 million and EUR 11.5 million respectively.

Green Capacities and Reserve Capacities:

- The regulator (NERC) passed a resolution which adopted the new mechanism for distributing additional profit earned. It applies to the new manual frequency restoration reserve (mFRR) services (until 31 December 2025), whose market was launched in 2025, provided by Kruonis PSHP and Kaunas HPP, as well as to the isolated system operation services (until 31 December 2026) provided by Elektrėnai Complex. The adopted new mechanism ensures that the additional profit earned in the Baltic states is shared with Lithuanian consumers.

Business environment:

- On 9 April 2025, the transmission system operators of Lithuania, Latvia and Germany – Litgrid, Augstsprieguma tīkls and 50Hertz – agreed on the concept of a hybrid offshore electricity interconnection project. The interconnector, expected to be completed by 2035–2037, would help ensure the energy security and enable the development of renewables in both the Baltic states and Germany.
- We signed a cooperation agreement with Lithuania's National Development Bank (ILTE) to promote innovation and expand financing opportunities for energy projects. ILTE offers more than EUR 900 million in financing for renewable energy investments across various sectors (link in Lithuanian).

May

Strategy:

- We announced our Strategic Plan 2025–2028.

Green Capacities:

- Varmė SF (94 MW) in Latvia supplied first power to the grid.

Finance:

- We concluded EUR 77.5 million long-term non-recourse project financing agreement with Swedbank to finance Varmė SF, Stelpe SF I and Stelpe SF II with a total capacity of 239 MW.

Governance:

- On 14 April 2025, we received a letter from the Majority Shareholder, along with the updated Description of the Guidelines on Corporate Governance for the State-Owned Group of Energy Companies. The letter outlined proposals to increase the number of Supervisory Board members (from 7 to 9), to form Supervisory Board committees from among its members, to make efforts to ensure that at least 1/3 of the members of the Supervisory Board continue to work in the newly elected body for the new term of office, and to update the Remuneration Policy. In response, a GM was held on 7 May, where decisions were made to approve the new version of the Articles of Association and the updated Remuneration Policy.

June

Green Capacities:

- Kelmė WF II (199.6 MW) in Lithuania has reached COD.
- We made Final Investment Decisions for Kelmė (147.4 MW), Kruonis (99.2 MW) and Mažeikiai (45.1 MW) BESS projects in Lithuania.

Customers & Solutions:

- We signed a 7-year PPA with Litgrid, the Lithuanian transmission system operator, under which Litgrid will purchase up to 160 GWh of renewable electricity annually at a fixed price of EUR 74.5/MWh, which took effect in January 2026.
- Ignitis ON signed a grant agreement of up to EUR 3.8 million under CEF funding for the development of EV charging infrastructure in the Baltics. The actual funding amount will depend on the project scope and the eligibility assessment.

Sustainability:

- We received validation from the Science Based Targets initiative of our near- and long-term greenhouse gas reduction targets. Our targets are in line with the SBTi's 1.5°C trajectory and mitigation pathways for reaching net zero by 2050 or sooner.

Finance:

- We concluded a EUR 60 million financing agreement with the European Bank for Reconstruction and Development (EBRD) to finance up to 600 EV fast charging stations across the Baltics by the end of 2027.

Governance:

- We are the first Baltic issuer recognised twice for excellence in investor relations at the IR Impact Awards Europe.

Business environment:

- In response to growing geopolitical threats and the importance of ensuring regional energy security, Lithuania, Latvia, Estonia and Poland signed a Memorandum of Cooperation on the Protection and Resilience of Energy Infrastructure in the Baltic Sea, with particular emphasis on subsea infrastructure.

July

Green Capacities:

- Varmė SF (94 MW) in Latvia has reached COD.
- Frank Oomen was appointed as the new CEO of Ignitis Renewables.

Governance:

- The Majority Shareholder announced the selection of six independent members for the new Supervisory Board term and, on 1 August 2025, notified that it had also initiated selection procedures for three civil servants.

August

Green Capacities:

- Stelpe SF I (72.5 MW) in Latvia has reached COD.
- Silesia WF II (136.8 MW) in Poland has reached COD.
- The Kelmė BESS (147.4 MW) and Kruonis BESS (99.2 MW) projects have been awarded EUR 12.6 million in state aid.

Reserve Capacities:

- A capital overhaul of Unit 7 at Elektrėnai Complex commenced, involving the disassembly and refurbishment of the turbine and transformer. The overhaul is scheduled for completion by mid-2026.

September

Green Capacities:

- Stelpe SF II (72.5 MW) in Latvia has reached COD.
- Polish solar portfolio (24 MW) in Poland has reached COD.
- In addition to its regular oversight activities, the Supervisory Board completed an independent assessment of the Curonian Nord offshore wind farm development in Lithuania. Independent experts from Wood Mackenzie were engaged to comprehensively assess the project's timeline, investment assumptions, and risk management practices against global and European offshore wind industry benchmarks. The assessment concluded that the multiple implementation scenarios adopted by the project team represent a robust approach aligned with industry standards, that the investments made to date are reasonable and below benchmark levels, and that the Group has a strong risk governance framework consistent with market practices.

Finance:

- S&P Global Ratings reaffirmed our 'BBB+' (stable outlook) credit rating.

Governance:

- A GM was held on 10 September 2025, where a decision, among others, on the allocation of profit for H1 2025 (EUR 0.683 DPS, or EUR 49.4 million in total), was made.

October

Green Capacities:

- We submitted a bid for the 700 MW Lithuanian offshore wind project with State support. However, as the tender required at least two participants and only one bid was submitted, the tender did not take place.
- We took over full control of the Curonian Nord offshore wind project in Lithuania after acquiring 49% stake from Ocean Winds.

Networks:

- The regulator NERC has adopted resolutions, setting 2026 RAB at EUR 1.9 billion (+EUR 0.1 billion), WACC (weighted average) – 5.74% (-0.05 pp), and additional tariff component – EUR 51.8 million (+38.1%).

Finance:

- We concluded a EUR 318 million long-term non-recourse project financing agreement with European Investment Bank, Swedbank, EBRD and Nordic Investment Bank for the 314 MW Kelmė WF.

Governance:

- On 7 October 2025, we marked the fifth anniversary of our IPO.
- GM has elected a new Supervisory Board, comprising nine members – six independent members and three representatives of the Majority Shareholder. The new Supervisory Board's members are: Alfonso Faubel, Aušra Vičkačkienė, Ingrida Muckutė, Lina Liubauskaitė, Lorraine Wrafter, Sian Lloyd Rees, Tim Brooks, Jutta Dissen and Judith Buss.
- On 31 October 2025, the new Supervisory Board elected its Chair – Alfonso Faubel. The following committees of the Supervisory Board were also formed from among its members: the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Sustainability Committee.

Business environment:

- On 1 October 2025, European day-ahead power markets have successfully moved from 60-minute to 15-minute trading intervals. The change will benefit flexible generators as well as batteries.
- Litgrid, the Lithuanian TSO, launched a public consultation to increase commercial transfer capacities with Poland from 150 MW to 350–500 MW, boosting cross-border electricity exchange.

November

Green Capacities:

- The National Audit Office, following a decision by the Parliament, prompted by its Commission for Energy and Sustainable Development, carried out a State audit review of Curonian Nord offshore wind project and provided three recommendations. Based on these recommendations, Ignitis Renewables, the project implementing company, will transfer the assets created, the work done and the obligations assumed in relation to the Curonian Nord project to its wholly-owned subsidiary Offshore Wind Farm 1, will revise the agreements concluded with the suppliers performing seabed surveys, and will conduct an analysis of internal and external factors affecting the project and will present the results to the stakeholders. All recommendations are already being implemented.

Business environment:

- Elering, AST and Litgrid, the transmission system operators of Estonia, Latvia, and Lithuania, have transitioned from trial to permanent synchronisation with the Continental Europe Synchronous Area, completing the Baltic synchronisation project that began in 2019. The TSOs now fully meet all technical requirements for permanent interconnection with Poland and have been officially integrated into the European continental electricity grid. This milestone enhances national energy security and grid reliability as well as EU electricity market integration. It follows years of infrastructure upgrades, close coordination with ENTSO-E, and support from the EU and the Polish TSO, PSE. It also represents a major step towards Baltic energy independence and resilience.

December



Green Capacities:

- In December, the transformer failure of the second unit of Kruonis PSHP occurred, limiting the total capacity of the plant from 900 MW to 675 MW. A detailed diagnosis is currently being carried out, after which possible scenarios for restoring the unit will be assessed. Despite the incident, the remaining three units are operating at full capacity and continue to provide services. According to preliminary estimates, the financial impact at the Group level is currently not significant, as under normal market conditions all four units operate simultaneously <1% of the time.

Green Capacities and Reserve Capacities:

- We upgraded a power plant control centre at Kruonis PSHP. The new control centre enables centralised and automated management of Kruonis PSHP, Kaunas HPP and Elektrėnai Complex, strengthens cybersecurity and operational reliability, enhances the Group's ability to provide frequency control and balancing services (link in [Lithuanian](#)).

Reserve Capacities:

- We won a Polish capacity mechanism quarterly auction for ensuring 148 MW capacity availability in 2030 for approximately EUR 14.7 million.
- A planned major overhaul of the CCGT unit was completed after intensive utilisation. High-load components were refurbished or replaced after reaching 24,000 Factored Fired Hours, in line with manufacturer's maintenance requirements. The overhaul ensures continued operational reliability, availability and readiness of the unit to support system flexibility.

Networks:

- We completed the mass smart meter roll-out with 1.3 million of smart meters installed.

Customers & Solutions:

- The Lithuanian Ministry of Energy has initiated a public consultation, and on 3 December 2025 the Government of the Republic of Lithuania adopted legislative amendments related to the proposed updates to the prosumer model regulation. The proposed amendments are expected to improve the loss-making prosumer supply activities. However, as the legislative process is still ongoing, the final scope, timeline, and impact of the proposed amendments may change. For additional information, see the 'Regulatory environment' part under section '2.4 Business environment' of this report.
- We successfully completed the first shipment of liquefied biomethane (Bio-LNG) through a virtual pipeline at Klaipėda LNG terminal. This was the first such agreement and operation, enabling the supply of liquefied biomethane to our clients using maritime transport (link in [Lithuanian](#)).
- A fast-charging hub with the ability to charge 20 EVs at once, including 14 fast and ultra-fast charging points, has been opened in Kaunas, Lithuania (link in [Lithuanian](#)).

Sustainability:

- We were included in the CDP Climate A List, among the top 4% of scored companies globally.

Governance:

- The Supervisory Board announced the initiation of a public selection process for the new Management Board as the term of the current Management Board is approaching its end.
- At the Polish Business Awards 2025, we were recognised for our contribution to the development of the renewable energy sector, in particular, for the commissioning of Silesia WF II (136.8 MW) in Opole Voivodeship, Poland. Along with Silesia WF I (50.0 MW), which was completed a year earlier, the projects now constitute one of the largest wind farm clusters in Poland, thus significantly strengthening the position of renewables in the country's energy mix (link in [Polish](#)).

Finance:

- As part of our commitment to support the communities living near Green Capacities projects, in 2025 we allocated around EUR 1 million as a financial support for local initiatives in Lithuania, Latvia and Poland.
- As part of the #EnergySmartSTART education programme to support the development of high-level engineering professionals and attract new talent to the energy sector, in 2025 we provided EUR 321 thousand for scholarships in Lithuania.

Business environment:

- From 2026, Litgrid and Svenska kraftnät will offer long-term financial hedging instruments between Lithuanian and Swedish SE4 bidding zones, allocating at least 10% of NordBalt capacity (~70 MW) to improve market liquidity and price risk management (link in [Lithuanian](#)).
- Following the synchronisation of the Baltic states' grids with the Continental Europe Synchronous Area, Litgrid plans to raise the LitPol Link's capacity by the end of 2026 to 365 MW (from 170 MW) for electricity export and 200 MW (from 150 MW) for import, thus enhancing cross-border trade, renewables' integration, and regional energy security.

After the reporting period

Green Capacities:

- As part of the asset rotation program under its strategy and to ensure proper implementation of the European Commission's decision related to the EUR 138 million support received, we reached an agreement with Quaero Capital to dispose a 49% stake in Vilnius CHP. Based on transaction valuation, 100% of Vilnius CHP equity is valued at EUR 244 million, 49 % – at EUR 120 million, representing 4.6x multiple over the Group's equity invested. The agreement is expected to be signed by the end of March 2026, after the decision at our Annual General Meeting of Shareholders on 25 March 2026, with the transaction closing planned in Q2 2026. An acquiror – Quaero Capital – is a Switzerland-based infrastructure fund with EUR 3.8 billion in AUM and a presence in the Baltic States.
- The Mažeikiai BESS (45.1 MW) project has been awarded EUR 2.2 million in state aid.

Customers & Solutions:

- We entered the B2C electricity supply market in Latvia (link in [Latvian](#)).

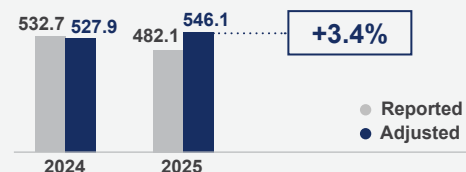
Governance:

- Supervisory Board selected candidates for the parent company's Management Board.
- We are the first in Lithuania to have our procurement and supply chain management independently assessed in accordance with ISO 20400 – sustainable procurement standard, showcasing our commitment to create value in a responsible manner across our supply chain.
- For the fifth year in a row, we were awarded the international Top Employer 2026 Lithuania Certificate for applying the highest HR management standards.

1.3 Performance highlights

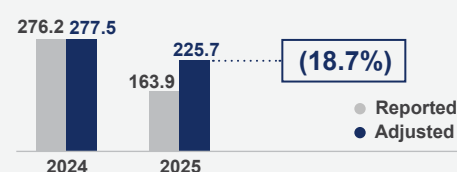
Financial

EBITDA ^{APM} EURm



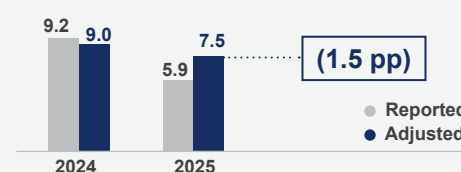
Adjusted EBITDA growth was influenced by better Networks' and Green Capacities' results, which was partly offset by a lower result in the Customers & Solutions segment.

Net profit EURm



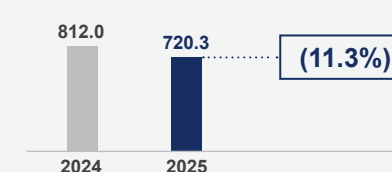
The decrease was primarily driven by lower results in Customers & Solutions segment, lower financial activity results as well as higher income tax expenses, which offset the Adjusted EBITDA growth.

ROCE ^{APM} %



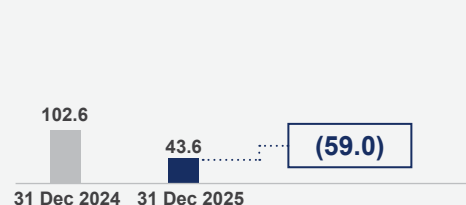
Adjusted ROCE decreased mainly due to the lower result of the Customers & Solutions segment.

Investments ^{APM} EURm



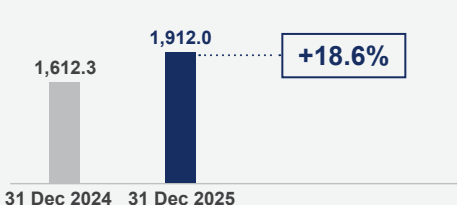
We continued to invest heavily in Networks and Green Capacities – 53.1% of the total Investments were made in the Networks segment and 39.7% in the Green Capacities segment. However, due to several projects reaching the COD, Investments into Green Capacities decreased by EUR 148.6 million. This decrease has offset the EUR 45.5 million increase in the Networks Investments.

Net Working Capital ^{APM} EURm



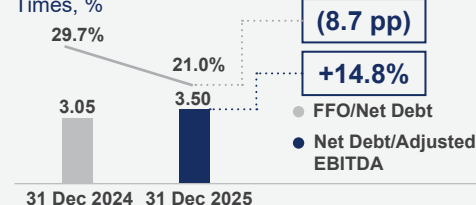
The main drivers behind the decrease in Net Working Capital were higher advance payment received from a client for a natural gas supply agreement (Customers & Solutions), lower trade receivables (primarily Customers & Solutions) and higher temporary regulatory liabilities related to new services provided (Green Capacities – Kruonis PSHP; Reserve Capacities – Elektrėnai Complex). The decrease was partly offset by lower trade payables (Customers & Solutions).

Net Debt ^{APM} EURm



Net Debt increase was driven by negative FCF and dividends paid. FCF was negative as the Investments outweighed the Adjusted EBITDA.

Net Debt/Adjusted EBITDA FFO/Net Debt ^{APM} Times, %



The FFO/Net Debt ratio decreased as FFO decreased and Net Debt increased.

Results comparison with the outlook for 2025

Adjusted EBITDA ^{APM}, EURm

Guidance 2025 (26 Feb 2025)	500–540
Guidance 2025 (14 May 2025)	500–540
Guidance 2025 (13 Aug 2025)	500–540
Guidance 2025 (12 Nov 2025)	510–540
Realised 2025	546.1

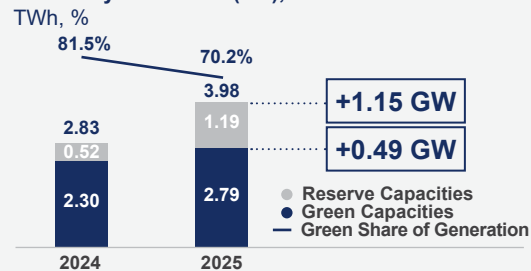
Investments ^{APM}, EURm

Guidance 2025 (26 Feb 2025)	700–900
Guidance 2025 (14 May 2025)	700–900
Guidance 2025 (13 Aug 2025)	700–900
Guidance 2025 (12 Nov 2025)	700–800
Realised 2025	720.3

Adjusted EBITDA amounted to EUR 546.1 million and exceeded the upper end of our full-year guidance range of EUR 510–540 million. Investments amounted to EUR 720.3 million, within our full-year guidance range of EUR 700–800 million. More detailed ¹⁴ / 451 information is provided in section '3.1 Annual results'.

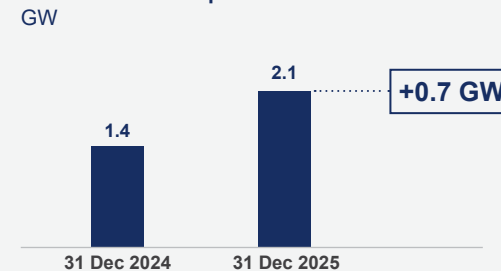
ESG

Electricity Generated (net), Green Share of Generation



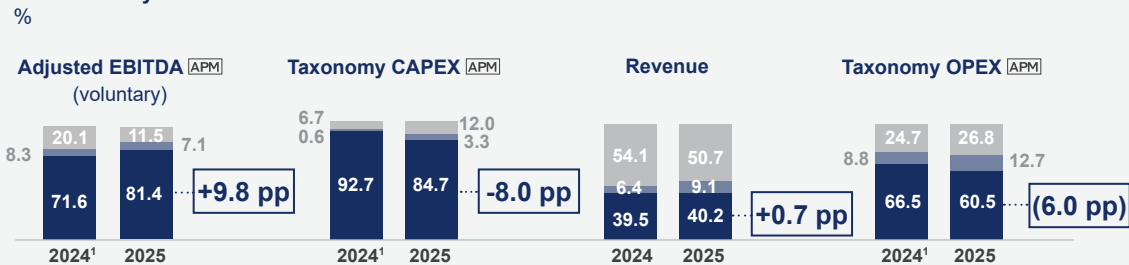
A 1.15 TWh (40.6%) increase in Electricity Generated (net) was driven by the generation at Elektrėnai Complex (Reserve Capacities) in relation to the new services provided. Additionally, the growth was supported by new assets (Green Capacities), mainly by Kelmė WF, Silesia WF II. The Green Share of Generation decreased by 11.3 pp to 70.2%, due to proportionally higher electricity generation at Elektrėnai Complex.

Installed Green Capacities



In 2025, Installed Green Capacities increased by 0.7 GW to 2.1 GW (from 1.4 GW) as six projects reached CODs. The completed projects include Kelmė WF (313.7 MW), the largest onshore wind farm in the Baltics, Silesia WF II (136.8 MW), one of the largest onshore wind farms in Poland, and the largest solar farm cluster in Latvia, comprising Varmė SF (94 MW), Stelpe SF I (72.5 MW) and Stelpe SF II (72.5 MW).

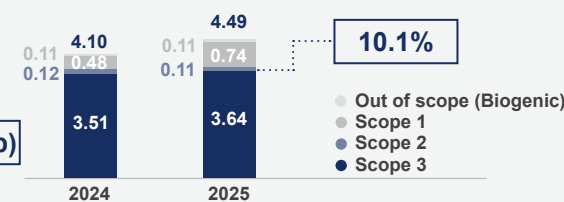
EU Taxonomy KPIs



In 2025, an increase was observed in the share of Adjusted EBITDA (+9.8 pp) and revenue (+0.7 pp) related to activities aligned with EU Taxonomy Regulation, whereas the share of Taxonomy CAPEX (-8.0 pp) and Taxonomy OPEX (-6.0 pp) have decreased compared to the previous year.

Climate action

GHG emissions, million t CO₂-eq

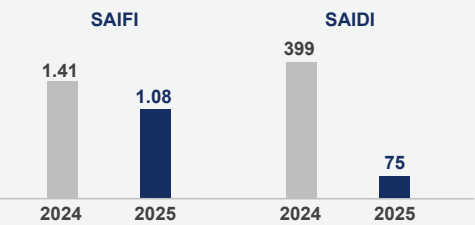


Scope 1 emissions increased by 54.7% due to ancillary services provided at Elektrėnai Complex, which raised the natural gas consumption. Scope 2 emissions decreased by 4.0%, mainly driven by the lower emissions related to electricity losses. Scope 3 emissions increased by 4.4% due to higher natural gas use at Elektrėnai Complex, and a higher share of natural gas related emissions attributed to Networks distribution activities.

¹ These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Adjusted EBITDA (Taxonomy aligned – 72.0%, Taxonomy-eligible (not aligned) – 8.0%); Taxonomy CAPEX (Taxonomy aligned – 92.0%, Taxonomy-eligible (not aligned) – 0.7%); Taxonomy OPEX (Taxonomy-aligned – 66.7%, Taxonomy-eligible (not aligned) – 8.0%)). For more information, see Note 4 on section '7.3 Notes on restated figures' of this report.

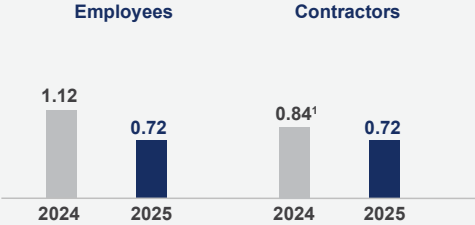
ESG (cont.)

Network quality (electricity)
SAIFI, times/SAIDI, min



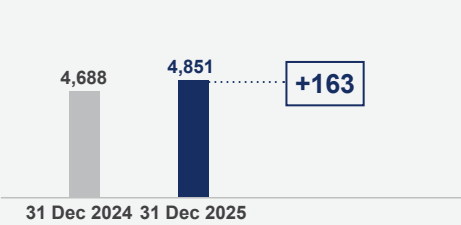
Electricity quality indicators significantly improved YoY due to the implementation of various measures, such as removal of hazardous trees, power line cabling and higher number of installed automatic solutions, as well as more favourable weather conditions in 2025.

Safety
TRIR



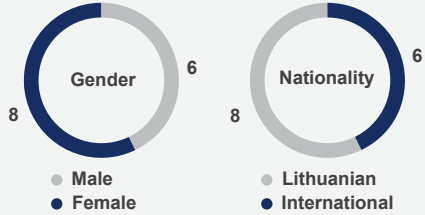
Employee TRIR and contractor TRIR improved YoY as the number of employee safety incidents decreased from 9 to 6 and contractor safety incidents decreased from 9 to 7. No fatal accidents were recorded in 2025, nor in 2024.

Number of employees
Headcount



The Group's headcount increased by 163 (3.5%). The employee growth was driven by the Green Capacities segment.

Supervisory and Management Boards
Nationality and gender diversity



As of 31 December 2025, the main governing bodies of the Group were represented by 57% female, 43% male, 43% of whom are international members.

¹ Part of the total hours worked for contracts below 0.5 EURm/year may not be included in contractor TRIR calculations, while all recordable incidents are included.

1.4 Outlook

Adjusted EBITDA guidance

For 2026, we expect our Adjusted EBITDA to be in the range of EUR 550–600 million. We anticipate growth in Networks and Customers & Solutions, while Green Capacities and Reserve Capacities are expected to remain stable compared to 2025.

Green Capacities – stable

The result is expected to increase driven by full-year effect of new assets commissioned in 2025. However, it should be offset by lower captured electricity prices.

Networks – higher

Increase driven by higher RAB due to continued Investments into electricity distribution network.

Reserve Capacities – stable

Adjusted EBITDA for Reserve Capacities segment is expected to remain stable.

Customers & Solutions – higher

The result is expected to increase due to potential lower loss from prosumers under the current net-metering scheme, given the proposed regulatory change.

Investments guidance

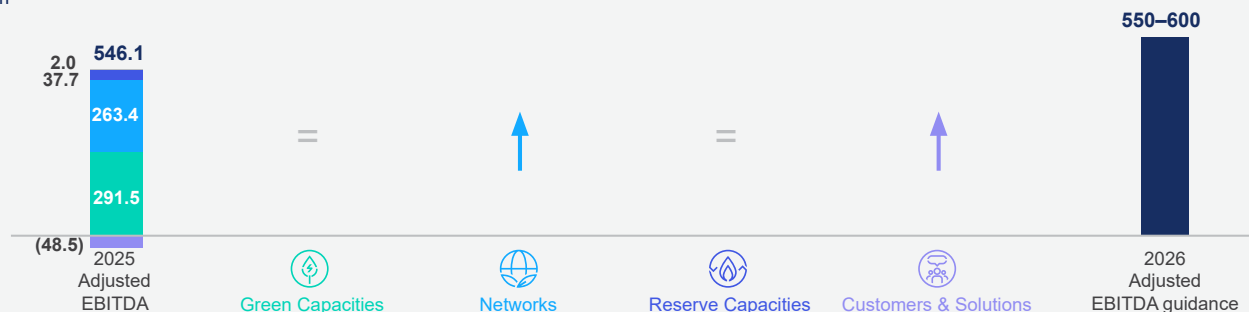
Our Investments for 2026 are expected to amount in the range of EUR 590–690 million, mainly driven by:

- Networks due to continued expansion and maintenance of electricity network;
- Green Capacities with majority of the Investments to be allocated to BESS and Krūonis PSHP expansion project.

Forward-looking statements

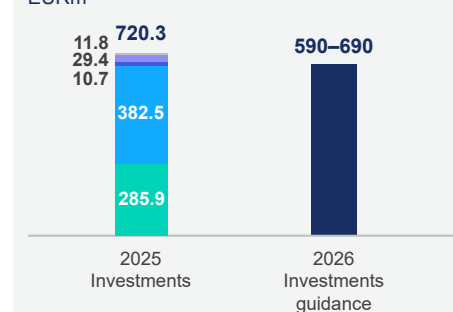
As this report contains forward-looking statements, see section '7.10 Legal notice' for further details.

Adjusted EBITDA ^[APM] guidance for 2026
EURm¹



¹ Adjusted EBITDA indication for the Group is the prevailing guidance, whereas directional effect per business segment serves as a mean to support it. Higher/stable/lower indicates the direction of the business segment's expected change in 2026 relative to the actual results for 2025.

Investments ^[APM] guidance for 2026
EURm



1.5 Sustainability highlights

Since 2024, Group's Sustainability Statement fully applies and complies with the Corporate Sustainability Reporting Directive (CSRD). The Group follows CSRD requirements to disclose its sustainability information with a comprehensive approach, encompassing all levels and functions, to integrate key sustainability principles throughout the Group.

We provide details of all targets, initiatives and achievements across the Group in section '6. Sustainability statement' of this report. Our Sustainability statement has been accompanied by a limited assurance from KPMG.

Group's sustainability reporting timeline

2020	2021	2022	2023	2024
First Sustainability report: the Group published its first Sustainability report prepared in accordance with GRI, setting a foundation for transparency and sustainable practices.	First materiality assessment: the Group conducted its first materiality assessment to identify and prioritise the most significant environmental, social, and governance (ESG) issues that impact our business and stakeholders.	Alignment with EU Taxonomy: the Group aligned its sustainability reporting and practices with the EU Taxonomy for sustainable activities.	The Group introduced a voluntary limited assurance on the selected sustainability indicators in the Sustainability report.	For the first time, the Sustainability Statement fully adheres to and complies with the Corporate Sustainability Reporting Directive (CSRD), with a limited assurance provided by KPMG.

ESG ratings and rankings

	ISS ESG	MSCI	SUSTAINALYTICS	CDP Climate	ecovadis
Rank compared to utility peers	2 nd decile	Top 23% ¹	Top 20%	Top 4%	Top 15% ⁵
	56.12 B- (Prime) <i>Last rating change in April 2025</i>	7.3² AA (Leader) <i>Last rating change in August 2024</i>	24.2 (Medium risk) <i>Last rating change in May 2025</i>	A (Leadership) <i>Last rating change in December 2025</i>	77 (Advanced) <i>Last rating change in November 2025</i>
Utilities average	n/a	A ^{1,3}	32.4 ³	B ⁴	n/a
Rating scale (worst to best)	D- to A+	CCC to AAA	100 to 0	D- to A	0 to 100

¹ MSCI utilities rank and average based on utilities included in the MSCI ACWI index. ² MSCI Industry-Adjusted Score. ³ Based on publicly available data. ⁴ In energy utility networks activity group. ⁵ In electricity, gas, steam and air conditioning supply industry.

1.6 Investor information

Overview

In 2025, the Group's ordinary registered shares (ORS) and global depository receipts (GDR) have generated a total shareholder return (TSR) of 14.5% and 19.8% respectively. During the same period, the TSR of our benchmark index (Euro Stoxx Utilities) equalled to 38.4%.

In 2025, the total (ORS and GDR) turnover was EUR 114.71 million (EUR 103.27 million on Nasdaq Vilnius and EUR 11.44 million on London Stock Exchange, LSE), up from EUR 80.31 million in 2024, whereas the average daily turnover totalled to EUR 0.46 million (EUR 0.41 million on Nasdaq Vilnius and EUR 0.04 million on LSE), up from EUR 0.32 million in 2024.

At the end of the reporting period, the Group's market capitalisation was EUR 1.5 billion.

Currently, the Group is covered by 5 equity research analysts. Their recommendations and target prices are available on our [website](#).

The Group's securities are included in the MSCI Frontier Markets 100 Index (since 30 November 2020), the Nasdaq OMX Baltic Benchmark Index (since 4 January 2021), OMX Baltic 10 (since 1 July 2021) and MSCI Baltic States IMI index (since Q3 2023).

Price development in 2025, EUR¹



Price change	TSR
31.6%	38.4%
12.2%	19.8%
7.4%	14.5%

Shareholder return KPIs²

	2025	2024	Δ	Δ, %
Dividends declared, EURm	98.9	96.0	2.9	3.0%
Basic EPS APM , EUR	2.26	3.82	(1.56)	(40.8%)
P/E (year-end), times	9.26	5.14	-	80.2%
DPS APM , EUR	1.37	1.33	0.04	3.0%
Dividend Pay-out APM , %	60.3	34.8	25.6 pp	-
Dividend Yield ³ APM , %				
For ORS owners	6.4	6.8	(0.3 pp)	-
For GDR owners	6.2	7.0	(0.8 pp)	-

¹ Indexed at 100.

² The data provided is based on the dividends distributed or to be distributed for a specified period. A dividend of EUR 1.366 per share for 2025 comprises of a dividend of EUR 0.683 paid for H1 2025 and a proposed dividend of EUR 0.683 for H2 2025, which is subject to the decision of our Annual General Meeting of Shareholders to be held on 25 March 2026.

³ Dividend yield is calculated by dividing DPS by the year end price of the ordinary registered share or GDR for the respective period: (i) dividend yield for ordinary registered shares holders is calculated using the EUR 19.58 and EUR 21.20 year end closing prices for 2024 and 2025 respectively; (ii) dividend yield for GDR holders is calculated using the EUR 19.00 and EUR 22.00 year end prices for 2024 and 2025 respectively.

Share capital

The parent company's share capital is divided into 72,388,960 ORS registered in Lithuania. They are all the same class of shares, each entitled to equal voting and dividend rights – specifically, one vote at the General Meeting and equal dividend. During the reporting period, there were no changes in the parent company's share capital. In 2025, the parent company, its subsidiaries or persons acting on their behalf did not hold or acquire any shares of the parent company.

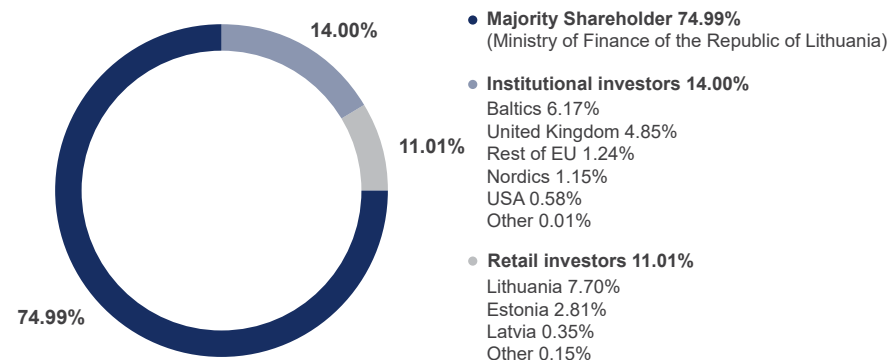
The Republic of Lithuania (the authority implementing the shareholder's rights – the Ministry of Finance of the Republic of Lithuania, the Majority Shareholder) owns 74.99% of the parent company's share capital, with the remaining being held by institutional (14.00%) and retail investors (11.01%) (2024 year-end: 15.06% and 9.95%, respectively). There are no other parties holding more than 5% of the parent company's share capital.

The composition of the parent company's shareholder structure by type and geography is provided below.

Shareholder composition

At the end of 2025, the Group had 28,564 shareholders. Over the last year, our investor base increased by 13.73% compared to the end of 2024 (25,116 shareholders) and more than quadrupled compared to the IPO in 7 October 2020 (6,901 shareholders), mostly due to the growing number of retail investors.

Shareholder composition (at the end of the reporting period)



Performance information in 2025

	Nasdaq Vilnius	LSE	Combined
Period opening ¹ , EUR	19.74	19.60	-
Period high ¹ (date), EUR	22.35 (17 Feb)	22.20 (17 Feb)	22.35
Period low ¹ (date), EUR	19.74 (2 Jan)	19.60 (2 Jan)	19.60
Period VWAP ² , EUR	20.84	20.77	20.81
Period closing ¹ , EUR	21.20	22.00	-
Period turnover (average daily) ³ , EURm	103.27 (0.41)	11.44 (0.04)	114.71 (0.46)
Market capitalisation, year-end ¹ , EURbn	-	-	1.5

¹ Trading day closing price.

² VWAP – volume-weighted average price.

³ In 2024, the total (ORS and GDRs) turnover was EUR 80.31 million (EUR 60.12 million on Nasdaq Vilnius exchange and EUR 20.18 million on LSE), whereas the average daily turnover totalled to EUR 0.32 million (EUR 0.24 million on Nasdaq Vilnius exchange and EUR 0.08 million on LSE).

Parameters of the equity securities

	Nasdaq Vilnius	LSE	Combined
Type	Ordinary registered shares (ORS)	Global Depositary Receipts (GDR)	-
ISIN-code	LT0000115768	Reg S: US66981G2075 Rule 144A: US66981G1085	-
Ticker	IGN1L	IGN	-
Nominal value, EUR	-	-	22.33 per share
Number of shares (share class)	-	-	72,388,960 (one share class)
Number of treasury shares (%)	-	-	-
Free float, shares (%)	-	-	18,105,203 (25.01%)
ORS vs GDRs split	77.37%	22.63%	100%

The Group's securities are constituents of the below indices

Benchmark index	Benchmark index	Benchmark index	Tradable index
MSCI Frontier Markets 100 Index	MSCI Baltic States IMI index	OMX Baltic Benchmark	OMX Baltic 10
MSCI 	MSCI 		

General Meeting

In 2025, four General Meetings were held, where decisions were made on dividend distribution, election of new members of the Supervisory Board for a new term, approval of a new version of Articles of Association and other items on the agenda. Our next Annual General Meeting will be held on 25 March 2026. Further details, including the shareholders' rights, are available in section '4 Governance' of this report and on our [website](#).

Dividends

Since the Group's IPO, we distribute our profits in line with our [Dividend Policy](#). It is based on a fixed starting level of EUR 85 million distributed for 2020 and a minimum growth rate of at least 3% for each subsequent financial year.

In terms of return to shareholders, we remain committed to our Dividend Policy. We propose to distribute a total dividend of EUR 1.366 per share (+3.0% YoY), amounting to EUR 98.9 million for 2025. Based on year-end closing prices, it represents a 6.2–6.4% yield for global depositary receipt holders and ordinary registered shareholders. The total dividend of EUR 1.366 per share consists of the EUR 0.683 dividend paid for H1 2025 and a proposed EUR 0.683 dividend for H2 2025, which is subject to the decision at our Annual General Meeting of Shareholders on 25 March 2026.

Credit rating

On 19 September 2025, after annual review, a credit rating agency S&P Global Ratings [reaffirmed](#) 'BBB+' (stable outlook) credit rating of the Group. Further information on our credit rating, including the credit rating reports, is available on our [website](#).

Investor relations

We are committed to maintaining the highest standards of transparency and accountability in our shareholder communication. We engage with the market on an ongoing basis, through quarterly and ad hoc earning calls, non-deal roadshows, conferences and other types of meetings. All interactions with investors and other stakeholders are conducted in line with disclosure requirements, with appropriate restrictions applied for any non-public information.

Extensive investor-related information is available on the Group's website under section '[Investors](#)', including annual and interim reports, presentations, the investor calendar, analyst recommendations and other relevant data for our stakeholders.

Further details on the parent company's ORSs, GDRs and bonds are provided in section '7.1 Further investor related information' of this report.

Financial calendar 2026

25 March 2026	Annual General Meeting
7 April 2026	Expected Ex-Dividend Date (for ordinary registered shares)
8 April 2026	Expected Dividend Record Date (for ordinary registered shares)
13 May 2026	First three months 2026 interim report
12 August 2026	First six months 2026 interim report
9 September 2026	Potential Extraordinary General Meeting (regarding the potential allocation of dividends for the six-month period ended on 30 June 2026)
22 September 2026	Expected Ex-Dividend Date (for ordinary registered shares)
23 September 2026	Expected Dividend Record Date (for ordinary registered shares)
11 November 2026	First nine months 2026 interim report

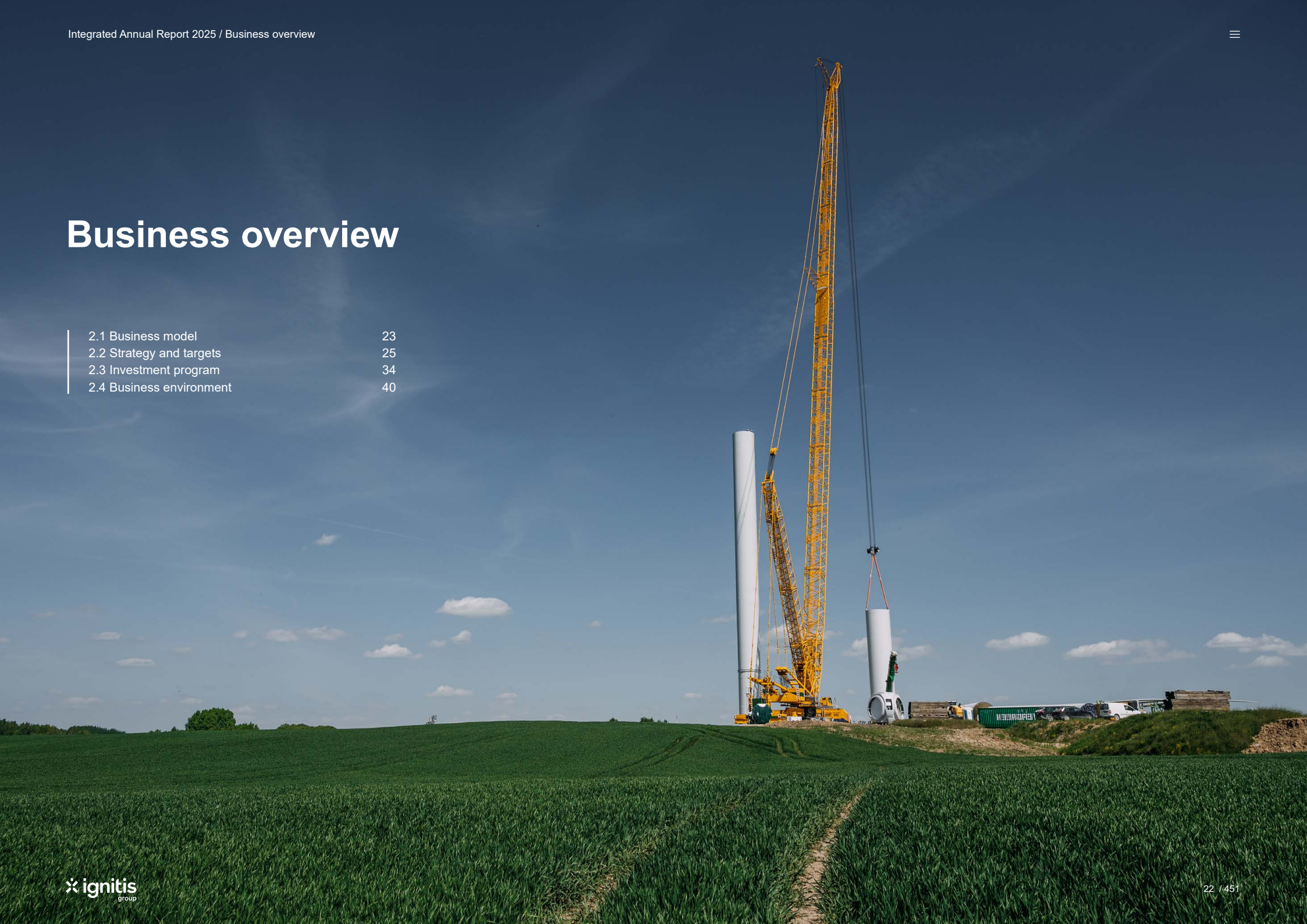
Financial calendar is available on our [website](#) and is immediately updated if there are any changes.

Selected relevant information

[Investor relations webpage](#)
[Dividend](#)
[General Meeting](#)
[Bonds](#)
[Credit ratings](#)
[Financial calendar](#)

Business overview

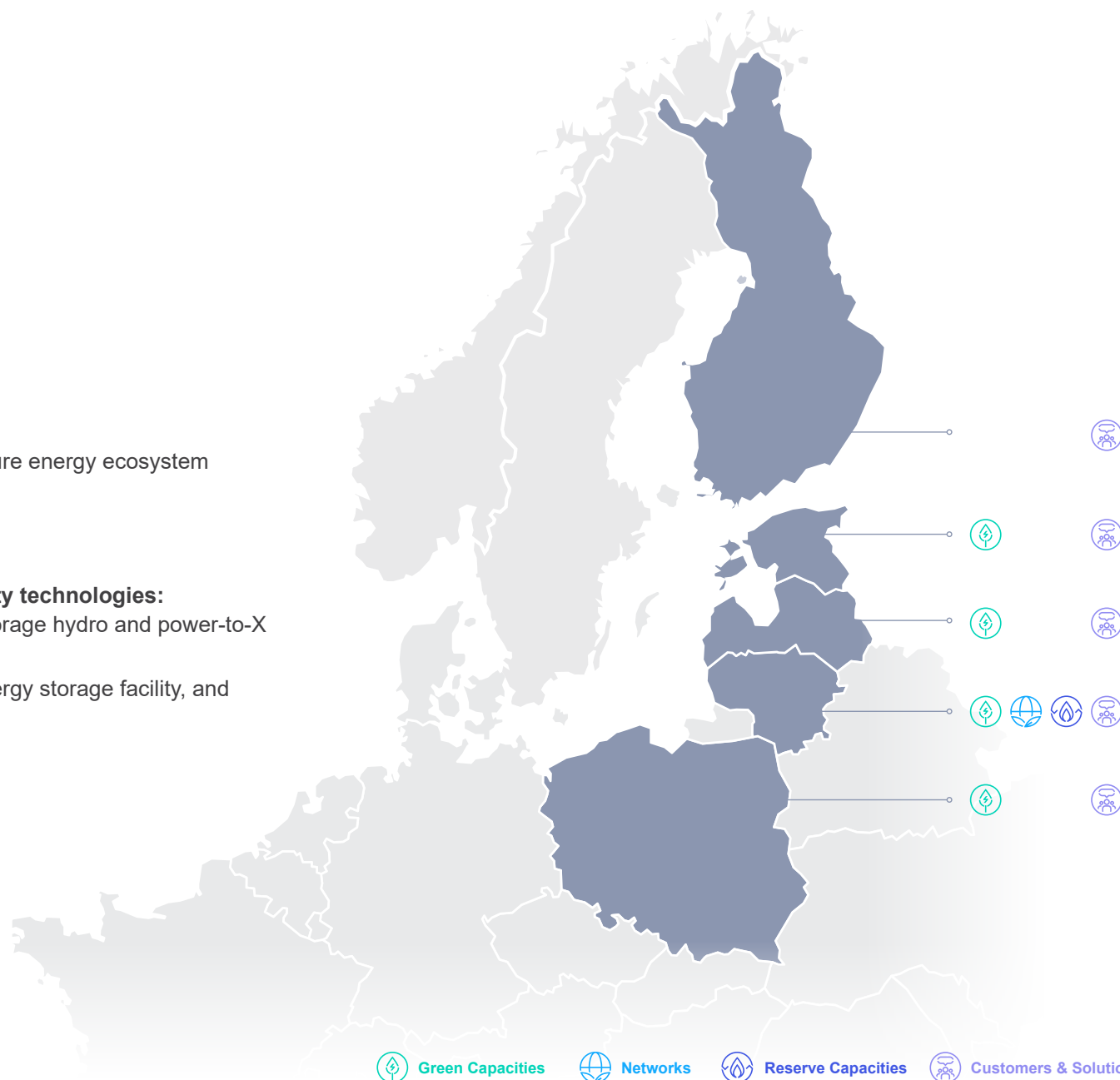
2.1 Business model	23
2.2 Strategy and targets	25
2.3 Investment program	34
2.4 Business environment	40



2.1 Business model

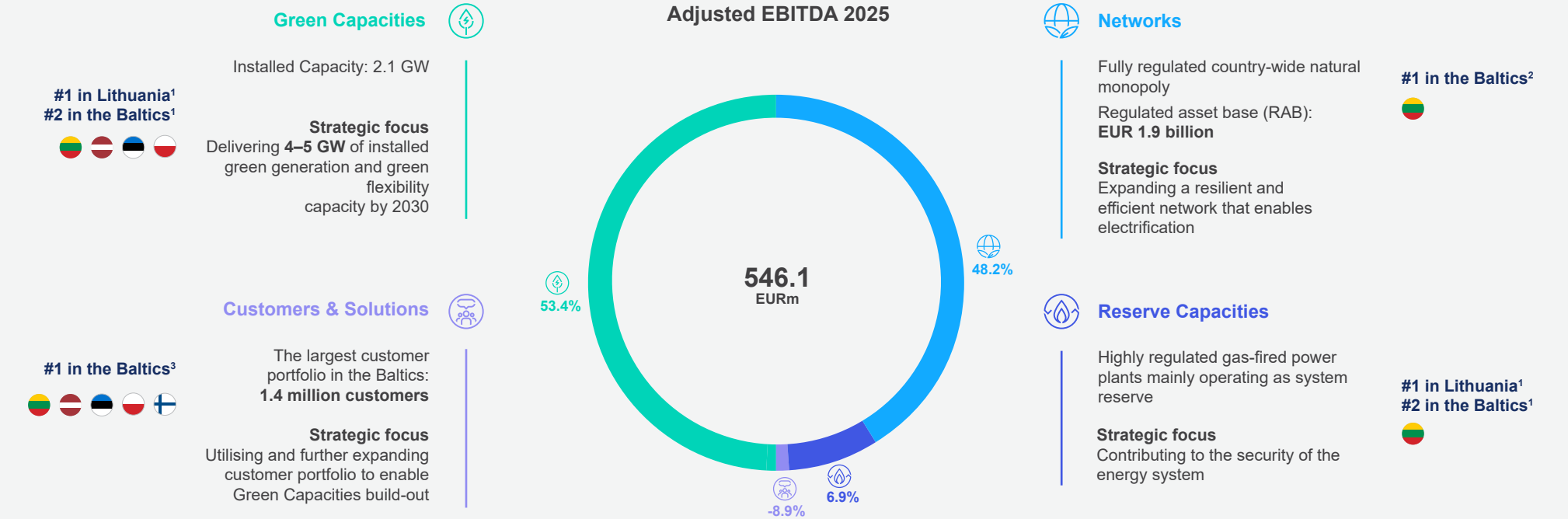
Ignitis Group

- **Renewables-focused integrated utility**
- **Our purpose** is to create a 100% green and secure energy ecosystem for current and future generations
- **4–5 GW** of installed Green Capacities by 2030
- **Net zero** emissions by 2040–2050
- **Focus on green generation and green flexibility technologies:** onshore and offshore wind, batteries, pumped-storage hydro and power-to-X
- **Integrated business model:** benefiting from the largest customer portfolio, energy storage facility, and network in the Baltics
- Active in the **Baltic states, Poland and Finland**



Integrated business model

We are utilising integrated business model to maximise potential



¹ Based on Installed Capacity.
² Based on the network size and the number of customers.
³ Based on the number of customers.
Note: data as of 31 December 2025, except for the Networks RAB amount, which is provided for 2025, as approved by the regulator (NERC). Other activities and eliminations include 0.4% of Adjusted EBITDA.

2.2 Strategy and targets

In 2023, we updated our [Strategy](#). As a renewables-focused integrated utility, Ignitis Group is committed to a greener future. We invest to deliver 4–5 GW of installed Green Capacities by 2030 and reach net zero emissions by 2040–2050, thus strengthening our contribution to Europe's decarbonisation and energy security in the region.

We are utilising our integrated business model to enable the Green Capacities build-out. We are expanding our green generation technologies with a focus on onshore and offshore wind. We are also developing green flexibility technologies: battery storage, hydro pumped-storage and power-to-x technologies – with green hydrogen holding a significant potential of contributing towards net zero.

Together we innovate, grow and act with a purpose to create a 100% green and secure energy ecosystem for current and future generations.

This commitment is driven by the urgent need to address the climate change and the EU's response to it through proposed targets. Energy transition trends showcase a shift towards renewable energy, while grids play a crucial role as the key enabler of the green transition.

**Our purpose is to
create a 100%
green and secure
energy ecosystem
for current and future
generations**

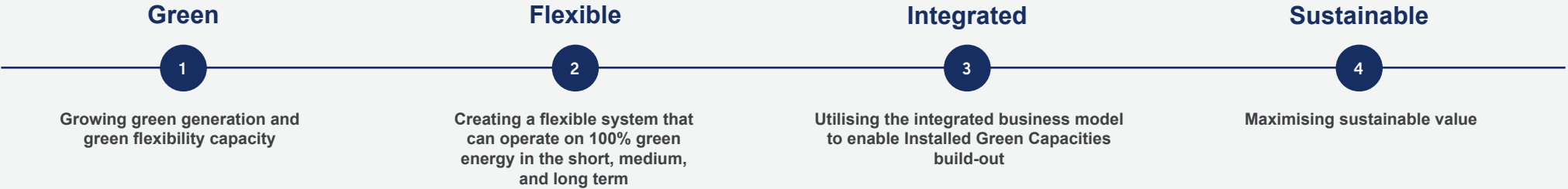
We fulfil our purpose by leading the regional transition into a climate-neutral, secure and independent energy ecosystem and contributing to Europe's decarbonisation by facilitating renewable energy flows from Northern to Central Europe (incl. Germany).

By leading the regional transition in Lithuania and the Baltics, we strive to become one of the first 100% green energy systems in Europe.

By energy ecosystem we mean the combination of the multiple interdependent parties involved in the generation, consumption, transformation and transportation of clean energy (including industry, transport and heating).



Purpose-driven priorities



- **Pumped-storage hydro:** 1.0 GW in 2026
- **Batteries:** commercial-scale by 2027
- **Power-to-X:** successful pilot project, paving the way for commercial scale

- Leveraging strong position in the Baltics:**
- The largest customer portfolio
 - The largest energy storage facility
 - The largest network

- Net zero by 2040–2050**
ESG leadership and Investments aligned with the EU Taxonomy
- ≥3% annual dividend growth**

Strategic focus and our targets for 2025–2028

Our strategic targets are defined based on our purpose-driven priorities to ensure our strategy execution. The Group reviews its strategy and updates its strategic plan every year for the next 4-year period. The latest Group's strategic plan is published on our [website](#). Additionally, incentive-based short-term (annual) and long-term targets (for a strategic 4-year period) as well as an overview of their achievement are provided in more detail in section '5 Remuneration' of this report and on our [website](#).



Green Capacities

Strategic priorities

Delivering 4–5 GW of installed green generation and green flexibility capacity by 2030. Our focus is on onshore and offshore wind farms, batteries, pumped-storage hydro and power-to-X.

Focus market: The Baltic states and Poland. We are also exploring new opportunities in other EU markets undergoing energy transition



Networks

Strategic priorities

1. Resilient and efficient electricity distribution
2. Electricity network expansion and facilitation of the energy market
3. End-to-end customer experience

Focus market: Lithuania



Customers & Solutions

Strategic priorities

1. Utilising and further expanding our customer portfolio to enable the Green Capacities build-out
2. Building a leading EV charging network in the Baltics
3. Contributing to the transition away from fossil fuels

Home market: The Baltic states, Poland and Finland



Reserve Capacities

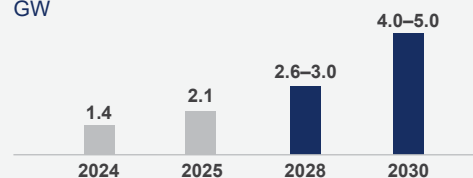
Strategic priorities

Contributing to the security of the energy system

Focus market: Lithuania

We are growing Green Capacities with a focus on technologies that can deliver a 100% green and secure energy ecosystem

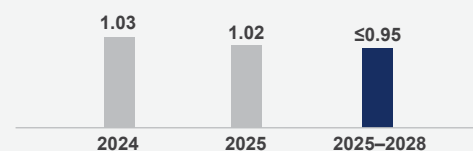
Installed Capacity GW



We expect to reach 2.6–3.0 GW of installed green generation and green flexibility capacity by 2028 and 4–5 GW by 2030.

We are expanding and maintaining a resilient electricity network to enable green electrification

Electricity SAIFI¹ Interruptions per customer



We invest into electricity network expansion and maintenance to ensure its resilience and enable green electrification by targeting to decrease the SAIFI indicator to an average of ≤ 0.95 interruptions per customer over the 2025–2028 period, improving the network automation to have ~72% of consumers connected to automatically controlled power lines by 2028.

We are utilising and further expanding our customer portfolio to enable the Green Capacities build-out

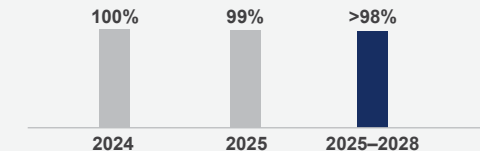
Electricity supply portfolio TWh



We are utilising and further expanding our customer portfolio to enable the Green Capacities build-out through internal power purchase agreements (PPAs). We aim to increase the electricity sales volumes to around 9.0–11.0 TWh by 2028 (implying a 7.7–13.2% CAGR for 2024–2028) and speed up the transition from natural gas to power.

We are utilising our reserve capacities to ensure the reliability and security of the power system

Reserved Capacities² Availability, %



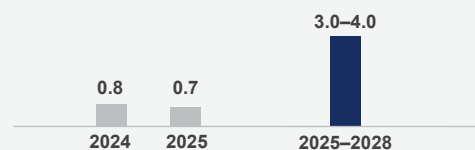
We are targeting to retain high availability of the reserve capacities (Elektrėnai Complex), or >98% over the 2025–2028 period, to ensure reliability and security of the power system. Available assets of Elektrėnai Complex include the CCGT and Units 7&8.

¹ Indicators are calculated in accordance with the provisions of the Description of the Indicators of Electricity Distribution Reliability and Service Quality approved by the National Energy Regulatory Council (NERC) for the regulatory period (established on the basis of Resolution No. O3E–79 of the National Energy Regulatory Council of January 26). The SAIFI targets are determined by NERC based on the level of interruptions and the methodology in force. The methodology excludes the following cases from SAIFI calculations: (1) outages caused by catastrophic natural, meteorological and hydrological phenomena, including wind speed >28 m/s (such interruptions are eliminated at the country level (not regionally)); (2) outages caused by faults in the transmission system operator's network. ² Average availability of Elektrėnai Complex, excluding scheduled repairs.

Financial targets

Investments with a focus on Green Capacities and Networks

Investments EURbn



We aim to invest EUR 3.0–4.0 billion over 2025–2028 period, and ≥85–90%¹ of it will be share of Investments aligned with the EU Taxonomy. The major portion of that will be allocated to Green Capacities expansion (1.7–2.4 EURbn) and Networks expansion and maintenance (1.2–1.3 EURbn).

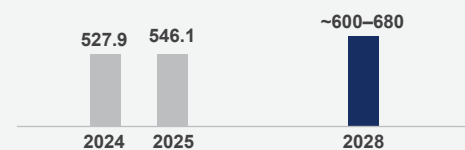
Target returns, mainly driven by Green Capacities and Networks

Target returns

≥ 100 bps
above WACC in commercial/
non-regulated activities

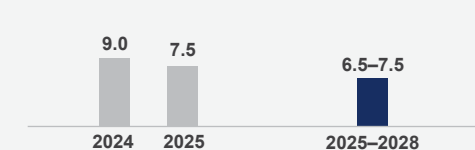
≥ WACC
in regulated activities

Adjusted EBITDA EURm



Adjusted EBITDA is expected to reach EUR 600–680 million in 2028 or grow up to 7% CAGR compared to 2024. The growth will be mainly driven by the Green Capacities and Networks.

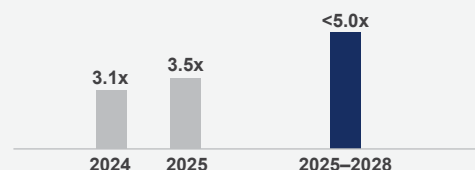
Adjusted ROCE %



Average Adjusted ROCE during 2025–2028 is expected to be around 6.5–7.5%.

Commitment to a solid investment-grade credit rating

Net Debt / Adjusted EBITDA ^[APM] Times



Net Debt/Adjusted EBITDA is expected to be below 5x over the 2025–2028 period.

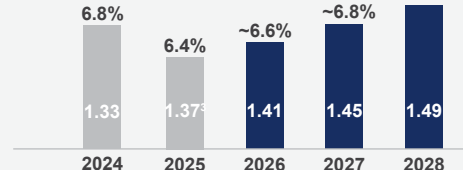
Credit rating S&P



In 2025, S&P Global Ratings, after performing annual review of the Group's credit rating, reaffirmed 'BBB+' (stable outlook). We are committed to a solid investment-grade rating. We expect to maintain 'BBB' or a better rating over the 2025–2028 period.

Growing dividends

Minimum DPS and dividend yield² ^[APM] EUR/%



We are committed to increase dividends to shareholders at a minimum 3% annual rate. The starting dividend level for 2020 was set at EUR 85 million with EUR 96.0 million declared for 2024 and EUR 98.9 million for 2025. Implied dividend yield for 2026–2028: ~6.6–7.0%².

¹ Share of Investments to be directed to the maintenance or expansion of the EU Taxonomy-aligned activities. There are differences in methodologies used to calculate Investments and actual Taxonomy CAPEX KPI. ² Minimum DPS is calculated based on the number of ordinary registered shares (ticker: IGN1L), totalling 72,388,960 as of 31 March 2025. The implied annual dividend yield over 2026–2028 period is based on the Ignitis Group's ordinary registered share (ticker: IGN1L) closing price of EUR 21.25 as of 31 March 2025.

³ The total dividend of EUR 1.366 per share consists of the EUR 0.683 dividend paid for H1 2025 and a proposed EUR 0.683 dividend for H2 2025, which is subject to the decision at our Annual General Meeting of Shareholders on 25 March 2026.

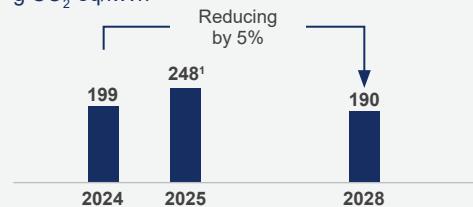
ESG priorities and targets

ENVIRONMENTAL



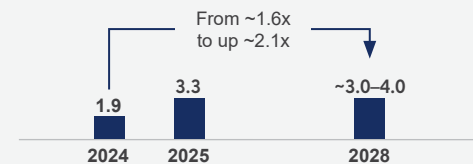
Decarbonisation pathway aligned with our business ambitions

Reducing the carbon intensity of scope 1 & 2 GHG emissions, g CO₂-eq/kWh



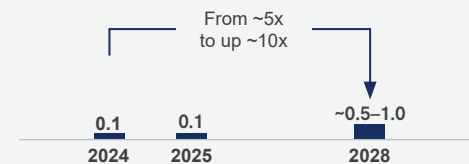
Growing green generation and green flexibility capacity installed and increasing share of own green electricity used for own operations².

Growing green electricity supplied, TWh



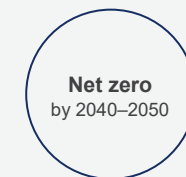
Providing alternatives for our customers to use green electricity and expanding green electricity supply portfolio within our home markets.

Growing biomethane supplied, TWh



Providing alternatives to enable transition from fossil fuels.

Targeting net zero emissions



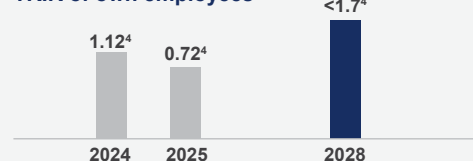
We target net zero emissions by 2040–2050

SOCIAL



Our key focus is on safety at work with Zero fatal accidents

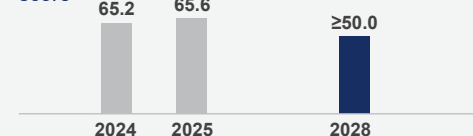
TRIR of own employees



We aim to ensure 0 fatal accidents (contractors and own employees) over the 2025–2028 a period. Also, we are targeting for TRIR of own employees to be below 1.0 and contractors below 1.7 in 2028.

Focusing on employee experience and well-being

Employee NPS score



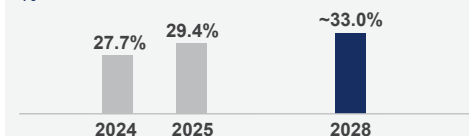
Our target is to retain the current level and to have the eNPS level ≥50 over the 2025–2028 period.

GOVERNANCE



Diversity focusing on gender diversity in top management

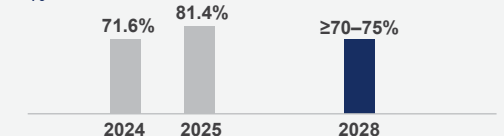
Share of women in top management (period end) %



We aim to reach ~33% share of women in top management positions by 2028.

Sustainable value creation focusing on investments and returns

Share of sustainable Adjusted EBITDA⁵ %



We plan to grow share of sustainable Adjusted EBITDA to ≥70–75% by 2028 (driven by share of Investments aligned with the EU Taxonomy⁶ ≥85–90% over 2025–2028; in 2024 it was 92.7%, in 2025 it was 84.7%).

¹ In 2025, CCGT unit of Elektrėnai Complex (Reserve Capacities) generated significantly more electricity compared to 2024 due to the provision of balancing services required by Lithuania's TSO in relation to the synchronisation of the Baltic states' electricity grids with the Continental Europe Synchronous Area. If the impact of the regulatory-related balancing services is eliminated, the carbon intensity of our Scope 1 & 2 GHG emissions would amount to 208 g CO₂-eq/kWh. ² Kruonis PSHP operations, electricity grid losses, offices, replacement of operational vehicle fleet with EVs, etc. ³ We aim to optimize our gas supply portfolio to an estimated ~8.0-10.0 TWh level in 2028 and reduce it further while securing the supply levels required for the security of the energy system during the energy transition period in Lithuania. Our key focus is on electricity supply. ⁴ TRIR of own employees. TRIR of contractors targeted to be below 1.7 in 2028. ⁵ Sustainable Adjusted EBITDA is the share of Adjusted EBITDA related to Taxonomy-aligned activities in total Adjusted EBITDA. The ratio is calculated using the Group's own methodology as it's not based of the EU Commission Delegated Regulation 2021/2178. ⁶ Share of Investments to be directed to the maintenance or expansion of the EU Taxonomy-aligned activities. There are differences in methodologies used to calculate Investments and actual Taxonomy CAPEX KPI.

People & Innovation

People strategy: contributing to Ignitis Group's purpose and strategic priorities

We are a purpose-driven team of diverse individuals working together to create a 100% green and secure energy ecosystem for current and future generations.

We pursue our strategic priorities and contribute to Ignitis Group's purpose and strategy by:

- **Attracting and retaining diverse top talents.** Creating new jobs driven by the clean energy transition, increasing the attractiveness of the energy sector, being a TOP employer with international HR standards.
- **Building critical skills and competencies.** Building current and future leadership bench, Renewables competence hub, Internal career platform.
- **Having a human-centric approach.** Applying a holistic employee well-being approach, growing a diverse and inclusive organization, ensuring a high rate of positive employee experience.

Pursuing innovation across our strategic pillars to unlock further value

We innovate to create the future energy sector and bring new opportunities for our customers.

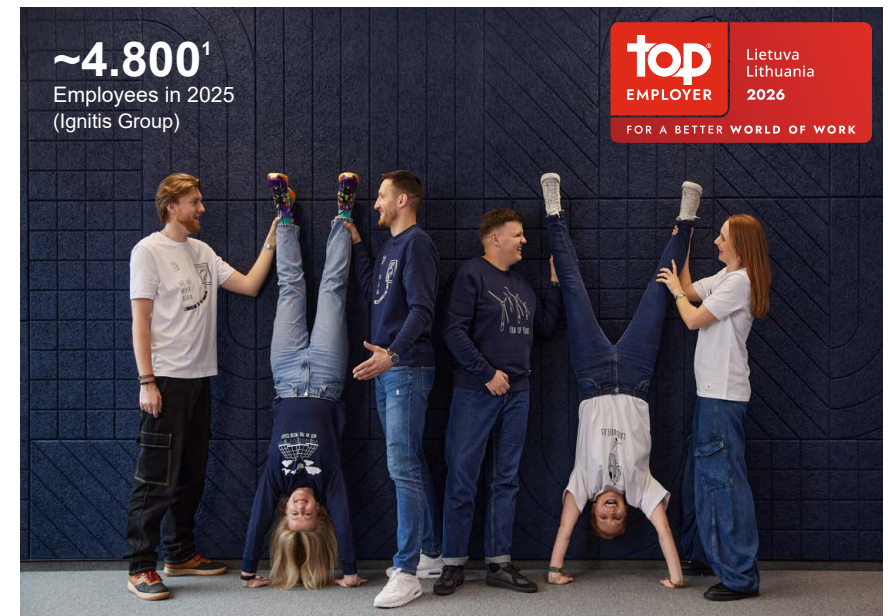
We gather ideas and knowledge through open innovation activities in **key focus areas** of:

- Renewables;
- Networks;
- Decarbonisation;
- eMobility;
- Flexibility;
- Digital & AI.

We develop innovative solutions, establish and spin-off **new strategic business activities**:

- New digital channels;
- Renewables operational and maintenance solutions;
- Renewables performance optimization tools;
- Flexibility tools;
- Health & Safety smart solutions;
- EV smart charging;
- Data utilization and integration;
- Grid performance optimization solutions;
- P2X.

¹ FTEs.



The Group earns Top Employer Lithuania 2026 certification for the fifth consecutive year

Our mindsets

Power to act comes from the charge we bring

With four mindsets - simple yet powerful. United by purpose. Owning the challenge. Passion for reinvention. Pursuing excellence. Together, they yield the energy that drives everything we do. The energy generated by our choices. Our actions. Our unity.

Four mindsets - one fully charged battery. This enables us to advance confidently towards a 100% green and secure energy ecosystem. And that is Ignitis group's purpose.

United by purpose

With a shared purpose, we focus not only on individual goals but also on the goals of our colleagues, the entire organization, and society.

Owning the challenge

The determination to take proactive ownership with a can-do approach, driving results that matter.

Passion for reinvention

A proactive drive to embrace learning, adopt new technologies and innovations, and transform business models to foster growth and competitiveness.

Pursuing excellence

We focus our attention and efforts on creating the best value for customers and society. We ensure high quality where we make a meaningful impact.

Take **YOUR** part in #EnergySmart!



Power to act
comes from the
charge we bring

Strategic enablers

We are focusing on innovation and digitalisation to keep the pace with the rapidly changing energy sector. The strategic enablers described below ensure our sustainable growth and operational efficiency.

Innovation

Ignitis Innovation Hub

Ignitis Innovation Hub launched in 2018 is dedicated to create a 100% green, secure and innovative energy ecosystem. This strategic initiative serves as the central driver for our open innovation principles, designed to attract ideas and accelerate the adoption of next-generation energy technologies.

At the centre of the Innovation Hub is our Sandbox programme – the testing grounds for energy infrastructure and data-driven solutions. This initiative provides startups, academic institutions, and partner companies with free access to Ignitis Group's infrastructure, including our electricity and natural gas distribution grids as well as data sets. This allows innovators to test, validate, and demonstrate their technologies, prototypes, and business concepts in a real-world environment.

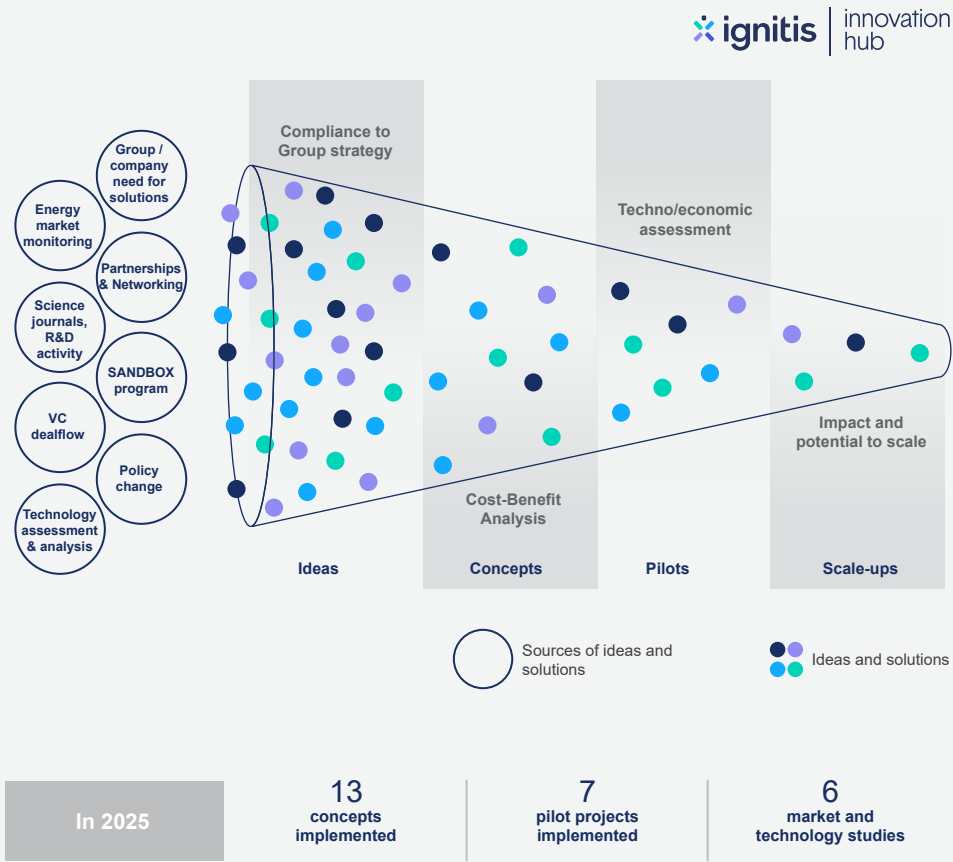
We actively aim to establish and maintain external strategic partnerships with state authorities, leading universities, such as Vilnius University, and other corporations to co-develop new products and services. Internally, Ignitis Innovation Hub brings together exceptional industry professionals in energy innovation, engineering, i.e., experts of BESS and power-to-x (P2X), as well as market research and intelligence specialists. The diversity

of our competencies enables strong cooperation, making the testing and development of important solutions quicker and contributing towards the strategic goals of Ignitis Group.

In 2025, the hub implemented 13 concepts and 7 pilot projects and performed 6 strategic market and technology studies. Our key highlights are described below:

- we have successfully established and built strong competencies in the BESS field. We have executed multiple studies in the Lithuanian and Polish flexibility and ancillary service markets as well as gained market intelligence, BESS engineering and virtual power plant competencies;
- we have explored and tested multiple security, surveillance and inspection solutions for physical infrastructure to understand the prospects of improving the efficiency and reducing the cost of Green Capacities' operations and maintenance. These include distributed acoustic sensing technologies for perimeter safety and infrastructure monitoring, autonomous unmanned aerial systems for increasing the efficiency and optimising the cost of surveilling and securing assets (e.g. solar farms), for example, deploying autonomous aerial vehicles to inspect our wind farms and collect the data on the health and state of the assets effectively. The solutions we tested are expected to be adopted and utilised within the Group to further improve the security of and intelligence on our green energy assets;
- in 2025, the Group finalised the consolidation of its internal and external data sources for long-term power market forecast into a single, unified system that ensures consistency, reduces uncertainty, and increases the effectiveness of strategic decisions. This is an important step towards becoming an organisation better equipped to understand market dynamics,

Open-innovation pillars and the process of idea development



identifying emerging opportunities, and supporting decisions that deliver tangible value. The key initiatives in this area include developing a long-term power market forecast database, establishing a clear process for updating input data for business models and internal power price forecasts, advancing the PLEXOS modelling capabilities and maintaining the one-team responsibility principle when it comes to sharing information across Ignitis Group (including internal knowledge of upcoming projects, financial indicators, market data, historical data, and other relevant insights).

Venture capital activities

In 2017, the Group established the first energy-focused venture capital fund in the Baltics, the Smart Energy Fund powered by Ignitis Group, managed by Contrarian Ventures, who won a public competition. The fund has a total size of EUR 12.5 million, with the Group as its sole investor. The fund has finished its investment period, having made investments in 21 companies and exited 4 to date. The fund has generated a return of EUR 16.2 million so far. The planned exit period is August 2027, with the possibility of extension for up to five years.

In 2023, the Group joined a European climate tech venture capital fund, World Fund, after an international public tender. The fund has a total size of EUR 300 million, with the Group committing approximately EUR 25 million. The investment period is ongoing, with investments already made in 21 companies. The fund has already deployed roughly two-thirds of the capital committed by the Group. The Group's commitment to the fund is expected to last until August 2032.

Priorities for 2026

The main objectives of the Group's Innovation Hub for 2026 are to further pursue new technologies applicable to the Group's business activities, ensure successful development of BESS projects, including the solution assessment for optimised BESS operations in the future, and expand our market intelligence capabilities for improved forecasting and better-informed data-driven decisions. We will explore and assess AI-based solutions, Green Capacity operation and maintenance optimisation tools, innovative measures that help improve occupational health and safety at the Group as well as our resilience to physical and cyber threats. The Innovation Hub will also focus on expanding internal and external cooperation by involving the Group companies' resources and external partners (e.g., VC partners).

Digitalisation

Through digitalisation, we aim to enhance employees' digital experience, increase operational efficiency, and create maximum value for the organisation. We achieve this by addressing the needs of different teams and analysing employees' digital experiences across the Group. In 2025, our focus was on applying and disseminating design-thinking principles across the Group, piloting and applying AI technologies, organising hackathons and strengthening employees' AI skills.

Overview of activities in 2025

Piloting and applying AI technologies

In 2025, we continued developing, improving, and piloting AI technologies across various areas of our business. Our main projects focused on enhancing customer service experience, reducing churn rates, predicting renewable assets' energy generation, improving information retrieval, and automating document processing with AI. We scaled the most valuable solutions and applied them across different business areas. These included, among others, analysing our customer service over email and live chat and applying the know-how gained from the analysis of our customer service over the phone. As a result, more than 75% of employees now regularly use AI-powered solutions in their daily work.

Hackathons

To address internal and external challenges, we continued running an internal hackathon with five topics aimed at improving processes, strengthening recruitment through AI, and attracting new customers. Teams proposed a new pricing model for EV charging stations, developed prototypes to improve document retrieval and user guidance, designed a platform to enhance collaboration, and created AI tools to support recruitment. Prototypes of these solutions were built up during the hackathon, and most teams are continuing to develop and implement them across different areas of our business.

Improving digital skills

In 2025, we continued running our digital skills training programme. The main objective remained to upskill and reskill employees, increasing efficiency and ensuring they are equipped with the digital skills needed for the future. This year's topics focused on the safe and efficient use of large language models, with practical use cases tailored to different business areas such as creating document search agents by using Microsoft Copilot or preparing a prompt that can be used to automatically evaluate and compare different items with information provided. We also continued to run targeted sessions for different employee groups, aiming to increase general AI awareness and understanding.

Priorities for 2026

In 2026, we will remain focused on adopting AI technologies across the Group. Our main goal is to automate parts of customer service across most channels, moving beyond simple FAQs to deliver personalised, tailored responses. We will continue exploring new areas where AI can bring the greatest value to the business, while scaling existing solutions. We will also maintain our focus on the digital skills programme, fostering a strong digital culture and spreading knowledge of AI solutions across the Group. Our aim is to ensure employees use AI securely and effectively in their daily work, thus improving their efficiency while deploying innovations.

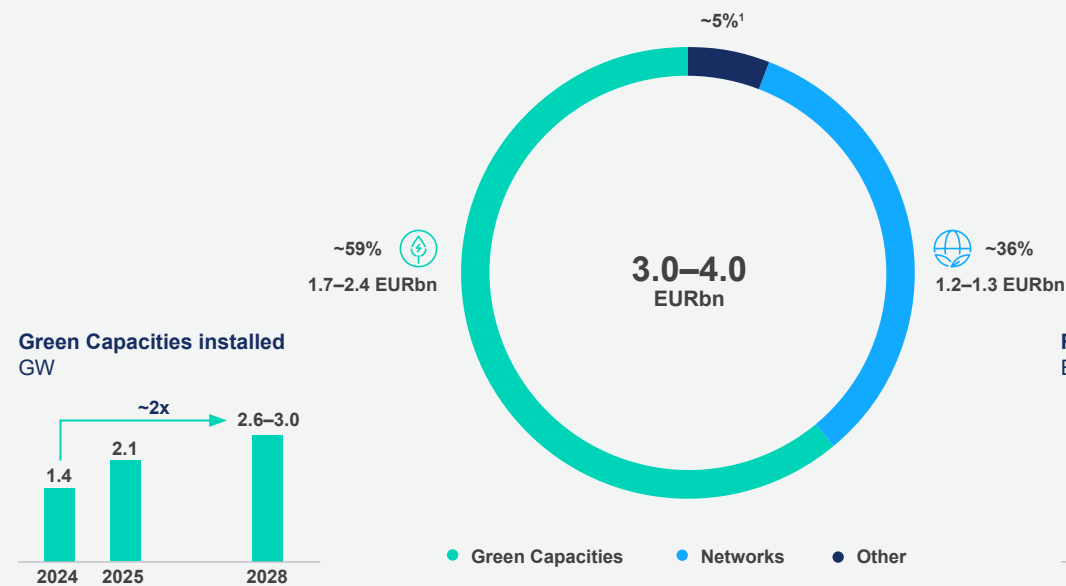
2.3 Investment program

Overview

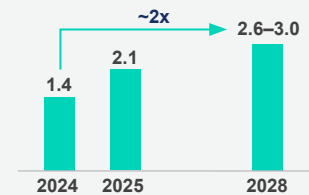
The Group makes investment decisions based on a four-year investment plan. Over the period of 2025–2028, the Group targets to invest EUR 3.0–4.0 billion or around EUR 750–1,000 million annually, primarily towards sustainable growth in the Green Capacities and Networks business segments. Around 59% of the total Investments are aimed towards expanding Green Capacities, while around 36% of the Investments are focused on the Networks segment, its expansion and maintenance.

To successfully implement our investment plan while achieving financial targets, including a commitment to increase dividends annually, we have established and apply a disciplined investment policy. We disclose the updates on our key investments in the Green Capacities and Networks segments in our interim and annual reports. The information on our investment strategy and latest updates on the key ongoing investment projects is presented below. More information on the investment program is available in the [Strategy](#) section of our website.

Investments over 2025–2028



Green Capacities installed GW

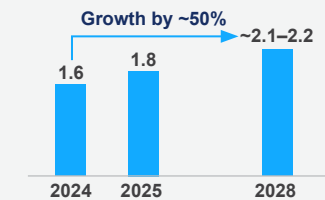


Investments aligned with the EU Taxonomy
84.7% (2025)



≥85–90%
2025–2028 targeted level

Regulated Asset Base EURbn



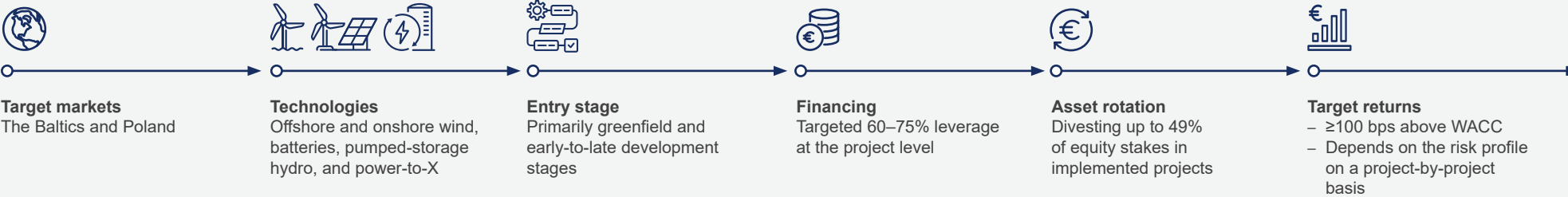
¹ Includes Reserve Capacities segment, Customers & Solutions segment, IT and other investments.

Green Capacities

Investment criteria

The Group applies a disciplined investment framework, setting hurdle rates for returns on Green Capacities projects to ensure value-creating growth. Our Investment policy targets a minimum spread of 100 basis points over WACC on an unlevered basis, depending on the risk profile of each project.

As part of our asset rotation program, we plan to divest up to 49% of equity stakes in implemented Green Capacities projects to capture value premiums and recycle capital for future growth.



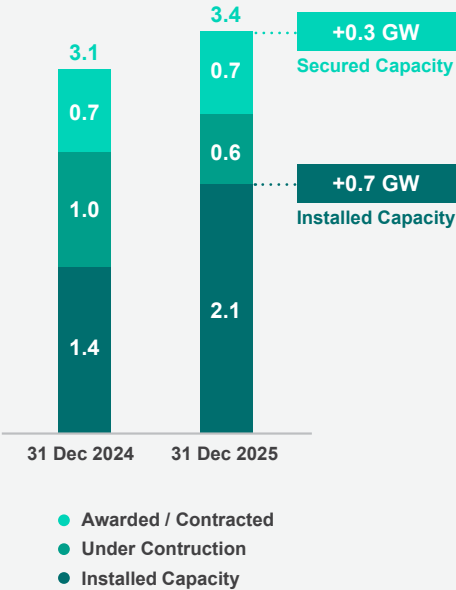
Portfolio development overview

In 2025, we increased our Installed Capacity by 0.7 GW to 2.1 GW (from 1.4 GW) as six projects reached CODs. By technology, 450.5 MW of onshore wind and 263.0 MW of solar capacity were added. By country, 313.7 MW of the capacity was installed in Lithuania, 239.0 MW in Latvia and 160.8 MW in Poland. The completed projects include Kelmė WF (313.7 MW), the largest onshore wind farm in the Baltics, Silesia WF II (136.8 MW), one of the largest onshore wind farms in Poland, and the largest solar farm cluster in Latvia, comprising Varne SF (94 MW), Stelpe SF I (72.5 MW) and Stelpe SF II (72.5 MW).

We also increased our Secured Capacity by 0.3 GW to 3.4 GW (from 3.1 GW), following Final Investment Decisions for Kelmė (147.4 MW), Kruonis (99.2 MW) and Mažeikiai (45.1 MW) BESS projects in Lithuania.

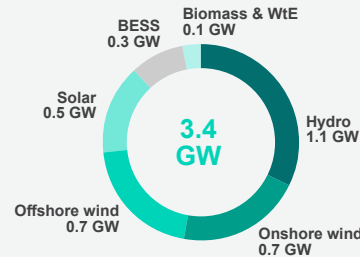
The implementation of our Green Capacities projects Under Construction is progressing as planned, with no significant changes since Q3 2025.

Secured Capacity portfolio
GW

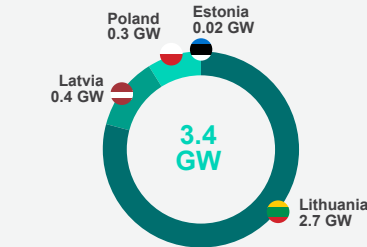


Secured Capacity portfolio split

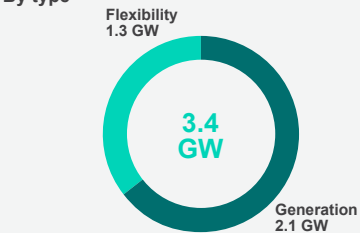
By technology



By geography



By type



Status of projects Under Construction¹

Project name	Tume SF	Kruonis PSHP expansion	Kelmė BESS	Kruonis BESS	Mažeikiai BESS	TOTAL
Country	Latvia	Lithuania	Lithuania	Lithuania	Lithuania	
Technology	Solar	Hydro	BESS	BESS	BESS	
Capacity	173.6 MW	110 MW	147.4 MW / 294.8 MWh	99.2 MW / 198.5 MWh	45.1 MW / 90.3 MWh	0.6 GW
Turbine / module / other type of unit manufacturer	173.6 MW Trina Solar	1 x 110 MW Voith Hydro	147.4 MW Rolls-Royce	99.2 MW Rolls-Royce	45.1 MW Rolls-Royce	
Total investments	~106 EURm ³	~150 EURm ³	~62 EURm ³	~47 EURm ³	~20 EURm ³	~0.4 EURb ⁴
Investments made in 2025	~79 EURm	~89 EURm	~10 EURm	~6 EURm	~3 EURm	~0.2 EURb ⁴
Proportion of secured revenue ²	51%	n/a	n/a	n/a	n/a	
Type of secured revenue	PPA	–	–	–	–	
Ownership	100%	100%	100%	100%	100%	
Partnership	n/a	n/a	n/a	n/a	n/a	
Progress						
FID made	+	+	+	+	+	
WTGs erected (units) / Solar modules & inverters installed (MW) / Other type of turbines or units installed (units)	81 / 174	0 / 1	–	–	–	
First power / heat to the grid supplied	–	–	–	–	–	
Expected COD	2026	2026	2027	2027	2027	
Status	On track	On track	On track	On track	On track	

¹ The Moray West offshore wind project (882 MW), in which the Group holds a 5% minority stake and which is not consolidated or included in the Green Capacities data, has been operational and generating revenue since reaching full power in April 2025. Therefore, it is excluded from the table above.

² Secured revenue timeframe, profile, and counterparty (internal or external) may differ on a project-by-project basis.

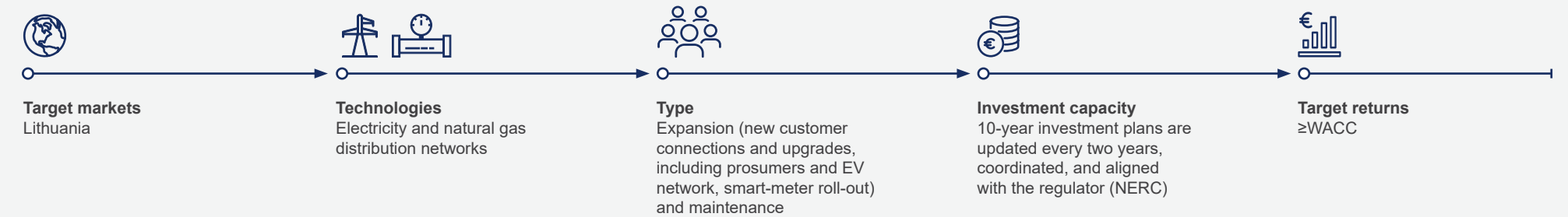
³ Including project acquisition and construction works.

⁴ Excluding not disclosed investments.

Networks

Investment criteria

Investments into our Networks segment, as a Lithuania's distribution system operator that is working in a fully regulated business environment, are clearly defined by the regulatory framework coordinated, and aligned with the regulator (National Energy Regulatory Council, NERC).



Investment program overview

In 2025, we have successfully continued working on grid maintenance and expansion, including the smart meter roll-out. Smart meter installation for private and business customers whose energy consumption exceeds 1,000 kWh a year began in July 2022, and its first phase was completed on 31 December 2025. In 2025, we successfully completed the mass smart meter roll-out, installing around 270 thousand smart meters during the year and bringing the total to 1.3 million, thereby achieving our original target of installing over 1.2 million smart meters by 2026 ahead of schedule. Currently, more than 68% of electricity consumers in Lithuania are already benefiting from smart metering. We are successfully continuing the smart meter roll-out programme. In 2026, we will launch the second phase, which will cover all the remaining customers across Lithuania. Our goal is that by the end of 2033, 99% of all electricity meters in the country will be smart.

Regarding our investment programme, on 23 January 2025, our 10-year (2024–2033) Investment Plan for distribution networks, which we submitted to the regulator for public consultation and coordination on 11 June 2024, has been aligned with the regulator (link in [Lithuanian](#)). The plan foresees a 40% increase in Investments to EUR 3.5 billion. The previous 10-year investment plan submitted to NERC projected EUR 2.5 billion in Investments for 2022–2031. The planned Investments will continue to focus on the two main areas: improving network resilience and efficiency (~38% of the planned Investments) as well as expanding the electricity network and facilitating the market (~57%). The maintenance of the natural gas network represents ~5% of the total planned Investments.

Status on key investment projects

	 Electricity network expansion	 Electricity network maintenance and other	 Natural gas network	
Project name				TOTAL
Country	Lithuania	Lithuania	Lithuania	–
Investments 2024–2033 (10-year investment plan)	~EUR 2.0 billion	~EUR 1.3 billion	~EUR 0.2 billion	~EUR 3.5 billion
Investments 2024–2027 (Strategic plan)	~55%	~41%	~4%	~EUR 1.2–1.3 billion
Investments covered by customers and grants (3-year average)	~31% (covered by customers' fees)	~6% (covered by EU funds on a project-by-project basis)	~15% (covered by customers' fees)	~20%
Ownership	100%	100%	100%	100%
Progress	In 2025, 53,527 new electricity customers (10,162 in Q4) were connected (+33.3% YoY) and 22,659 capacity upgrades (4,707 in Q4) were carried out (+21.9% YoY). It resulted in around 1,651 km (387 km in Q4 2025) of new power lines.	In 2025, around 686 km (237 km in Q4 2025) of power lines were reconstructed (-13.2% YoY). Around 86% of the reconstructed power lines were replaced with underground cables.	In 2025, 1,691 new natural gas customers (404 in Q4) were connected (-17.0% YoY), which resulted in around 24.7 km (8.5 km in Q4 2025) of new pipelines. Around 3.9 km (0.4 km in Q4 2025) of pipelines were reconstructed (-25.0% YoY).	
Status	On track	On track	On track	

2.4 Business environment

The Group's performance is influenced by prevailing macroeconomic conditions and industry-specific developments in the markets in which it operates. To assess the business environment and identify potential opportunities and challenges, we continuously monitor the key economic indicators and sector trends. Our commitment to providing a comprehensive overview extends to highlighting relevant changes in the regulatory environment and the most relevant changes in the macroeconomic and industry environment, which serve as the foundation for our understanding of the markets we operate in.

Macroeconomic environment

GDP

In 2025, GDP in the euro area and the European Union (EU) continued to recover, growing by 1.3% and 1.4%, year-on-year, respectively. Growth in the euro area remained unchanged, while the EU's growth rate slightly declined compared to 2024. Looking ahead, GDP growth in the euro area is expected to ease to 1.2% in 2026 before picking up to 1.4% in 2027. Meanwhile, EU GDP is projected to remain steady at 1.4% in 2026 and increase to 1.5% in 2027. Among the countries where we are active in, Lithuania recorded the strongest GDP growth performance, with GDP increasing by 2.5% year-on-year. Although this is below last year's 3.0% growth rate, the outlook remains solid, with forecasts indicating a stable growth of 3.0% in 2026, before slowing to slightly 2.2% in 2027.

Estonia posted modest growth of 1.0%, below the euro area and EU averages and Finland GDP growth remained flat compared to last year, both performing well below the regional averages. According to Eurostat's autumn forecast, GDP growth in the countries where we operate is expected to exceed the EU and euro area average in 2026 and 2027, with the exception of Finland.

Inflation

In December 2025, the annual inflation rate in the euro area eased to 1.9%, down from 2.4% in 2024. Similarly, inflation in the EU fell to 2.3%, compared to 2.7% in 2024. In contrast, all the countries where we operate – except Finland – recorded inflation rates above the euro area and the EU averages. Estonia recorded the highest inflation (4.0%), followed by Latvia, Lithuania, and Poland. With inflation at 1.7%, Finland was the only country below both averages. Looking ahead, in 2026 the highest harmonised CPI rates are projected in Lithuania, Estonia and Poland. In 2027, inflation is expected to be the highest in Poland, while in the other countries where operate it is projected to be a bit higher or close to the EU and the euro area averages.

GDP change, %

	2025 vs 2024	2026F	2027F
 Lithuania	+2.5	+3.0	+2.2
 Latvia	- ¹	+1.7	+1.9
 Estonia	+1.0	+2.1	+2.0
 Finland	+0.0	+0.9	+1.2
 Poland	- ¹	+3.5	+2.8
 Euro area	+1.3	+1.2	+1.4
 EU	+1.4	+1.4	+1.5

Source: Eurostat.

¹ No data is released yet.

Inflation rate change measured by harmonised CPI, %

	2025	2026F	2027F
 Lithuania	+3.2	+2.8	+2.7
 Latvia	+3.4	+2.2	+2.4
 Estonia	+4.0	+2.8	+2.2
 Finland	+1.7	+1.6	+2.0
 Poland	+2.5	+2.9	+3.7
 Euro area	+1.9	+1.9	+2.0
 EU	+2.3	+2.1	+2.2

Source: Eurostat.

Industry environment

- In 2025, Nord Pool's wholesale electricity prices increased in Lithuania, Latvia and Poland. A price decrease has been observed in Estonia and Finland. The main factor for the price increase in the countries remains higher generation from fossil fuels. The largest price decrease was observed in Finland because the third unit of the Olkiluoto Nuclear Power Plant resumed activities after maintenance, which increased electricity supply and put a downward pressure on prices. In Poland, electricity prices have increased as gas-fired generation rose by 4.5 TWh compared to 2024, gradually replacing hard coal in the merit order while pushing prices upward. Meanwhile, the electricity price decrease in Estonia was mainly driven by higher generation from renewables and the restored activities of EstLink in Q2 2025, which enabled a more frequent price coupling with Finland.
- Electricity generation has increased in Lithuania and Finland. Lithuania recorded the highest growth in electricity generation in the region, up by 14.5% compared to 2024, primarily due to higher generation from renewables resulting from the launch of new assets and favourable weather conditions, also due to an increase in ancillary service orders at the thermal power plants. In contrast, Estonia has experienced a decline in generation, with domestic electricity generation falling by 2.8%, mainly due to a 16.0% drop in oil-shale-fired power generation. Similarly, Latvia has experienced a 1.8% decline in domestic power generation caused by lower hydrological conditions and reduced river flow. In 2025, electricity demand increased in Latvia and Finland, while it declined in Lithuania, Estonia and Poland.

- Since the beginning of the year, the natural gas prices at the Dutch TTF saw a downward trend, marked by periods of volatility, driven by weather conditions in Q1, global turbulence in Q2, meanwhile Q3 presented a relatively stable environment, and Q4 formed a perception of a comfortable situation in the market. Nevertheless, natural gas prices in the Baltic countries remained above last year's levels despite regional consumption continuing to decline during the reporting period. This was partly related to the need to restock ahead of winter and maintain LNG inflows to the continent. This winter, LNG is expected to play an important role in ensuring the security of supply. Natural gas consumption has decreased in most countries in the region. In contrast to other countries, natural gas consumption in Poland has increased, reflecting the growing role of gas-fired electricity generation in the country's evolving energy mix.

Electricity ⚡

Consumption, TWh

	2025	2024	Δ, %
Lithuania	11.7	12.1	(3.3%)
Latvia	7.2	7.0	2.8%
Estonia	7.9	8.0	(0.2%)
Finland	84.6	81.7	3.5%
Poland	158.2	163.6	(3.3%)
Total	269.6	272.4	(1.0%)

Generation, TWh

	2025	2024	Δ, %
Lithuania	9.6	8.4	14.5%
Latvia	5.8	5.9	(1.8%)
Estonia	4.8	4.9	(2.8%)
Finland	79.4	77.6	2.2%
Poland	152.9	154.1	(0.8%)
Total	252.6	250.9	0.6%

Natural gas ⛞

Consumption, TWh

	2025	2024	Δ, %
Lithuania	15.9	17.1	(7.1%)
Latvia	8.7	8.8	(1.1%)
Estonia	3.3	3.7	(10.7%)
Finland	12.0	14.0	(14.1%)
Poland	210.7	197.5	6.7%
Total	250.6	241.1	3.9%

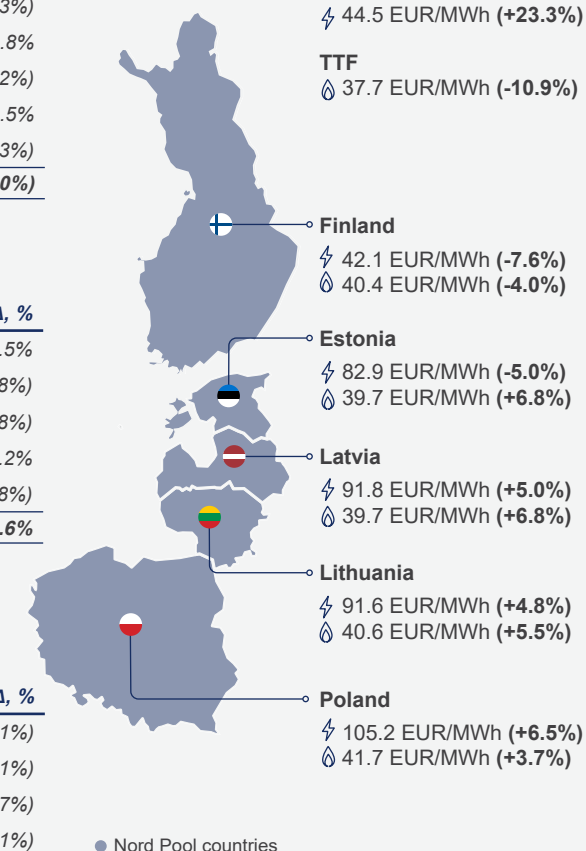
Electricity and natural gas prices in the countries where the Group is active

Nord Pool system

⚡ 44.5 EUR/MWh (+23.3%)

TTF

⛞ 37.7 EUR/MWh (-10.9%)



⚡ Average electricity price in 2025 (vs 2024)

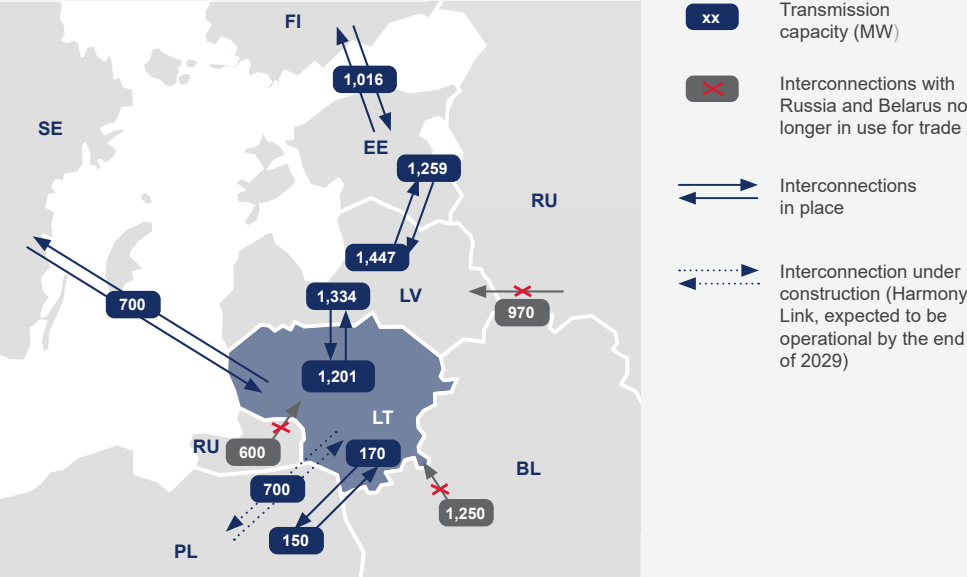
⛞ Average natural gas price in 2025 (vs 2024)

Energy infrastructure environment

In 2025, the Baltic states achieved a historic breakthrough in energy security by successfully synchronising their electricity systems with the Continental Europe Synchronous Area. On 9 February 2025, following more than a decade of preparation, Estonia, Latvia, and Lithuania disconnected from the Russian-controlled power system and began operating in synchronisation with Continental Europe. The transition was completed without any disruptions to electricity supply. As part of the synchronisation programme, Litgrid (Lithuanian TSO) finalised several critical infrastructure projects, including new synchronous condensers, high-voltage transmission lines, substation reconstructions, and grid frequency stability systems, thus significantly strengthening the resilience of the Lithuanian and regional electricity grids. After a trial synchronisation period, Continental European TSOs confirmed in November 2025 that all technical requirements had been met, and the Baltic TSOs – AST, Elering, and Litgrid – became members of ENTSO-E's Continental Europe Regional Group, ensuring permanent and stable interconnection with Europe's power system via Poland.

At the same time, the Baltic region is positioning itself as an important player in Europe's clean energy transition through the development of the Nordic-Baltic Hydrogen Corridor. In July 2025, natural gas transmission system operators and infrastructure companies from Finland, Estonia, Latvia, Lithuania, Poland, and Germany, together with the European Climate, Infrastructure and Environment Executive Agency (CINEA), signed an agreement securing up to EUR 6.8 million in EU funding for the project's feasibility study. The corridor aims to support the development of large-scale hydrogen infrastructure across the Baltic Sea region by addressing technical, economic, regulatory, and environmental aspects. This cross-border cooperation is expected to enhance the region's competitiveness in the hydrogen sector and facilitate the integration of clean hydrogen markets into Europe's future energy system.

Electricity interconnections¹



Lithuanian electricity transmission capacity

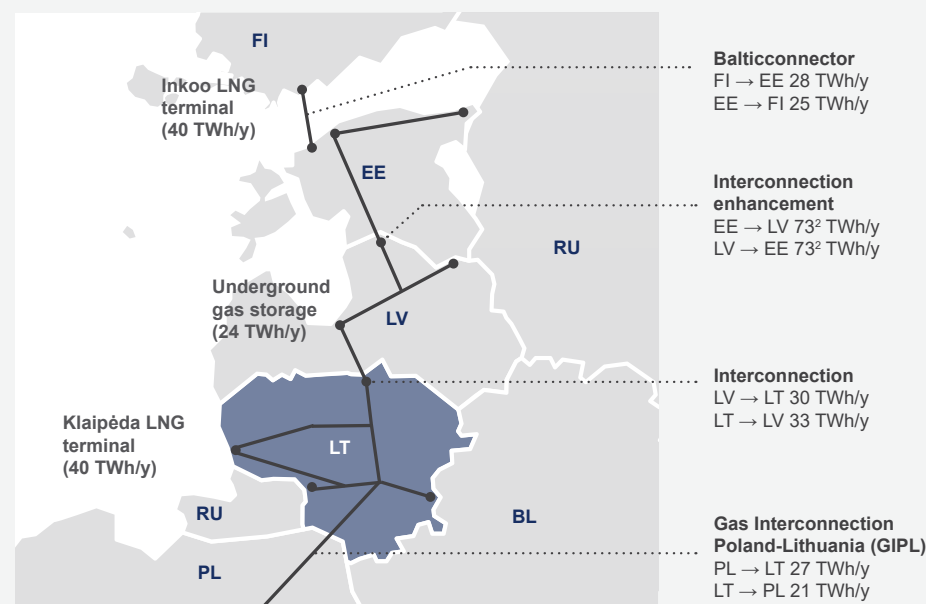


¹ Source: Nord Pool, IEA.

Further progress was made in electricity market integration and infrastructure development. Following the introduction of a multi-NEMO arrangement by the Baltic TSOs, EPEX SPOT successfully launched operations in the Baltic intraday electricity market. This framework allows multiple nominated electricity market operators to operate simultaneously, thus increasing competition, improving service quality, and offering greater choice to market participants. EPEX SPOT became the second active power market in the Baltic intraday market segment alongside Nord Pool. The existing market coupling principles for capacity allocation and congestion management remained in place. The multi-NEMO model is expected to be extended to the day-ahead and intraday market segments in 2026.

In addition, Lithuania is preparing to increase the electricity transmission capacity with Poland. Litgrid has presented a concept to market participants, outlining measures to enhance cross-border capacity, which is expected to boost electricity trade and create more favourable conditions for the development of renewable energy sources in Lithuania and the wider Baltic region.

Natural gas infrastructure¹



	Annual natural gas demand 2025 TWh/y	Annual natural gas demand 2024 TWh/y	Change in natural gas consumption 2025 vs 2024, %
Poland	210.7	197.5	6.7%
Lithuania	15.9	17.1	(7.1%)
Finland	12.0	14.0	(14.1%)
Latvia	8.7	8.8	(1.1%)
Estonia	3.3	3.7	(10.7%)
Total	250.6	241.1	3.9%

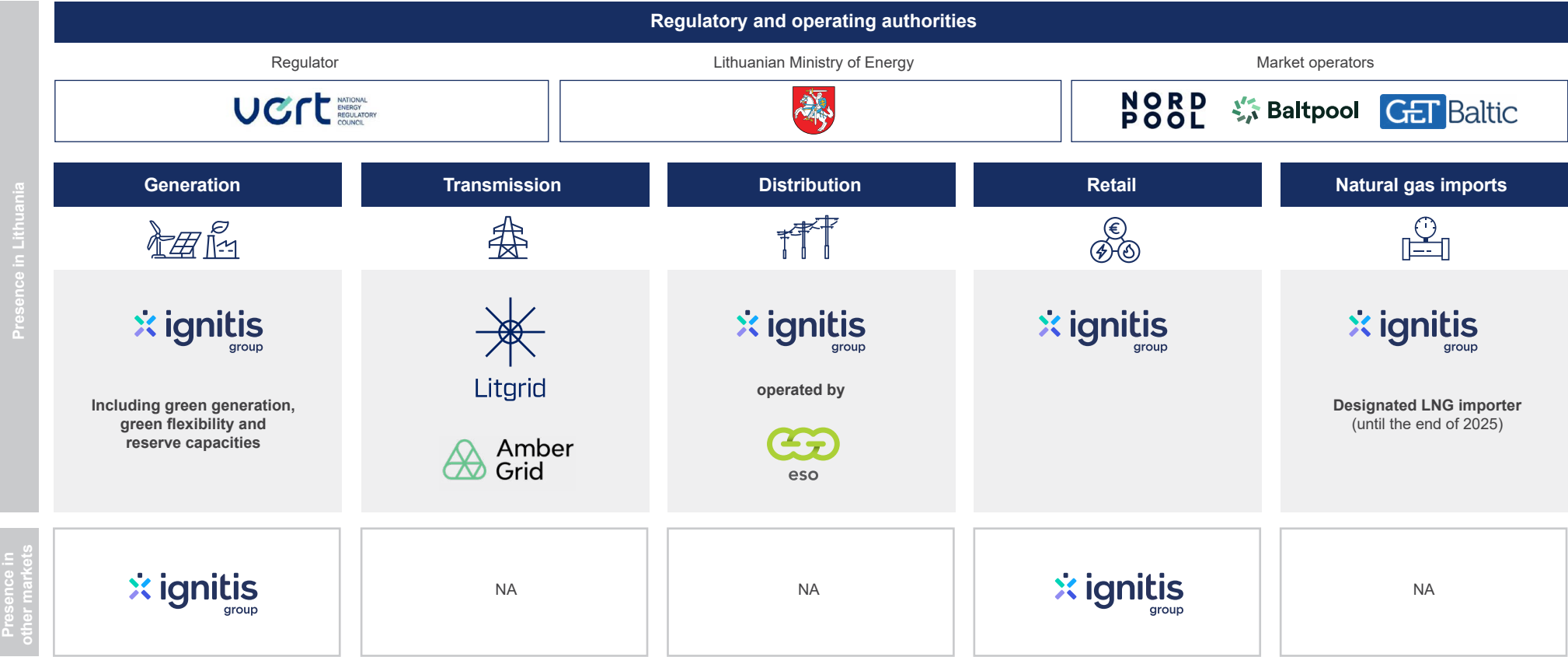
¹ Source: AB Amber Grid, AS Conexus Baltic Grid, Elering AS, ENTSO-G and Gaz-System SA.

² Source: based on the Group's data.

The Group's role in Lithuania's energy environment

As the Group operates in the Baltic states, Poland, and Finland, its role varies from country to country. In Lithuania, the Group plays a critical role in the energy value chain by participating in all energy-related activities, except the transmission services. By comparison, in other countries we either own and operate green generation assets, manage the retail energy business, or both. For further details, see the figure below.

The Group's contribution to the energy market's value chain



Regulatory environment

EU-wide

Title	Description	Relevance to the Group's business segments	Impact on the Group
A Competitiveness Compass for the EU	In January 2025, the Commission unveiled the Competitiveness Compass, a new roadmap designed to rejuvenate Europe's dynamism and enhance economic growth to close the innovation gap, integrate decarbonisation with competitiveness, and bolster security and economic resilience. This initiative aims to establish a common framework and strategic vision to ensure EU policies are aligned for competitiveness.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy
The Clean Industrial Deal: Advancing through the Affordable Energy Action Plan	On 26 February 2025 the European Commission issued two key communications: the Clean Industrial Deal and the Affordable Energy Action Plan. Together, these initiatives align climate policy with competitiveness strategies to accelerate decarbonisation and reduce energy costs across the EU. Both communications have been submitted to the European Parliament and the Council for review and consideration. The Clean Industrial Deal builds on the 2019 European Green Deal, advancing the transition to a sustainable economy while reinforcing industrial strength and competitiveness. It establishes the framework for achieving a 90% emissions reduction target by 2040 while ensuring that companies have access to affordable, sustainable energy and critical raw materials. The Affordable Energy Action Plan combines immediate measures to lower household and business energy bills with long-term structural reforms to strengthen the resilience of the EU energy system. It comprehensively addresses all three components of energy pricing – supply costs, network charges, and taxes/levies – to deliver maximum impact.	   	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
European Steel and Metals Action Plan unveiled	On 19 March 2025, the European Commission introduced the European Steel and Metals Action Plan, designed to enhance the competitiveness and sustainability of Europe's steel and metals industries. These sectors are crucial to the EU's economy, providing essential materials for industries such as automotive, clean technology, and defence. The action plan includes key measures: ensuring affordable and secure energy supply; preventing carbon leakage; expanding and protecting European industrial capacities, etc.	   	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
EU's actions to implement the Alternative Fuels Infrastructure Regulation	In April 2025, the European Commission introduced three new delegated acts and one implementing act to enforce Regulation (EU) 2023/1804 of the European Parliament and of the Council. This legislation pertains to the deployment of alternative fuels infrastructure and repeals Directive 2014/94/EU. It specifically addresses charging infrastructure for electric vehicles and relevant provisions for charging point operators. Implementing Regulation (EU) 2025/655 sets standards for data format and availability, while Delegated Regulation (EU) 2025/645 establishes a universal interface for automated data exchange. Delegated Regulation (EU) 2025/671 expands data types to provide comprehensive information on charging and refuelling locations, thus accommodating technological advancements. Additionally, Delegated Regulation (EU) 2025/656 updates technical specifications to ensure seamless integration and accessibility, including wireless charging and vehicle-to-grid communication.	 	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
REPowerEU roadmap: Ending EU's dependence on Russian energy	On 6 May 2025, the European Commission unveiled the REPowerEU roadmap, a strategic plan to end the EU's dependence on Russian fossil fuels by 2027 and to phase out Russian nuclear energy, while safeguarding energy security and supply stability. On 17 June 2025, the Commission introduced a phased ban on Russian natural gas and LNG, with short-term LNG contracts to be terminated on 25 April 2026 and short-term natural gas contracts to be terminated on 17 June 2026. All long-term LNG contracts are to be terminated by 1 January 2027, while long-term natural gas contracts are to be terminated by 30 September 2027 (in specific exceptional cases approved by the Commission until 1 November 2027). These measures were adopted on 26 January 2026 and aim to redirect capacity to alternative suppliers and strengthen the EU's energy market resilience. Lithuania, notably, has already ceased importing Russian energy since 2022, underscoring its commitment to cutting financial flows supporting Russia's war effort.	  	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
Amendment to the European Climate Law and deferral of ETS2	On 5 November 2025, the Council reached an agreement on amending the European Climate Law. It upheld the Commission's proposal for a binding 90% reduction in net greenhouse gas emissions by 2040 compared to 1990 levels. Additionally, the Council decided to delay the implementation of the EU emissions trading system for buildings and road transport (ETS2) by one year, shifting the start date from 2027 to 2028.	   	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
European Grids Package	On 10 December 2025, the European Commission unveiled a European Grids Package, designed to address structural challenges in planning and implementing the EU's energy infrastructure. This initiative aims to establish a genuine Energy Union that promotes energy independence, enhances competitiveness, supports decarbonisation, and strengthens energy security of the EU. The package seeks to modernise and expand grid infrastructure to facilitate rapid electrification and simplify permitting processes. It prioritises maximising the use of existing infrastructure before investing in new capacity. The proposals aim to ensure fair cost-sharing for cross-border projects.	 	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Pan-Baltic

Title	Description	Relevance to the Group's business segments	Impact on the Group
Nordic Baltic Hydrogen Corridor received the EU Commission's support	In January 2025, the European Commission announced the allocation of co-financing from the Connecting Europe Facility (CEF) to cross-border energy infrastructure projects under the Trans-European Networks for Energy (TEN-E) framework. Nordic Baltic Hydrogen Corridor (NBHC) received a EUR 6.8 million grant to support its feasibility study phase. Feasibility studies will assess the technical, economic, regulatory, and environmental aspects of constructing a large-scale hydrogen pipeline network in the Baltic Sea region. These studies are anticipated to be completed by late 2026 or early 2027. This decision significantly increases the possibility of building hydrogen infrastructure that will connect Finland, Estonia, Latvia, Lithuania, Poland, and Germany, forming a vital backbone for Europe's green energy future.	 	Expected to have an overall positive impact as it aims to accelerate the energy transition and strengthen the Baltic market's integration into the European energy market



Green Capacities



Networks



Reserve Capacities



Customers & Solutions

Title	Description	Relevance to the Group's business segments	Impact on the Group
Offshore project Baltic Hub and regional integration initiatives submitted for the EU Network Development Plan	In May 2025, the electricity system operators of Lithuania, Latvia, and Northeast Germany (Litgrid, Augstsprieguma tīkls, and 50Hertz) submitted a joint application for the inclusion of the Baltic Hub hybrid offshore electricity interconnection project in the 2026 Ten Year Network Development Plan (TYNDP) of the European Network of Transmission System Operators for Electricity. This project involves creating a 2 GW hybrid offshore electricity connection between the Baltic states and Germany, spanning approximately 600 km. The interconnector would be located on the Lithuania-Latvia border, with completion estimated by 2035–2037. The Baltic Hub will integrate up to 2 GW of offshore wind capacity in Lithuania and Latvia, enhance onshore and offshore renewable energy generation, and facilitate electricity trading between the Baltic nations and Germany, thereby boosting supply reliability across the region. The EE-LV-DE interconnection project has already received the TYNDP status and is progressing towards the status of 'Project of common interest' (PCI). The three TSOs involved have announced a joint procurement process for a comprehensive study aimed at identifying the most suitable financial, ownership, regulatory, and governance framework for the project's implementation. In addition to the Baltic Hub, Litgrid submitted two more international projects. The first is a collaboration with Poland, Latvia, and Estonia to ensure smooth implementation of the Harmony Link and safeguarding critical infrastructure. The second project aims to expand power transmission capacity with Latvia to support market integration as Lithuania's renewable energy capacity grows rapidly. Other projects also involve Latvia and Estonia and their projects to increase the interconnection between those two counties. All projects would contribute to the integration of the regional electricity market, increasing system reliability, and achieving national and European sustainability goals.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition and strengthen the Baltic market's integration into the European energy market
Harmony Link concept approved	On 28 May 2025, the Ministry of Energy of Lithuania approved the concept of the Harmony Link, defining the connection route for the land-based electricity interconnection with Poland. This link will enhance the grid reliability and facilitate commercial electricity trade with Western Europe. Litgrid, Lithuanian TSO, is progressing with the territorial planning process. The Government of the Republic of Lithuania is expected to approve the final infrastructure development plan in 2026, with construction slated for 2027 and commissioning targeted for 2030.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition and strengthen the Baltic market's integration into the European energy market
Enhancing network resilience through Lithuania's updated synchronisation resolutions	On 9 September 2025, the Government of the Republic of Lithuania adopted two legal acts. The first act amends Resolution No. 918, dated 4 September 2019, concerning the implementation of the Electricity System Synchronisation Project and the action plan to enhance the security and reliability of the electricity system. The second act amends Resolution No. 821, dated 7 August 2019, which approves the list of electricity projects linked to the synchronisation project. These amendments are designed to bolster national security and focus on dismantling intersystem power lines disconnected from the IPS/UPS system, including connections to Kaliningrad, and fortifying the resilience of infrastructure facilities installed or reconstructed as part of the synchronisation project.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition and strengthen the Baltic market's integration into the European energy market
15-minute trading intervals introduced in day-ahead and intraday markets	On 1 October 2025, Nord Pool, the European power exchange, completed its transition to a 15-minute Market Time Unit (MTU). As a result, European electricity markets, including those in the Baltic countries, moved from 60-minute to 15-minute trading intervals in both the day-ahead and intraday markets. This transition aligns with Electricity Regulation (EU) 2019/943, which requires the harmonisation of market time units across Europe. From 30 September 2025, transmission system operators and nominated electricity market operators began trading 15-minute MTU products on the day-ahead market. The first delivery day based on 15-minute intervals was 1 October 2025. The introduction of 15-minute MTUs improves market precision, facilitates better integration of renewable energy sources, and provides additional opportunities for flexible generation assets and energy storage solutions, such as batteries.	   	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact



Green Capacities



Networks



Reserve Capacities



Customers & Solutions

Lithuania

Title	Description	Relevance to the Group's business segments	Impact on the Group
New accessibility requirements for public Charging Points	On 13 March 2025, the Ministers of Transport and Communications and the Environment of the Republic of Lithuania approved the Requirements for the Accessibility of Publicly Accessible Charging Points for All User Groups. The document defines a uniform set of minimum accessibility standards for publicly accessible charging infrastructure, aiming to facilitate broader and more convenient use for all user groups, including persons with disabilities or users with functional limitations. This initiative supports the adoption of electric vehicles and contributes to national electromobility objectives. Charging point operators in Lithuania must comply with these standards when planning, constructing, or upgrading new publicly accessible charging points.		As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
Revised Procedures for Access to Electricity Network	Throughout 2025, the Rules of Procedure for Access to both the Electricity Distribution Network and the Electricity Transmission Network underwent several revisions. These amendments introduced detailed security requirements for information management and industrial control systems within energy storage facilities and power plants exceeding 100 kW capacity, as mandated by the Amendment to the Law on Electricity adopted on 12 November 2024. This measure aims to prevent access by entities from states identified in the National Security Strategy, specifically, the People's Republic of China, the Russian Federation, and the Republic of Belarus. Operators are required to verify compliance with these security requirements. These amendments also enhance the process for concluding letters of intent. Key updates to the Rules of Procedure for Access to the Electricity Distribution Network include clarified provisions for variable generation and consumption, enabling energy storage connections without increasing transformer substation capacity when network users adjust their generation or consumption according to the substation load. The updates also clarify cases of amending or issuing connection conditions, setting limitations on permitted generated power, and clarify provisions on access for power plants and storage facilities with up to 10 kW permitted generated power. Additionally, penalties for exceeding generation limits are waived if less than 2 euros are accrued in penalties, and the capacity reservation system was revised to prevent financial losses and network overloads.	 	As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
Amendments to the procedure for the use and maintenance of ponds and impounded lakes	On 16 April 2025, the Minister of the Environment of the Republic of Lithuania issued an order amending the Procedure for the Use and Maintenance of Ponds and Impounded Lakes. The amendments allow for greater fluctuations in water levels for ponds or impounded lakes exceeding 5,000 hectares and adjacent power plants with capacities over 10 MW. These changes apply both under normal conditions and during spawning and migration periods, where necessary to balance and ensure the stability of the electricity system. These amendments facilitate the use of Kruonis PSHP units' potential for balancing the power system. This regulation will be in effect on a temporary basis until 31 December 2026.		As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
Lithuania expands public electricity supply for small and vulnerable households	On 17 April 2025, the Parliament of the Republic of Lithuania passed amendments to the Law on Electricity. The changes aim to fulfil the 19th Lithuanian Government Programme's goal of providing public electricity supply access to small and vulnerable households. Under the new amendments, by 2030, small household electricity consumers, who use less than 1,000 kWh annually, and vulnerable consumers, such as those receiving financial social assistance, individuals with disabilities, and social assistance beneficiaries, will have guaranteed access to public electricity supply. This extends the deadline from the original target of 2025, allowing approximately 800,000 consumers to continue using public electricity supply without obligation to choose an independent electricity supplier.		As of the report publication date, a negative but not material financial impact is expected

Title	Description	Relevance to the Group's business segments	Impact on the Group
Amendment to the Pricing Methodology for Electricity Prices, Reserve Capacity and Isolated Operation of the Electricity System	On 30 April 2025, the National Energy Regulatory Council (NERC) amended the Pricing Methodology for Electricity Prices, Reserve Capacity, and Isolated Operation of the Electricity System. This introduced a new mechanism for distributing additional profits earned from certain regulated services. Under the revised methodology, the costs of isolated operation service are included in the transmission system operator's (TSO) tariff for ancillary services. Amendments are introduced following the establishment of the Baltic balancing capacity market on 5 February 2025 to ensure the revenue neutrality of balancing services, protect consumer interests during the transitional phase of the Baltic balancing capacity market, and, under predefined conditions, allow temporary revenue adjustments for balancing capacity service (mFRR and isolated system operation service) provider in Lithuania. The amendments apply to two categories of services: (i) the manual frequency restoration reserve (mFRR) service, which was introduced following the synchronisation of the Baltic power system and is provided by Ignitis Gamyba (Reserve Capacities) at Kruonis PSHP and Kaunas HPP; (ii) isolated system operation services, which are currently provided by Elektrėnai Complex (Reserve Capacities). For mFRR services, NERC introduced a profit-sharing mechanism, where 70% of the difference between the marginal auction price (pay-as-clear) and the price offered by Ignitis Gamyba (pay-as-bid) is returned to consumers, while the company retains 30%. In practice, this ensures that Ignitis Gamyba receives its bid price, with any surplus primarily being shared with customers. This mechanism was applied from the beginning of 2025 until 31 December 2025. In parallel, the methodology provides for adjustments to the revenues permitted for the isolated operation service based on the positive financial results and the EBITDA generated from providing mFRR services in the previous or planned period. This adjustment mechanism was also effective until the end of 2025. Regarding the isolated system operation service, the revised framework replaces the previous methodology under which the service provider received 100% of the market upside. Under the new rules, service providers will retain 50% of the upside and will also receive 50% of the regulated cost of capital (WACC), as set by NERC. This methodology is applied from the beginning of 2025 until 31 December 2026, with the possibility of an extension by NERC. Overall, the adopted mechanism ensures that any additional profits earned from mFRR and isolated system operation services are redistributed to some extent to Lithuanian electricity consumers. This contributes to a reduction in regulated electricity tariffs while maintaining incentives for system reliability and flexibility.	 	In 2025, a significant financial impact at the Group level has been recognised, as Ignitis Gamyba will share EUR 99.2 million of additional profit earned for the reporting period
Lithuanian offshore wind legal framework	On 15 May 2025, the Parliament of the Republic of Lithuania adopted an amendment to the Law on Energy from Renewable Sources. The amendment aimed to revise the conditions of the offshore tender to ensure that the offshore wind farm maximises consumer benefits, does not negatively impact onshore wind farms, and remains appealing to potential investors. The following key changes were made: – the tender registration period was shortened from 120 to 90 days; – at least two bidders must be registered and participate for the tender to take place; – the inflation rate for indexation was capped at 2% and the indexation period of CfD price was reduced from 23 years to the date of receipt of the electricity production permit, not exceeding 8 years from the award date; – the obligation to use the ports of the Republic of Lithuania for activities carried out under the development and operation permit was added, if this is economically justified and the port can provide the necessary infrastructure and services; – the obligation to sign a contract with the TSO for connecting power generation facilities that use renewable energy sources to the electricity grid within 4 years of obtaining the development and operation permit was added.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
	The amendments became effective on 1 June 2025, and the Government reopened the tender on 9 June 2025. The transaction price range previously set at EUR 75.45/MWh to EUR 125.74/MWh remained the same for the reopened tender. According to the Government's decision made on 5 September 2025, the deadline for submitting applications and tender documents was extended from 8 September to 7 October 2025. However, the tender did not convene due to the limited number of participants (at least two were required).		
Transposition of RED III Directive	On 25 June 2025, the Parliament of the Republic of Lithuania adopted a comprehensive package of legislative amendments to the Law on Electricity, the Law on Energy, the Law on Energy from Renewable Sources, the Law on Environmental Impact Assessment of the Proposed Economic Activity, and the Law on Alternative Fuels. These changes transpose Directive (EU) 2023/2413 (RED III), reinforcing Lithuania's commitment to the European Green Deal and accelerating the transition to a low-carbon economy. The amendments aim to remove barriers to renewable energy deployment, strengthen grid flexibility, and ensure compliance with ambitious EU targets for renewable energy and decarbonisation. Amendments strengthen national energy security by diversifying supply and reducing dependence on fossil fuels, while aligning national policy with long-term sustainability and competitiveness goals. Key measures include the following: – Renewable Energy Sources: Renewable projects, such as solar, wind, and storage facilities, are now recognised as overriding public interest. New frameworks for accelerated development zones, streamlined permitting, and renewable potential mapping will significantly shorten project timelines and enhance investor confidence; – Electricity: Grid connection procedures have been simplified, technical compliance requirements have been made more flexible, and financial guarantees have been adjusted to reduce administrative burden; – Alternative Fuels: Obligations for renewable fuel supply have been tightened, RED III multipliers have been introduced, and accounting rules have been expanded to include electricity for electric vehicles. Transparency is being enhanced through mandatory reporting to EU databases and disclosure of biofuel origins at retail stations; – Energy: Permit timelines for modernisation projects have been shortened, certification requirements have been broadened, and outdated provisions on national importance projects have been repealed to reflect a more dynamic market environment; – Environmental Impact Assessment: New thresholds and exemptions balance environmental safeguards with accelerated renewable deployment, particularly for wind and transmission infrastructure, while maintaining cultural heritage protections.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
Tax reforms	In June 2025, the Parliament of the Republic of Lithuania adopted amendments to tax laws, which came into force on 1 January 2026. Key tax-related points that may be relevant to Group companies are described below. 1. Changes to the Personal Income Tax. Tax rates for total annual income (including income from individual activities, employment, rental, and property sales) are the following: – 20% when the annual income does not exceed 36 average annual salaries (AAS) (in 2026 – EUR 82,962); – 25% when the annual income is between 36 AAS and 60 AAS (in 2026 – between EUR 82,962 and EUR 138,270); – 32% when the annual income exceeds 60 AAS (in 2026 – from EUR 138,270); – possible impact of the proposed changes: it will affect the persons whose income is above around EUR 6.9 thousand/month on average. 2. Changes to the Corporate Income Tax. It includes the following: – the standard rate will increase from 16% to 17%, and the reduced rate will increase from 6% to 7%; – instant depreciation has been introduced, which will allow the full cost of acquiring fixed assets to be deducted from income in the tax period when the assets start being used. Depreciation will not be calculated for Corporate Income Tax purposes; – the amount of tax losses transferred between Group companies may not exceed 70% of the profits of the company that absorbs the losses; – companies will be able to deduct up to EUR 2,500 per year for scholarships paid to students studying natural sciences, technology, engineering, or mathematics; – possible impact of the proposed changes: the changes would depend on company results (profit/loss), the extent of applied investment project incentives, and the extent of tax loss carry-forwards between Group companies. 3. Changes to the Real Estate Tax: from 2026, companies will be subject to an additional 0.2% tax rate on the taxable value of real estate. A tax rate of 1 to 5% will be applied to abandoned or neglected real estate. The valuation of real estate will be carried out at least every 3 years (previously every 5 years). 4. Changes to excise duties: from 2026, excise duty exemptions for natural gas were abolished, i.e. the excise duty exemption will no longer apply to: – household consumers (in 2026 – EUR 0.5/MWh); – persons with beneficiary status (in 2026 – EUR 0.5/MWh); – the excise duty rates have increased from EUR 0.54/MWh to EUR 1/MWh for natural gas used for business purposes, and from EUR 1.08/MWh to EUR 1.5/MWh for natural gas used for non-business purposes.	   	As of the report publication date, the financial impact cannot be assessed. However, it is expected not to have a material impact
Transposition of Energy Market Design	On 13 November 2025, the Parliament of the Republic of Lithuania adopted amendments to the Law on Electricity and the Law on Energy, transposing Directive (EU) 2024/1711 of the European Parliament and of the Council, amending Directives (EU) 2018/2001 and (EU) 2019/944, and Regulation (EU) 2024/1747 of the European Parliament and of the Council, amending Regulations (EU) 2019/942 and (EU) 2019/943 as regards improving the Union's Electricity Market Design. Independent electricity supply was further defined through the introduction of the concept of fixed price contracts. Independent suppliers, both B2C and B2B, with more than 200,000 customers are now required to offer consumers the option of entering into 12 month fixed price contracts.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition and strengthen the Baltic market's integration into the European energy market



Green Capacities



Networks



Reserve Capacities



Customers & Solutions

Title	Description	Relevance to the Group's business segments	Impact on the Group
Transposition of Energy Efficiency Directive	The amendments include boosting system flexibility through the introduction of new mechanisms such as flexibility services and peak demand reduction. Demand aggregation activities are now regulated, and a framework has been established to assess national flexibility requirements. Energy storage deployment has been simplified, with installations up to 100 kW that do not feed electricity into the grid exempt from permit requirements. Under the new flexible grid connection model, users who agree to temporary power restrictions can benefit from earlier connections while awaiting grid expansion. Conditions for active consumers and energy communities have been improved, enabling energy generation at remote sites and linking multiple installations to a single consumption point. Lastly, legislative amendments significantly strengthened consumer protection in the energy sector. Vulnerable consumers have the right to request debt rescheduling over periods of up to twelve months, while electricity supply disconnections are restricted during dispute resolution. On 5 June 2025, the Parliament of the Republic of Lithuania adopted amendments to the Law on Energy Efficiency and other related laws to implement Directive (EU) 2023/1791. This directive, issued by the European Parliament and the Council on 13 September 2023, focuses on energy efficiency and amends Regulation (EU) 2023/955. The directive enhances the EU's energy efficiency target and enforces the "energy efficiency first" principle as a cornerstone of the EU's energy policy. The main changes include the following: Energy consumption and savings targets: – Lithuania's annual primary energy consumption in 2030 should not exceed 63.3 TWh, reduced from the previous target of 63.5 TWh; – annual final energy consumption should not exceed 51.0 TWh, down from 52.6 TWh; – total final energy savings must reach at least 39.3 TWh by 2030, up from the current goal of 27.2 TWh. Extension of energy efficiency principles: – the energy efficiency improvement priority now applies to non-energy sectors; – for investment decisions exceeding EUR 100 million for individual projects or EUR 175 million for transport infrastructure projects, public entities and economic operators must perform a cost-benefit analysis and present alternatives at the decision-making stage. Energy audit and management requirements: – companies with an average annual energy consumption between 2.8 GWh and 23.6 GWh must submit an energy audit report to the Lithuanian Energy Agency (LEA) within one calendar year; – companies with an average annual final energy consumption above 23.6 GWh over the last three years must implement an energy management system within two calendar years from the end of the assessment period.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
Changes paving the way for biomethane (Bio-LNG) services at Klaipėda LNG Terminal	On 8 July 2025, the National Energy Regulatory Council (NERC) adopted new rules for the use of Klaipėda Liquefied Natural Gas (LNG) Terminal. The amendments primarily address the integration of a new biomethane liquefaction service, introducing definitions, service provision procedures, application deadlines, payment terms, and creditworthiness requirements. Key updates to the rules include the introduction of the biomethane liquefaction service. New application forms and measurement procedures have been established, and the pricing structure now includes fees specific to biomethane liquefaction. Operational and contractual requirements have been adjusted to facilitate Bio-LNG service delivery. These amendments provide a regulatory framework to support the development of sustainable liquefied biomethane (Bio-LNG) services at the LNG terminal, paving the way for enhanced integration of renewable energy sources.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy
Renewable electricity production contribution	On 20 November 2025, the Parliament of the Republic of Lithuania adopted amendments to the Law on Energy from Renewable Sources of the Republic of Lithuania. The key amendments include: – electricity producer who obtained permit to produce electricity before 1 July 2023 will have to pay a renewable electricity production contribution after the period of 10 years from the date of issuance of the permit to produce electricity; – the contribution payments will be made to households where the person or persons live within a 1.5 km radius of the power plant; – the contribution will be paid by electricity producers for the electricity generated during technological tests; – a control mechanism was established for municipalities that will receive the contribution from electricity producer operating in the maritime area; – a minimum contribution amount was set for when an electricity producer does not pay the contribution (when the calculated amount does not exceed EUR 100 for each power plant separately); – if the contribution funds, assessing each power plant separately, do not exceed EUR 1,000, the total amount collected will be allocated to communities in accordance with the procedure and conditions established by the Government.		As of report publication date, negative but not significant impact is expected at the Group level
Amendments to the Law on Environmental Impact Assessment of the Proposed Economic Activity to make the process more efficient	On 27 November 2025, the Parliament of the Republic of Lithuania adopted amendments to the Law on Environmental Impact Assessment of the Proposed Economic Activity. These amendments aim to streamline the environmental impact assessment process by reducing the timeline by two months and minimising the administrative and regulatory burden on entities. The changes include allowing the Environmental Protection Agency to evaluate submitted documents simultaneously with other relevant institutions, such as the Department of Cultural Heritage, the Fire and Rescue Department, the National Public Health Centre, and municipalities. Currently, the Environmental Protection Agency evaluates documents only after the conclusions of the other bodies. Additionally, the amendments provide for the implementation of stricter rules, requiring institutions to provide feedback only within their area of competence and comments falling outside the relevant competence will be disregarded.		As of the report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact

Title	Description	Relevance to the Group's business segments	Impact on the Group
More balanced changes in the legal regulation of prosumers	On 23 September 2025, the Ministry of Energy of the Republic of Lithuania announced public consultations on the proposed amendments to the Law on Energy from Renewable Sources and Law on Electricity. These amendments are intended to improve the prosumer framework and strengthen the integration of renewable energy into the electricity system. A key element of the proposal is to qualify net metering applications for prosumers as services of public interest (VIAP). Under the proposed model, the compensation scheme would consist of two components: (i) prosumers contributing up to EUR 0.01 per kWh and (ii) other electricity consumers contributing based on the system-wide benefits generated by prosumers, as estimated by the National Energy Regulatory Council (NERC). Prices would be set by the NERC based on audited supplier reports and assessment of prosumer's generated financial impact on wholesale electricity market price. Grid operators would collect funds, transfer them to Baltpool and subsequently distribute them to suppliers based on verified costs to cover financial imbalances arising from prosumer activities. The amendments also propose changes to the duration of the electricity accumulation period, setting the price at which suppliers would compensate prosumers for unused electricity at the end of the accumulation period. On 3 December 2025, the legislative amendments were adopted by the Government of the Republic of Lithuania. These amendments are currently being discussed in the Parliament. However, as the legislative process is still ongoing, the final scope, timeline, and impact of the proposed amendments may change.		As of report publication date, the financial impact cannot be evaluated because the legislative amendments are still under discussion. However, expected to have an overall positive impact
Formation of the new Government in Lithuania and the new programme	Following the resignation of the nineteenth Government, Lithuania's twentieth Government took office with a clear commitment to maintain the country's strategic energy direction and accelerate the green transition. On 25 September 2025, the Parliament of the Republic of Lithuania approved the new Government's programme. The programme focuses on expanding renewable energy sources such as solar, wind, water and biomass, while reducing the use of fossil fuels to the minimum necessary for grid stability. By 2028, Lithuania aims to produce more electricity from renewable energy sources than its annual consumption, ensuring that this transition preserves the country's most valuable landscapes and biodiversity. A central element of the programme is the development of energy storage capacity, including advanced battery technologies and enhanced storage at Kruonis PSHP. Offshore and onshore wind projects are prioritised, with the condition that offshore development does not lead to significant increases in electricity costs for consumers and the industry. The programme also promotes the use of surplus renewable energy for green hydrogen production to meet the needs of the chemical industry and synthetic fuel manufacturing. Decentralised energy generation is strongly encouraged, with opportunities for households, small and medium enterprises and renewable energy communities to participate actively in the energy transition. The programme places particular emphasis on expanding electric vehicle charging infrastructure, including public charging stations and facilities near apartment buildings, to support the growing number of electric vehicles. In addition, the Government is committed to supporting investments in the modernisation and expansion of transmission and distribution networks to improve reliability and enable the integration of increasing renewable capacity.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
The Government's decision to reduce electricity prices for vulnerable consumers	On 12 November 2025, the Government decided to reduce electricity prices for vulnerable consumers in the public electricity supply. To achieve this, surplus revenues collected from electricity producers during the energy crisis, when prices were exceptionally high, will be used. These revenues were obtained from producers whose sales prices exceeded EUR 180 per megawatt hour (or EUR 18 cents/kWh) and are managed by Baltpool under a Government-approved procedure. The electricity price for vulnerable consumers is reduced by EUR 4 cents per kWh for 2026. The final electricity price is set by the National Energy Regulatory Council (NERC). In 2026, around EUR 2.6 million is allocated to reduce electricity prices for vulnerable consumers, with the full amount of approximately EUR 10 million to be utilised between 2027 and 2029, subject to annual Government decisions.		As of report publication date, negative but not significant impact is expected at the Group level
Draft legislation in Lithuania targets hydrogen market expansion	On 9 December 2025, the Ministry of Energy announced a public consultation on the draft Law on Hydrogen, which ran until 19 January 2026. Lithuania must transpose Directive (EU) 2024/1788, adopted by the European Parliament and the Council on 13 June 2024, by 5 August 2026. This directive establishes common rules for internal markets on renewable gas, natural gas, and hydrogen. To comply with this directive, the Ministry has drafted the Law on Hydrogen to regulate various aspects of the hydrogen sector, drawing on existing legal principles from the natural gas and electricity sectors. The legislation aims to establish a competitive, economically viable, and reliable hydrogen market in Lithuania by setting hydrogen production, transmission, distribution, storage, and supply requirements. It also addresses the development, operation, and connection of related infrastructure, along with the licensing of hydrogen-related activities. Additionally, the law seeks to facilitate the timely development of the Nordic Baltic Hydrogen Corridor, a joint hydrogen transmission infrastructure project involving Lithuania and five partner countries: Finland, Estonia, Latvia, Poland, and Germany. This initiative is expected to boost investment in high-capacity electrolysis for export-oriented green hydrogen production, thereby increasing electricity demand, promoting renewable energy expansion, and creating jobs. These efforts align with the EU's Green Deal, decarbonisation, and energy security objectives.	   	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Latvia

Title	Description	Relevance to the Group's business segments	Impact on the Group
Amendments to the Energy Market Law	On 19 March and 10 April 2025, the Parliament of the Republic of Latvia adopted significant amendments to the Energy Market Law, introducing several key updates to enhance efficiency and innovation. A new flexible connection service was established under the RED III Directive, allowing multiple producers to connect at a single point. This service supports the integration of diverse technologies and optimises grid capacity, though it is subject to potential curtailment of up to 876 hours annually. The amendments introduced a hybrid license, simplifying the administrative process for developing renewable energy production and storage technologies into a single document. A grace period has been set until the end of 2025 for hybrid projects aiming to add a second technology, such as wind energy, contingent on successful environmental assessments. Detailed conditions have been outlined for obtaining or retaining a TSO service connection to the transmission system. Upon adding new technologies, a stable connection will transition to a flexible one. Comprehensive regulations also cover the addition of BESS or production technologies to existing BESS setups.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy
Amendments to the National Security Law to streamline the management of critical infrastructure	On 27 June 2025, the Parliament of the Republic of Latvia amended the National Security Law to streamline the management of critical infrastructure, including renewable energy assets such as solar and wind technologies, and align Latvian regulation with EU directives (Directive 2022/2557/EC and 2008/114/EC). Energy generation and transmission facilities, including wind and solar installations, may now be classified as critical infrastructure or as infrastructure of particular European significance according to the criteria outlined in the national and EU law. Individuals affiliated with regimes that undermine democratic governance, such as nationals from Russia and Belarus, are prohibited from owning interests, exercising control, or holding management positions in entities designated as critical infrastructure. Furthermore, they are barred from providing services that grant access to sensitive information or critical technologies. Operators of critical infrastructure are required to implement continuity plans, resilience measures, and regular risk assessments, with mandatory incident reporting and penalties for non-compliance. The Cabinet of Ministers has been authorised to establish detailed security measures and procedures to ensure compliance with European standards.	 	As of report publication date, the financial impact cannot be assessed. However, expected to have an overall positive impact
Solution for expanding land availability in Latvia for wind farm development	On 22 July 2025, the Cabinet of Ministers of Latvia approved the final map and positions for radar mitigation, which enabled previously restricted territories to become available for wind technology and at the same time restricted some territories near the country's borders. In total, this decision opens up more areas for wind energy projects, facilitating the expanded development opportunities. Additionally, the Cabinet has allocated funds for the procurement of necessary technologies to support these initiatives. These actions were defined in the Cabinet of Ministers' decision 'On a solution for broader access to Latvia's land territory for wind farm development.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Title	Description	Relevance to the Group's business segments	Impact on the Group
Latvia's Energy Strategy 2050	On 3 June 2025, the Cabinet of Ministers unveiled Latvia's Energy Strategy 2050, a dynamic plan designed to bolster the country's energy competitiveness amidst an uncertain future. The document will be regularly updated and supported by a monitoring mechanism. The strategy centres around the overarching aim of energy enhancing Latvia's competitiveness. To achieve this, the strategy sets the following three key objectives: 1. Regional leadership in energy pricing: Latvia aims to establish itself as a regional leader in offering competitive energy prices. 2. High energy self-sufficiency: The focus is on significantly boosting domestic energy production to reduce reliance on imports. 3. Efficient use of energy infrastructure: Latvia plans to optimise its energy infrastructure for sustainability and efficiency. These objectives are supported by specific targets, including reducing electricity prices by roughly a third, increasing local energy production from 6.6 TWh to 25 TWh by 2050, and ensuring a stable balance between consumption and production to meet future demand, which is expected to rise from 7.7 TWh in 2024 to 19 TWh by 2050. Projections for 2050 include offshore wind generating 1 TWh, solar 2 TWh, and onshore wind 4.5 TWh. The plan aims for a closer integration of the heat, transport (including railway), and power sectors. It includes utilising residual heat, progressively electrifying the heat sector, and employing district heating systems for efficient energy storage.	 	Expected to have an overall positive impact as it aims to reduce dependence on imports, increase Latvia's energy security and increase stability in the sector
Latvia's Transport Energy Law promotes alternative fuels	On 27 November 2025, the Parliament of the Republic of Latvia adopted the Transport Energy Law to advance the development of alternative fuel infrastructure and transparency in the transport energy sector. By 2030, new and renovated publicly accessible fuel stations must provide at least one charging point or alternative fuel station, where technically feasible. Stations located on national roads within the European transport network must include at least one high-power charging point. Operators of publicly accessible charging points are required to offer consumers information about the location, real-time availability, and charging data through digital platforms. Suppliers must report electricity usage at charging points to the Central Statistical Bureau by 31 March 2026, detailing connection types and use of renewable energy.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Estonia

Title	Description	Relevance to the Group's business segments	Impact on the Group
Amendments to the Electricity Market Act	On 7 May 2025, amendments to the Electricity Market Act were introduced, bringing significant changes aimed at streamlining processes and reducing risks for electricity producers. Electricity sold via direct lines will be excluded from support measures. According to the Climate Ministry's interpretation of EU law, electricity sold outside power markets like NordPool cannot be subsidised. If the start of production is delayed, producers will still receive support, but the support period will be shortened by the duration of the delay. This measure aims to reduce the risks associated with lengthy permitting processes and will apply retroactively to previous auctions. Specific credit rating requirements will be established for providers of auction guarantees, and the guarantee will not be returned if a developer revokes their bid after the submission deadline. The definition of the start of production has been amended. The production is now considered to have started once the developer submits an application and network agreement, rather than upon completion of grid and compliance tests. This change significantly affects the timeline for fulfilling developer obligations. The process for municipal designated spatial plans will be simplified by removing the requirement for prior approval, allowing plans to be adopted directly.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy
Onshore CfD plans move forward	On 18 July 2025, the amendments to the Electricity Act entered into force regarding the contract-for-difference (CfD) support measures for onshore wind. The Estonian Government is adopting a comprehensive approach to the forthcoming onshore CfD auction, aiming to align it with the support mechanisms for offshore wind and energy storage. The Government is actively refining the specifics of the CfD mechanism, taking into account market developments in Estonia and the region, with an announcement expected in 2026. This strategic initiative is set to significantly advance renewable energy efforts within Estonia.		As of report publication date, the financial impact cannot be evaluated, but the overall impact is positive
New balancing capacity fee	On 31 October 2025, the Competition Authority approved the methodology for the allocation of balancing capacity costs. Starting from January 2026, according to the frequency reserve pricing methodology, 50% of the costs will be allocated to production and 50% to consumption. The fixed tariff for 2026 will amount to EUR 3.73/MWh for both consumption and production. The purpose of this fee is to ensure the operation of fast-responding balancing reserves (also known as frequency reserves), which keep the power system balanced every second. When generation changes abruptly or unexpected faults occur, these reserves step in to prevent the lights from going out while bringing consumption and production back into balance.	 	As of the report publication date, a negative but not material financial impact is expected

Title	Description	Relevance to the Group's business segments	Impact on the Group
Formation of the new Government in Estonia and the new programme	Following the formation of Estonia's new Government, the coalition agreement approved on 24 March 2025 set out a clear strategic direction for strengthening the country's energy security, accelerating the expansion of renewable energy and ensuring the responsible use of natural resources. Ensuring reliable domestic generation remains a priority, with existing oil shale power plants kept operational until new controllable capacities and sufficient system flexibility enter the market. The Government intends to launch a major onshore renewable electricity auction of up to 2 TWh, while also proposing additional state-owned land for wind energy projects. Offshore wind development will be supported through new financial instruments. The programme also highlights the importance of energy storage and demand-side management. Biogas production will be advanced to its maximum potential, supported by a new biomethane grid injection scheme. Electricity system resilience and connectivity are also key elements of the programme. The Government will decide on the schedule and corridor routes for the new EstLink 3 and the fourth Estonia-Latvia interconnector and will work with neighbouring countries to enhance the protection of critical Baltic Sea energy infrastructure. In parallel, Estonia is preparing for the potential introduction of nuclear energy. The Government will initiate the national spatial plan for a possible nuclear power plant site, develop and adopt a Nuclear Energy and Safety Act, Finally, the coalition reaffirms its commitment to preserving biodiversity, therefore thirty per cent of Estonia's land and maritime areas will be protected, and seventy per cent of forest land will remain designated as commercial forest.	 	Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy
Accelerating renewable energy development	On 18 July 2025, the Ministry of Climate adopted key legislative changes to the Planning Act and related regulations. These amendments streamline planning and execution, fostering more efficient project development and expediting renewable energy growth. The new legal framework reduces bureaucratic barriers and regulatory risks, supporting quicker implementation of renewable energy initiatives and contributing to energy sector's decarbonisation. The planning process is now simplified, allowing projects to advance based on initial location selection, with detailed design deferred to later stages. Construction of onshore and offshore wind farms has been made easier, reducing planning risks and regulatory hurdles for investors. Manufacturers must provide technical details earlier, defining key parameters during the pre-selection stage.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy



Poland

Title	Description	Relevance to the Group's business segments	Impact on the Group
Transposition of the Energy Market Design	On 24 March 2025, draft amendment to the Energy Law Act was presented by the Ministry of Climate and Environment. The proposed legislation is designed to transpose, inter alia, Directive (EU) 2024/1711 of the European Parliament and the Council, amending Directives (EU) 2018/2001 and (EU) 2019/944 as regards improving the Union's Electricity Market Design. Proposed amendments include the following obligations for energy suppliers: – introducing fixed-priced, fixed-term energy sale contracts with a minimum tenor of one year, applicable to energy supplies with more than 200,000 customers; – providing the customers with clear and concise information about the costs, benefits, and risks associated with a particular type of energy sale contract; – every three years, implementing and updating the hedging strategies that minimise the risk of losses resulting from changes in the wholesale market. The draft amendment is submitted for the Parliament's consideration and is expected to be adopted on the first quarter of 2026.		As of the report publication date, the financial impact cannot be assessed. However, no material financial impact is expected
Act on Promoting Electricity Generation in Offshore Wind Farms and certain other acts	On 9 October 2025, the Parliament amended the Act on Promoting Electricity Generation in Offshore Wind Farms to advance offshore energy projects and the renewable sector, aligning with carbon reduction goals and international commitments. The act improves the auction support system for offshore wind farms by introducing conditional prequalification (to be applied if there are pending environmental administrative proceedings), the possibility of submitting two auction offers for one single offshore area (provided that both wind farms have separate power output infrastructure). The amendments reduce participant formalities and clarify auction settlement procedures. The act enhances investment stability by adjusting support indexing and the rules for managing negative balances during offshore wind farm redispatching. New regulations also simplify administrative procedures, including those relating to minor adjustments of the location of the planned turbine foundations (a handicap of 50 meters will be introduced), the shared use of electrical infrastructure by more than one wind farm (separate metering system will be required for each wind farm using such shared infrastructure), and clarify the rules for staging the development of investments. Further regulations map the potential of renewable energy and designate renewables acceleration areas under the RED III Directive while streamlining permit acquisition for new projects. The act also expands energy cooperative activities to urban municipalities and improves conditions for tenant prosumers by increasing the installed capacity of renewables and broadening their location options, including roofs of garages and parking shelters.		Expected to have an overall positive impact as it aims to accelerate the energy transition, aligning with the Group's strategy

Results

3.1 Annual results	62
3.2 Five-year annual summary	73
3.3 Results Q4	76
3.4 Quarterly summary	78
3.5 Results by business segments	81



3.1 Annual results

Follow-up on 2025 guidance

Adjusted EBITDA

In the outlook provided in our First nine months 2025 interim report, we expected our Adjusted EBITDA in 2025 to be in the range of EUR 510–540 million. Our Adjusted EBITDA amounted to EUR 546.1 million and exceeded the upper end of our guidance communicated to the market by 1.1% (4.0% versus midpoint). The outperformance was mostly driven by better-than-expected results in Q4 2025 of the Customers & Solutions and Green Capacities segments. Additionally, the results of all business segments were in line with the directional guidance we provided previously, except for the Reserve Capacities segment.

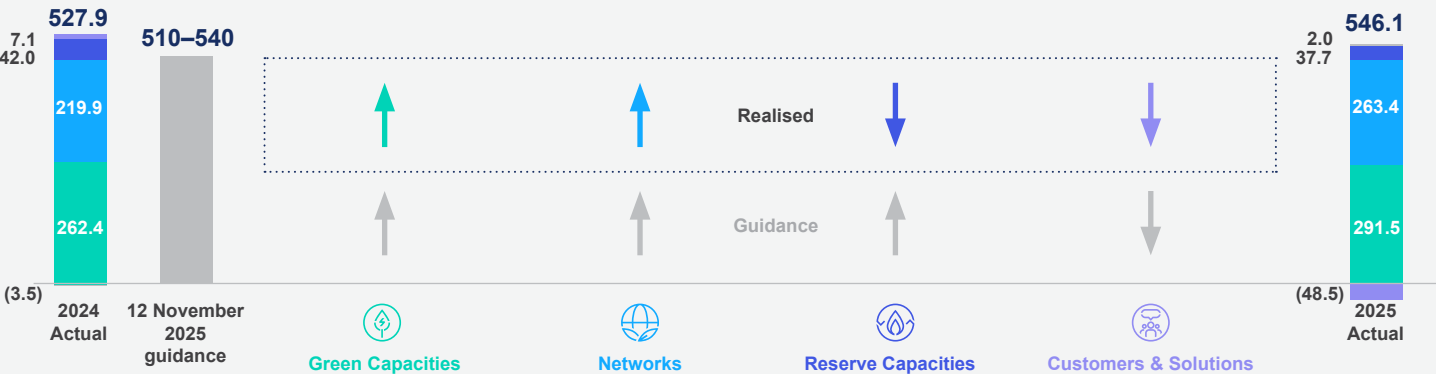
Investments

In the outlook provided in our First nine months 2025 interim report, we expected Investments in 2025 to be in the range of EUR 700–800 million. Our Investments amounted to EUR 720.3 million and fell within provided guidance range. As planned, the majority of the Investments were made in our two largest business segments – Green Capacities and Networks.

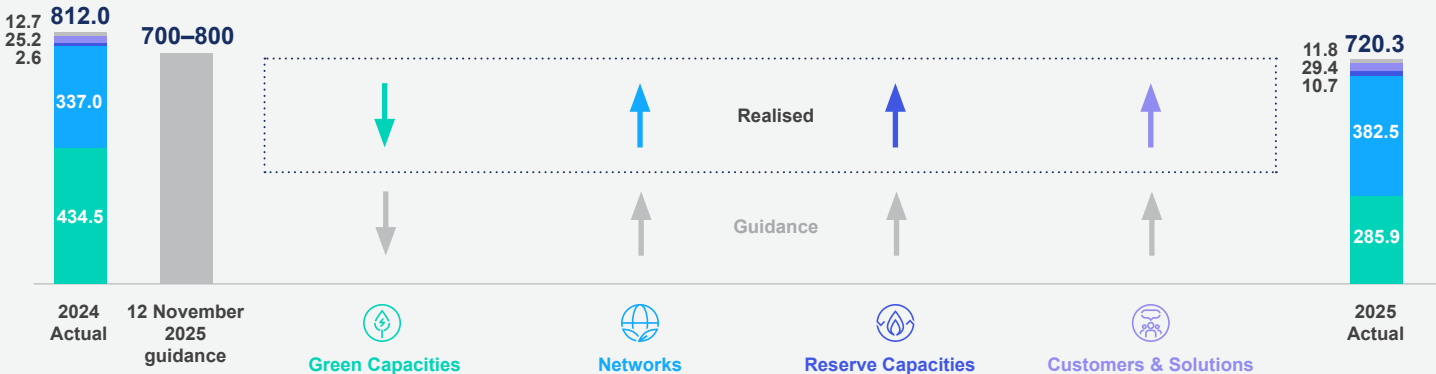
Guidance history, EURm

Date of the report	Adjusted EBITDA	Investments
26 February 2025	500–540	700–900
12 November 2025	510–540	700–800
Actual 2025 result	546.1	720.3

Adjusted EBITDA ^{APM}, EURm



Investments ^{APM}, EURm



Revenue

In 2025, the total revenue increased by EUR 190.7 million compared to 2024. The main contributors to the changes in revenue were the following:

- the Green Capacities segment's revenue was 24.7% (EUR 104.8 million) higher than in 2024 due to new assets launched and new services provided;
- the Reserve Capacities segment's revenue was 51.5 % (EUR 77.3 million) higher than in 2024, driven by higher volumes generated (+121.4%, 1.2 TWh in 2025 vs 0.5 TWh in 2024) and new services provided;
- the Networks and Customers & Solutions segment's revenue did not change significantly compared to 2024.

The negative amount under 'Other activities and eliminations' primarily reflects the removal of intragroup transactions.

More detailed information is provided in section '8 Consolidated financial statements', note '6 Revenue'.

Consolidated statement of profit or loss, EURm

	2025	2024	Δ	Δ, %	2025	2024	Δ	Δ, %
	Adjusted				Reported			
Total revenue	2,561.7	2,302.2	259.5	11.3%	2,497.7	2,307.0	190.7	8.3%
Purchase of electricity, natural gas and other services	(1,625.1)	(1,444.7)	(180.4)	12.5%	(1,625.1)	(1,444.7)	(180.4)	12.5%
OPEX ^{APM}	(390.5)	(329.6)	(60.9)	18.5%	(390.5)	(329.6)	(60.9)	18.5%
Salaries and related expenses	(189.1)	(163.1)	(26.0)	15.9%	(189.1)	(163.1)	(26.0)	15.9%
Repair and maintenance expenses	(77.5)	(66.5)	(11.0)	16.5%	(77.5)	(66.5)	(11.0)	16.5%
Other OPEX	(123.9)	(100.0)	(23.9)	23.9%	(123.9)	(100.0)	(23.9)	23.9%
EBITDA ^{APM}	546.1	527.9	18.2	3.4%	482.1	532.7	(50.6)	(9.5%)
Depreciation and amortization	(219.8)	(178.3)	(41.5)	23.3%	(219.8)	(178.3)	(41.5)	23.3%
Write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets	(10.9)	(4.4)	(6.5)	147.7%	(10.9)	(4.4)	(6.5)	147.7%
Operating profit (EBIT) ^{APM}	315.4	345.2	(29.8)	(8.6%)	251.4	350.0	(98.6)	(28.2%)
Finance activity, net	(53.0)	(36.0)	(17.0)	47.2%	(61.3)	(41.7)	(19.6)	47.0%
Income tax (expenses)/benefit	(36.7)	(31.7)	(5.0)	15.8%	(26.2)	(32.1)	5.9	(18.4%)
Net profit	225.7	277.5	(51.8)	(18.7%)	163.9	276.2	(112.3)	(40.6%)
EPS ^{APM} , EUR	n/a	n/a	n/a	n/a	2.26	3.82	(1.56)	(40.8%)
DPS ^{APM} , EUR	n/a	n/a	n/a	n/a	1.37	1.33	0.04	3.0%

Revenue, EURm

	2025	2024	Δ	Δ, %
Customers & Solutions	1,213.0	1,227.0	(14.0)	(1.1%)
Networks	707.4	700.8	6.6	0.9%
Green Capacities	528.5	423.7	104.8	24.7%
Reserve Capacities	227.4	150.1	77.3	51.5%
Other activities and eliminations	(178.6)	(194.6)	16.0	8.2%
Total revenue	2,497.7	2,307.0	190.7	8.3%

EBITDA

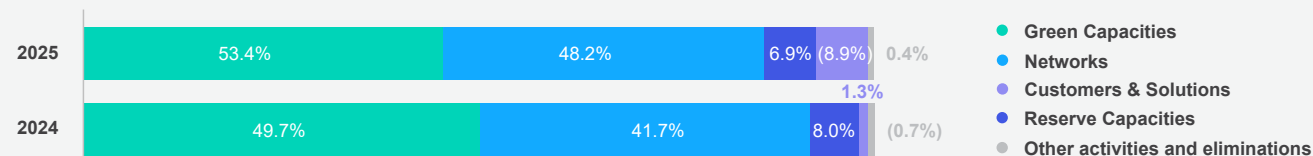
Adjusted EBITDA amounted to EUR 546.1 million in 2025 and was EUR 18.2 million (3.4%) higher than in 2024:

- the Green Capacities segment's Adjusted EBITDA was 11.1% (EUR 29.1 million) higher than in 2024 due to new assets launched and new services provided. The increase was partly offset by higher operating expenses;
- the Networks segment's Adjusted EBITDA was EUR 43.5 million higher than in 2024, mainly due to the higher RAB effect (EUR +32.5 million) and higher WACC effect (EUR +11.3 million);
- the Reserve Capacities segment's Adjusted EBITDA was 10.2% (EUR 4.3 million) lower than in 2024. The decrease was driven by lower availability due to planned major overhaul of the CCGT unit as well as lower captured gross profit margin in relation to lower electricity prices and higher natural gas prices. Captured gross profit margin decrease was partly offset by higher volumes generated and new services provided;
- the Customers & Solutions segment's Adjusted EBITDA decreased by EUR 55.6 million compared to 2024. Decrease was recorded in both natural gas and electricity businesses. The natural gas B2B supply results decreased mainly because more favorable margins were secured in 2024. The lower electricity supply result was mostly related to the higher loss effect associated with prosumers under the current net-metering scheme, with prosumer-related total loss amounting to EUR -28.5 million in 2025 (EUR -15.2 million in 2024). The negative result of the electricity supply business was further amplified by the negative effect related to imbalance operations.

Adjusted EBITDA by segments, EURm

	2025	2024	Δ	Δ, %
Green Capacities	291.5	262.4	29.1	11.1%
Networks	263.4	219.9	43.5	19.8%
Reserve Capacities	37.7	42.0	(4.3)	(10.2%)
Customers & Solutions	(48.5)	7.1	(55.6)	n/a
Other activities and eliminations	2.0	(3.5)	5.5	n/a
Adjusted EBITDA ^[APM]	546.1	527.9	18.2	3.4%

Adjusted EBITDA by segments, EURm



EBIT

In 2025, Adjusted EBIT amounted to EUR 315.4 million and was EUR 29.8 million (8.6%) lower than in 2024. The main effect of the decrease was the lower result of the Customers & Solutions segment (the decline was driven by natural B2B supply results that decreased mainly due to more favorable margins secured in 2024), which was partly offset by better EBIT results in the Networks and the Green Capacities segments, mainly driven by Adjusted EBITDA growth.

Net profit

Adjusted Net Profit amounted to EUR 225.7 million in 2025 and was EUR 51.8 million or 18.7% lower than in 2024 (EUR 277.5 million). The decrease is mainly related to lower Adjusted EBIT (EUR -29.8 million), higher income tax expenses (EUR -5.0 million) and lower financial activity results (EUR -17.0 million). More detailed information is provided in section '8 Consolidated financial statements', note '9 Income taxes' and note '8 Finance activity'.

Adjusted EBIT by segment, EURm

	2025	2024	Δ	Δ, %
Green Capacities	222.1	217.7	4.4	2.0%
Networks	129.9	105.1	24.8	23.6%
Reserve Capacities	26.4	31.1	(4.7)	(15.1%)
Customers & Solutions	(54.7)	4.1	(58.8)	n/a
Other activities and eliminations	(8.3)	(12.8)	4.5	35.2%
Adjusted EBIT APM	315.4	345.2	(29.8)	(8.6%)

Investments

In 2025, Investments amounted to EUR 720.3 million and were EUR 91.7 million (11.3%) lower compared to 2024. Due to several projects reaching COD, Investments into Green Capacities decreased by EUR 148.6 million. This decrease offsets the EUR 45.5 million increase in the Networks Investments. 77.1% (EUR 555.5 million) of the total Investments were directed to Lithuania.

Investments in the Green Capacities segment comprised 39.7% of the total Investments and decreased by 34.2% (EUR 148.6 million) compared to 2024, mostly due to the completion and commissioning of Kelmė WF, Stelpe SF I and II and Varne SF, which reached COD in 2025, and the Vilnius CHP biomass unit, which reached COD in 2024. The decrease was partly offset by ongoing Investments in BESS, Tume SF and the Kruonis PSHP expansion project.

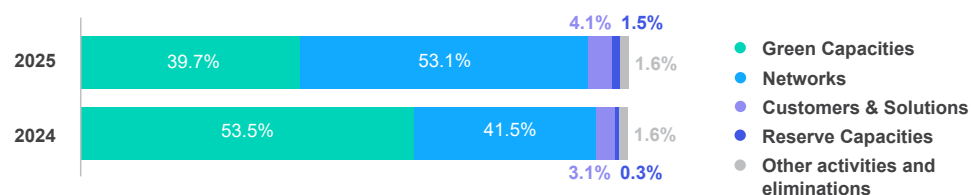
Investments in the Networks segment in 2025 amounted to EUR 382.5 million and were 13.5% (EUR 45.5 million) higher than in 2024. The increase is mainly related to higher Investments

into the expansion of the electricity distribution network (EUR +42.6 million, or +21.8%), mainly due to the higher number of new connection points and upgrades as well as the higher cost of connecting new customers located more remotely. Other Investments were higher due to the vehicle fleet electrification (EUR +18.5 million). Investments in the electricity distribution network's maintenance were EUR -14.2 million lower.

Investments in the Customers & Solutions segment in 2025 amounted to EUR 29.4 million and were 16.7% (EUR 4.2 million) higher than in 2024, with the increase coming mainly from IT investments due to upgrading CRM and billing systems. In total, over 70% of Investments were related to the development of public EV charging network.

In 2025, grants and Investments covered by customers amounted to EUR 79.7 million and accounted for 11.1% of the total Investments.

Distribution of Investments, %



Investments by segment, EURm

	2025	2024	Δ	Δ, %
Green Capacities	285.9	434.5	(148.6)	(34.2%)
Solar	122.7	112.4	10.3	9.2%
Onshore wind	57.7	263.8	(206.1)	(78.1%)
Hydro	51.2	25.4	25.8	101.6%
Offshore wind	31.7	20.9	10.8	51.7%
BESS	19.0	0.3	18.7	n/a
Biomass/WtE	3.4	10.7	(7.3)	(68.2%)
Other	0.2	1.3	(1.1)	(84.6%)
Networks	382.5	337.0	45.5	13.5%
Total electricity network investments:	336.3	310.2	26.1	8.4%
Expansion of electricity distribution network (excl. smart meters)	238.2	195.6	42.6	21.8%
Maintenance of electricity distribution network	75.4	89.6	(14.2)	(15.8%)
Expansion of electricity distribution network (smart meters)	22.7	25.0	(2.3)	(9.2%)
Total gas network investments:	13.0	13.6	(0.6)	(4.4%)
Maintenance of gas distribution network	7.4	7.3	0.1	1.4%
Expansion of gas distribution network	5.6	6.3	(0.7)	(11.1%)
Other	33.2	13.2	20.0	151.5%
Customers & Solutions	29.4	25.2	4.2	16.7%
EV charging network	21.5	21.2	0.3	1.4%
Other	7.9	4.0	3.9	97.5%
Reserve Capacities	10.7	2.6	8.1	311.5%
Other activities and eliminations	11.8	12.7	(0.9)	(7.1%)
Investments ^{APM}	720.3	812.0	(91.7)	(11.3%)
Total grants and Investments covered by customers:	(79.7)	(76.5)	(3.2)	4.2%
Grants	(2.6)	(4.3)	1.7	(39.5%)
Investments covered by customers ¹	(77.1)	(72.2)	(4.9)	6.8%
Investments (excl. grants and investments covered by customers)	640.6	735.5	(94.9)	(12.9%)

Investments by countries, EURm

	2025	2024	2025, %	2024, %
Lithuania	555.5	656.5	77.1%	80.8%
Other countries ²	164.8	155.5	22.9%	19.2%
Total Investments:	720.3	812.0	100.0%	100.0%

¹ 'Investments covered by customers' include new connections and upgrades and infrastructure equipment transfers.

² 'Other countries' mainly represent investments in Latvia, Poland and Estonia.

Capital Employed

Capital Employed

As of 31 December 2025, Capital Employed amounted to EUR 4,406.7 million and increased by EUR 357.6 million compared to 31 December 2024, mainly due to the Investments made.

Equity

As of 31 December 2025, Equity increased by EUR 57.9 million (2.4%) compared to 31 December 2024, mostly due to the net profit earned in 2025 (EUR +163.9 million). The increase was partly offset by the dividends paid (EUR -97.4 million). A more detailed description is provided in section '8 Consolidated financial statements', note 22 'Equity'.

Net Working Capital

As of 31 December 2025, Net Working Capital amounted to EUR 43.6 million and decreased by EUR 59.0 million compared to 31 December 2024. The major drivers behind the decrease were the higher advance payment received from a client for a natural gas supply agreement (Customers & Solutions), the lower trade receivables (primarily Customers & Solutions) and the increase in temporary regulatory liabilities related to new services provided (Green Capacities – Kruonis PSHP; Reserve Capacities – Elektrėnai Complex). The decrease was partly offset by lower trade payables (Customers & Solutions). A more detailed description is provided in section '8 Consolidated financial statements', note '26 Provisions'.

Capital employed, EURm

	31 Dec 2025	31 Dec 2024	Δ	Δ, %
Non-current assets	5,280.4	4,752.0	528.4	11.1%
Net Working Capital APM	43.6	102.6	(59.0)	(57.5%)
Other assets	72.6	72.4	0.2	0.3%
Grants and subsidies	(272.5)	(287.5)	15.0	(5.2%)
Deferred income	(342.4)	(289.9)	(52.5)	18.1%
Deferred tax liabilities	(90.3)	(84.7)	(5.6)	6.6%
Non-current provisions	(160.3)	(100.5)	(59.8)	59.5%
Other assets and liabilities	(124.4)	(115.3)	(9.1)	7.9%
Capital Employed APM	4,406.7	4,049.1	357.6	8.8%
Equity	2,494.7	2,436.8	57.9	2.4%
Net Debt APM	1,912.0	1,612.3	299.7	18.6%
<i>Adjusted ROCE APM</i>	7.5%	9.0%	(1.5 pp)	n/a

Financing

Net Debt

As of 31 December 2025, Net Debt amounted to EUR 1,912.0 million and was 18.6% (EUR 299.7 million) higher compared to 31 December 2024, mainly due to negative FCF (EUR -192.0 million) and dividends paid. The FFO / Net Debt ratio decreased by 8.7 pp. A more detailed description is provided in section '8 Consolidated financial statements', note '24 Financing'.

Interest rate

As of 31 December 2025, financial liabilities amounting to EUR 1,289.4 million were subject to a fixed interest rate (58.4% of Gross Debt) and the effective interest rate was 2.51% (2.63% on 31 December 2024).

Currency rate

As of 31 December 2025, 95.9% of the total debt was in EUR, and 4.1% in PLN.

Maturities

The average maturity of financial liabilities as of 31 December 2025 was 4.8 years (4.5 years as of 31 December 2024).

Net debt, EURm

	31 Dec 2025	31 Dec 2024	Δ	Δ, %
Gross Debt ^[APM]	2,208.3	1,846.8	361.5	19.6%
Cash and cash equiv.	(296.3)	(234.5)	(61.8)	26.4%
Net Debt ^[APM]	1,912.0	1,612.3	299.7	18.6%
<i>Net Debt / Adjusted EBITDA ^[APM]</i>	<i>3.50</i>	<i>3.05</i>	<i>0.45</i>	<i>14.8%</i>
<i>Net Debt / EBITDA ^[APM]</i>	<i>3.97</i>	<i>3.03</i>	<i>0.94</i>	<i>31.0%</i>
<i>FFO / Net Debt ^[APM]</i>	<i>21.0%</i>	<i>29.7%</i>	<i>(8.7 pp)</i>	<i>n/a</i>

Debt summary, EURm

	Outstanding as of 31 Dec 2025	Outstanding as of 31 Dec 2024	Δ	Effective interest rate (%) 31 Dec 2025	Effective interest rate (%) 31 Dec 2024	Δ	Average time to maturity (years)	Fixed interest rate	Euro currency
Bonds (incl. interest)	904.3	902.7	1.6	1.96%	1.96%	-	2.8	100.0%	100.0%
Non-current loans including current portion of non-current loans	778.4	659.7	118.7	2.93%	3.10%	(0.2 pp)	8.5	49.5%	91.0%
Bank overdrafts, credit lines, and current loans	417.9	210.3	207.6	2.89%	3.98%	(1.1 pp)	1.7	0.0%	100.0%
Lease liabilities	107.6	74.1	33.5	-	-	-	5.9	0.0%	82.0%
Gross Debt ^[APM]	2,208.3	1,846.8	361.5	2.51%	2.63%	(0.1 pp)	4.8	58.4%	95.9%

Bond issues

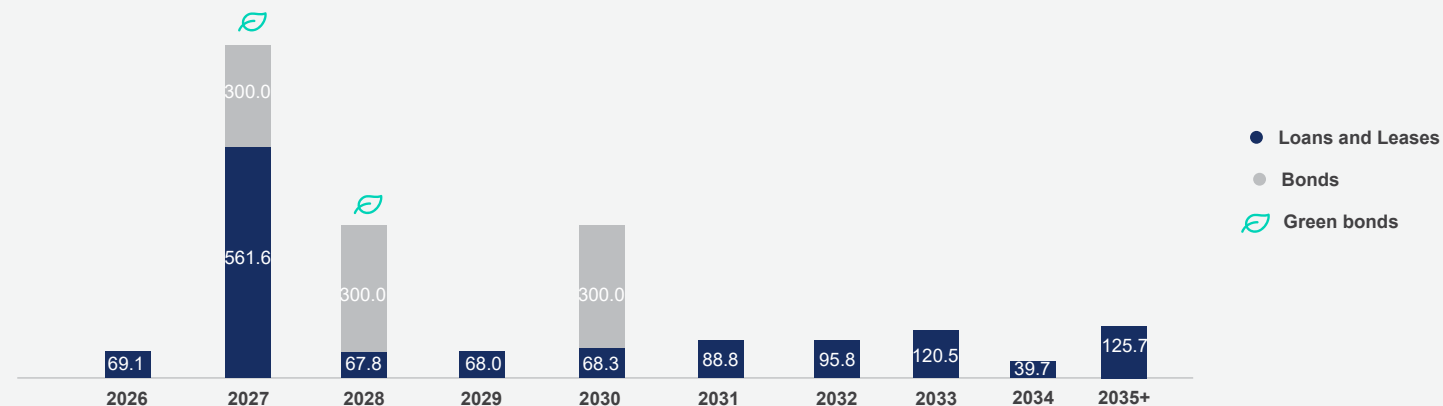
The Group has three bond issues with a total nominal outstanding amount of EUR 900.0 million. Two of them are green bonds (EUR 600.0 million). Bonds maturing in 2027 (EUR 300.0 million), in 2028 (EUR 300.0 million) and in 2030 (EUR 300.0 million) comprise the largest portion of the Group's financial liabilities.

During the reporting period, there have been no material changes regarding the bonds. Related information, including the structure of the bondholders as of the issue date, is available in section '7.1 Further investor related information' of this report.

Outstanding bond issues

	2017 issue	2018 issue	2020 issue
ISIN-code	XS1646530565	XS1853999313	XS2177349912
Currency	EUR	EUR	EUR
Nominal amount	300,000,000	300,000,000	300,000,000
Coupon	2.000	1.875	2.000
Maturity	17 July 2027	10 July 2028	21 May 2030
Credit rating	BBB+	BBB+	BBB+

Repayment schedule of the Group's financial liabilities^{1,2}, EURm



¹ The nominal value of issued bonds amounts to EUR 900 million. As of 31 December 2025, bonds accounted for EUR 895.2 million in the Consolidated statement of financial position as the remaining nominal capital will be capitalised until maturity according to IFRS.

² Overdrafts are classified as current liabilities unless an additional agreement has been signed. Overdrafts with maturity dates in 2027 are therefore recognised as current liabilities, although the graph represents them with a 2027 end date.

Cash flows

CFO

Net cash flows from operating activities (CFO) in 2025 amounted to EUR 615.1 million. CFO were EUR 46.1 million lower than in 2024, mainly due to lower EBITDA (EUR -50.6 million) and higher income tax paid (EUR +21.7 million), which were offset by the increase in provisions (EUR +30.4 million).

CFI

Net cash flows from investing activities (CFI) amounted to EUR -710.8 million in 2025. Compared to 2024, the CFI indicator was more negative (EUR -56.5 million), mainly due to the withdrawal of deposits (EUR +109.0 million) in 2024, which was partly offset by lower cash outflows related to the acquisition of PPE and intangible assets (EUR +58.8 million).

CFF

Net cash flows from financing activities (CFF) amounted to EUR 157.5 million in 2025. CFF were EUR 135.2 million higher than in 2024, mainly due to an increase in the loans received (EUR +134.8 million).

More detailed information is provided in section '8.5 Consolidated statement of cash flow'.

FFO

In 2025, FFO amounted to EUR 400.9 million and decreased by 16.2% (EUR -77.7 million) compared to 2024, mainly due to lower EBITDA (EUR -50.6 million) and higher income tax paid (EUR +21.7 million).

FCF

In 2025, FCF amounted to EUR -192.0 million and were more positive (EUR +1.9 million) compared to 2024. The main reason for the negative FCF was the decrease in FFO (EUR -77.7 million) and the change in Net Working Capital (EUR -13.6 million), which were partly offset by the lower Investments made (EUR -91.7 million).

Cash flows, EURm

	2025	2024	Δ	Δ, %
Cash and cash equiv. at the beginning of the period	234.5	205.3	29.2	14.2%
CFO	615.1	661.2	(46.1)	(7.0%)
CFI	(710.8)	(654.3)	(56.5)	(8.6%)
CFF	157.5	22.3	135.2	606.3%
Increase (decrease) in cash and cash equiv.	61.8	29.2	32.6	111.6%
Cash and cash equiv. at the end of the period	296.3	234.5	61.8	26.4%

FFO and FCF, EURm

	2025	2024	Δ	Δ, %
EBITDA APM	482.1	532.7	(50.6)	(9.5%)
Interest paid	(51.7)	(46.3)	(5.4)	11.7%
Income tax paid	(29.5)	(7.8)	(21.7)	278.2%
FFO APM	400.9	478.6	(77.7)	(16.2%)
Interests received	4.8	6.2	(1.4)	(22.6%)
Investments APM	(720.3)	(812.0)	91.7	(11.3%)
Grants received	2.6	4.3	(1.7)	(39.5%)
Cash effect of new connection points and upgrades	56.9	53.6	3.3	6.2%
Proceeds from sale of PPE and intangible assets ¹	4.1	2.8	1.3	46.4%
Change in Net Working Capital	59.0	72.6	(13.6)	(18.7%)
FCF APM	(192.0)	(193.9)	1.9	1.0%

¹ Cash inflow indicated in the statement line 'Proceeds from sale of PPE and intangible assets' exclude the gain or loss which is already included in the FFO.

Key operating indicators

In 2025, Installed Green Capacities increased by 0.7 GW to 2.1 GW (from 1.4 GW) as six projects reached CODs. Further details are available in section '2.3 Investment program'.

Electricity Generated (net) increased by 1.15 TWh (40.6%) YoY and in 2025 amounted to 3.98 TWh. The increase in Electricity Generated (net) was driven by higher generation at Elektrėnai Complex (Reserve Capacities) in relation to the new services provided. Additionally, the growth was supported by new assets (Green Capacities), mainly by Kelmė WF, Silesia WF II.

The electricity sales increased by 0.79 TWh (11.4%) compared to 2024. The increase was driven by sales to B2B customers, mainly in Poland.

Total distributed electricity volume increased by 0.27 TWh (2.7%) YoY and amounted to 10.34 TWh. The increase was driven by higher consumption among both B2C and B2B customers.

Electricity SAIFI indicator, which reflects the average number of unplanned long interruptions per customer, improved to 1.08 interruptions compared to the previous year (1.41 interruptions in 2024). Electricity SAIDI indicator, which reflects the average duration of unplanned interruptions, improved to 75 minutes (compared to 399 minutes in 2024). The electricity quality indicators improved

YoY due to the implementation of various measures, such as removal of hazardous trees, power line cabling and higher number of installed automatic solutions, as well as more favourable weather conditions in 2025.

In 2025, Heat Generated (net) amounted to 1.87 TWh and increased by 0.21 TWh (12.4%) YoY due to higher generation at the Vilnius CHP biomass unit.

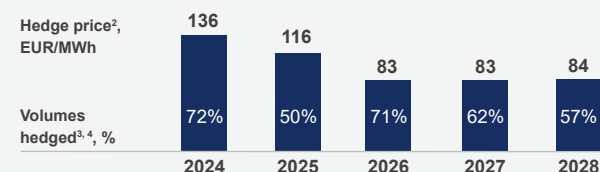
Natural gas sales decreased by 0.47 TWh (5.4%) due to lower wholesale sales in 2025.

Natural gas distribution volume in Lithuania slightly increased – by 0.01 TWh (0.2%) – compared to 2024 and amounted to 6.92 TWh.

Key operating indicators

		31 Dec 2025	31 Dec 2024	Δ	Δ, %
Installed Capacity					
Electricity	GW	3.19	2.48	0.71	28.8%
Green Capacities	GW	2.13	1.42	0.71	50.2%
Onshore wind	GW	0.73	0.28	0.45	159.1%
Hydro	GW	1.00	1.00	-	-%
Pumped-storage	GW	0.90	0.90	-	-%
Run-of-river	GW	0.10	0.10	-	-%
Solar	GW	0.29	0.02	0.26	n/a
Waste	GW	0.04	0.04	-	-%
Biomass	GW	0.07	0.07	-	-%
Reserve Capacities	GW	1.06	1.06	-	-%
Natural gas	GW	1.06	1.06	-	-%
Heat		0.35	0.35	-	-%
Green Capacities	GW	0.35	0.35	-	-%
Waste	GW	0.14	0.14	-	-%
Biomass	GW	0.21	0.21	-	-%
		2025	2024	Δ	Δ, %
Electricity					
Electricity Generated (net)	TWh	3.98	2.83	1.15	40.6%
Green Electricity Generated (net)	TWh	2.79	2.30	0.49	21.2%
Green Share of Generation	%	70.2%	81.5%	(11.3 pp)	n/a
Electricity sales	TWh	7.73	6.94	0.79	11.4%
Electricity distributed	TWh	10.34	10.07	0.27	2.7%
SAIFI	times	1.08	1.41	(0.33)	(23.8%)
SAIDI	min.	75	399	(325)	(81.3%)
Heat					
Heat Generated (net)	TWh	1.87	1.66	0.21	12.4%
Natural gas					
Natural gas sales	TWh	8.23	8.71	(0.47)	(5.4%)
Natural gas distributed	TWh	6.92	6.91	0.01	0.2%

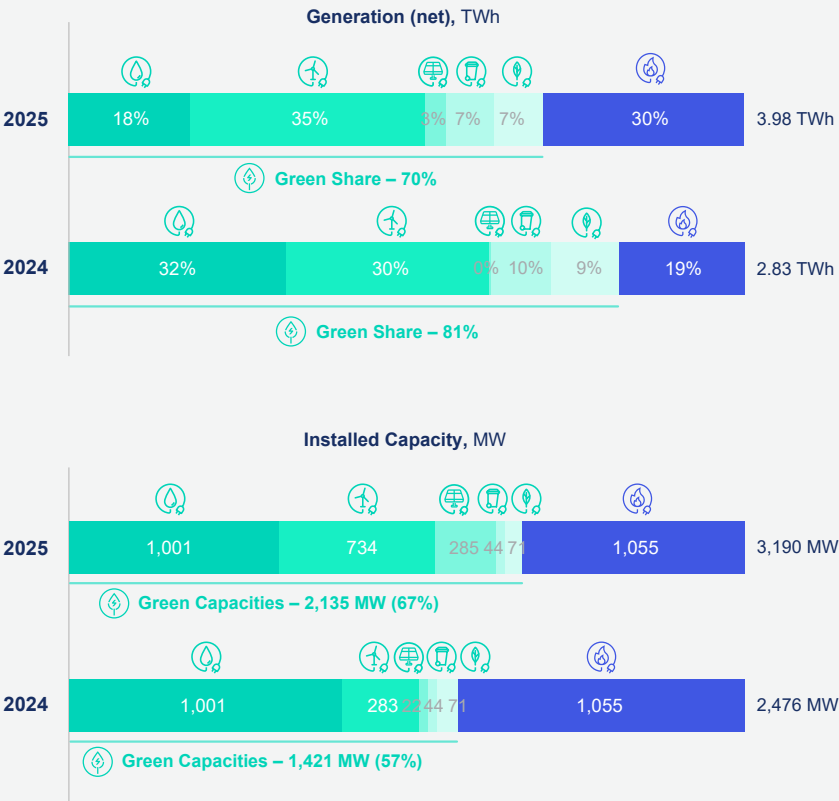
Generation portfolio hedging levels¹



¹ Hedging levels are provided for the duration of the strategic period. ² Most PPAs are concluded for the base load, therefore, the actual effective hedge price can differ from the price in the contract due to the profile effect. ³ Generation portfolio includes the total electricity generation of Secured Capacity projects, excluding Kruonis PSHP as well as units 7, 8 and CCGT at Elektrėnai Complex. ⁴ Some of the PPAs are internal, the graph above illustrates the Green Capacities segment's outlook (generated volumes).

Installed Capacity and generation mix overview

⚡ Electricity



🔥 Heat



🌱 Green Capacities 🌊 Hydro 🌬️ Wind ☀️ Solar 🌿 Biomass 🗑️ Waste to energy | 🔒 Reserve Capacities 🔥 Natural gas

3.2 Five-year annual summary

Key financial indicators

		2025	2024	2023	2022	2021	2025 Δ 2024	Δ, %
Total revenue	EURm	2,497.7	2,307.0	2,549.1	4,386.9	1,898.7	190.7	8.3%
Adjusted EBITDA APM	EURm	546.1	527.9	484.7	469.3	332.7	18.2	3.4%
Green Capacities	EURm	291.5	262.4	222.6	252.4	107.5	29.1	11.1%
Networks	EURm	263.4	219.9	180.0	164.5	145.4	43.5	19.8%
Reserve Capacities	EURm	37.7	42.0	49.9	34.6	37.2	(4.3)	(10.2%)
Customers & Solutions	EURm	(48.5)	7.1	30.4	15.6	40.6	(55.6)	n/a
Other activities and eliminations	EURm	2.0	(3.5)	1.8	2.2	2.0	5.5	n/a
Adjusted EBITDA margin APM	%	21.3%	22.9%	19.2%	10.9%	17.6%	(1.6 pp)	n/a
EBITDA APM	EURm	482.1	532.7	507.4	539.7	343.2	(50.6)	(9.5%)
Adjusted EBIT APM	EURm	315.4	345.2	329.5	317.4	206.4	(29.8)	(8.6%)
Operating profit (EBIT) APM	EURm	251.4	350.0	352.2	387.8	192.1	(98.6)	(28.2%)
Adjusted Net Profit APM	EURm	225.7	277.5	286.6	256.0	162.8	(51.8)	(18.7%)
Net profit	EURm	163.9	276.2	320.2	293.4	160.2	(112.3)	(40.7%)
Investments APM	EURm	720.3	812.0	937.1	521.8	234.9	(91.7)	(11.3%)
Networks	EURm	382.5	337.0	346.8	268.1	191.2	45.5	13.5%
Green Capacities	EURm	285.9	434.5	542.7	226.2	32.3	(148.6)	(34.2%)
Customers & Solutions	EURm	29.4	25.2	4.9	6.8	2.9	4.2	16.7%
Reserve Capacities	EURm	10.7	2.6	25.0	15.0	0.2	8.1	311.5%
Other activities and eliminations	EURm	11.8	12.7	17.7	5.7	8.3	(0.9)	(7.1%)
FFO APM	EURm	400.9	478.6	387.4	484.1	299.4	(77.7)	(16.2%)
FCF APM	EURm	(192.0)	(193.9)	(212.4)	17.3	(240.6)	1.9	1.0%
Adjusted ROE APM	%	9.2%	11.8%	13.1%	12.9%	8.9%	(2.6 pp)	n/a
ROE APM	%	6.6%	11.8%	14.6%	14.7%	8.7%	(5.2 pp)	n/a
Adjusted ROCE APM	%	7.5%	9.0%	9.8%	10.7%	7.9%	(1.5 pp)	n/a
ROCE APM	%	5.9%	9.2%	10.5%	13.1%	7.3%	(3.3 pp)	n/a
ROA APM	%	2.7%	5.0%	6.1%	6.2%	3.9%	(2.3 pp)	n/a
EPS APM	EUR	2.26	3.82	4.42	4.04	2.16	(1.56)	(40.8%)
DPS APM	EUR	1.37	1.33	1.29	1.24	1.19	0.04	3.0%

Key financial indicators (cont.)

		31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	2025 Δ 2024	Δ, %
Total assets	EURm	6,278.9	5,706.0	5,244.4	5,271.6	4,258.1	572.9	10.0%
Equity	EURm	2,494.7	2,436.8	2,263.4	2,125.6	1,855.9	57.9	2.4%
Net Debt ^{APM}	EURm	1,912.0	1,612.3	1,317.5	986.9	957.2	299.7	18.6%
Net Working Capital ^{APM}	EURm	43.6	102.6	175.2	443.3	438.7	(59.0)	(57.5%)
Net Working Capital/Revenue ^{APM}	%	1.7%	4.4%	6.9%	10.1%	23.1%	(2.7 pp)	n/a
Capital Employed ^{APM}	EURm	4,406.7	4,049.1	3,580.9	3,112.5	2,813.2	357.6	8.8%
Equity Ratio ^{APM}	times	0.40	0.43	0.43	0.40	0.44	(0.03)	(7.0%)
Net Debt/Adjusted EBITDA ^{APM}	times	3.50	3.05	2.72	2.10	2.88	0.45	14.8%
Net Debt/EBITDA ^{APM}	times	3.97	3.03	2.60	1.83	2.79	0.94	31.0%
Gross Debt/Equity ^{APM}	times	0.89	0.76	0.72	0.79	0.76	0.13	17.1%
FFO/Net Debt ^{APM}	%	21.0%	29.7%	29.4%	49.1%	31.3%	(8.7 pp)	n/a
Current Ratio ^{APM}	times	1.09	1.35	1.55	1.87	1.87	(0.26)	(19.3%)
Asset Turnover ^{APM}	times	0.42	0.42	0.48	0.92	0.46	-	-%

Key operating indicators

		31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	2025 vs 2024, Δ	Δ %
Installed Capacity								
Electricity	GW	3.19	2.48	2.38	2.27	2.27	0.71	28.8%
Green Capacities	GW	2.13	1.42	1.33	1.22	1.21	0.71	50.2%
Onshore wind	GW	0.73	0.28	0.23	0.17	0.17	0.45	159.1%
Hydro	GW	1.00	1.00	1.00	1.00	1.00	-	-%
Pumped-storage	GW	0.90	0.90	0.90	0.90	0.90	-	-%
Run-of-river	GW	0.10	0.10	0.10	0.10	0.10	-	-%
Solar	GW	0.29	0.02	-	-	-	0.26	n/a
Waste	GW	0.04	0.04	0.04	0.04	0.04	-	-%
Biomass	GW	0.07	0.07	0.05	-	-	-	-%
Reserve Capacities	GW	1.06	1.06	1.06	1.06	1.06	-	-%
Natural gas	GW	1.06	1.06	1.06	1.06	1.06	-	-%
Heat	GW	0.35	0.35	0.33	0.18	0.17	-	-%
Green Capacities	GW	0.35	0.35	0.33	0.18	0.17	-	-%
Waste	GW	0.14	0.14	0.14	0.14	0.13	-	-%
Biomass	GW	0.21	0.21	0.19	0.04	0.04	-	-%
		2025	2024	2023	2022	2021	2025 vs 2024, Δ	Δ %
Electricity								
Electricity Generated (net)	TWh	3.98	2.83	2.07	1.92	2.36	1.15	40.6%
Green Electricity Generated (net)	TWh	2.79	2.30	1.76	1.65	1.55	0.49	21.2%
Green Share of Generation	%	70.2%	81.5%	85.0%	85.9%	65.4%	(11.3 pp)	n/a
Electricity sales	TWh	7.73	6.94	6.88	7.98	7.11	0.79	11.4%
Electricity distributed	TWh	10.34	10.07	9.73	10.01	10.37	0.27	2.7%
SAIFI	times	1.08	1.41	1.35	1.52	1.45	(0.33)	(23.8%)
SAIDI	min.	75	399	121	179	202	(325)	(81.3%)
Heat								
Heat Generated (net)	TWh	1.87	1.66	1.07	0.89	0.85	0.21	12.4%
Natural gas								
Natural gas sales	TWh	8.23	8.71	9.29	12.80	11.55	(0.47)	(5.4%)
Natural gas distributed	TWh	6.92	6.91	6.32	6.68	8.49	0.01	0.2%

3.3 Results Q4

Financial results

Revenue

In Q4 2025, total revenue remained flat compared to Q4 2024.

Adjusted EBITDA

Q4 2025 Adjusted EBITDA amounted to EUR 141.0 million and increased by EUR 10.1 million (7.7%) compared to Q4 2024. The main reason for the increase was higher results of the Networks segment, which were partially outweighed by lower Adjusted EBITDA in all other segments.

Adjusted Net Profit

In Q4 2025, Adjusted Net Profit decreased by EUR 15.9 million (24.8%) compared to Q4 2024. The decrease is mostly related to higher depreciation and amortisation expenses (EUR -16.5 million).

Key financial indicators, EURm

		Q4 2025	Q4 2024	Δ	Δ, %
Total revenue	EURm	699.0	685.9	13.1	1.9%
Adjusted EBITDA APM	EURm	141.0	130.9	10.1	7.7%
Adjusted EBITDA Margin APM	%	19.8%	19.2%	0.6 pp	n/a
EBITDA APM	EURm	127.6	134.9	(7.3)	(5.4%)
Adjusted EBIT APM	EURm	70.3	81.2	(10.9)	(13.4%)
Operating profit (EBIT) APM	EURm	56.9	85.2	(28.3)	(33.2%)
Adjusted Net Profit APM	EURm	48.1	64.1	(16.0)	(25.0%)
Net profit	EURm	31.5	62.2	(30.7)	(49.4%)
Investments APM	EURm	190.4	228.3	(37.9)	(16.6%)
FFO APM	EURm	110.1	125.7	(15.6)	(12.4%)
FCF APM	EURm	(69.4)	(69.4)	-	-%

Investments

Investments in Q4 2025 were lower compared to Q4 2024 as several Green Capacities projects were completed successfully. During the last twelve months, Kelmé WF, Silesia WF II, Stelpe SF I and II as well as Varne SF reached the COD. Investments in the Networks segment decreased mainly due to the lower cost to connect new customers and upgrades.

Operating performance

As of 31 December 2025, Installed Green Capacities remained flat at 2.1 GW compared to 30 September 2025.

Electricity Generated (net) in Q4 2025 remained stable compared to Q4 2024 and amounted to 0.93 TWh.

In Q4 2025, electricity distributed increased by 0.16 TWh (5.7%) compared to Q4 2024 and amounted to 2.88 TWh. The increase was driven by higher consumption among both B2C and B2B customers. The electricity SAIFI improved to 0.26 interruptions (compared to 0.28 in Q4 2024), and electricity SAIDI decreased to 17 minutes (compared to 43 minutes in Q4 2024). Electricity quality indicators improved YoY due to the implementation of various measures, such as removal of hazardous trees, power line cabling and higher number of installed automatic solutions, as well as more favourable weather conditions in Q4 2025.

In Q4 2025, Heat Generated (net) amounted to 0.56 TWh and decreased by 0.03 TWh (5.8%). Natural gas sales decreased by 0.18 TWh (6.5%), driven by lower wholesale sales in Q4 2025. In Lithuania, the distributed natural gas volume increased by 0.11 TWh (5.0%), amounting to 2.33 TWh. The increase was driven by higher consumption due to colder weather conditions in Q4 2025 compared to Q4 2024.

Key operating indicators

		31 Dec 2025	30 Sep 2025	Δ	Δ, %
Installed Capacity					
Electricity	GW	3.19	3.19	-	-%
Green Capacities	GW	2.13	2.13	-	-%
Onshore wind	GW	0.73	0.73	-	-%
Hydro	GW	1.00	1.00	-	-%
Pumped-storage	GW	0.90	0.90	-	-%
Run-of-river	GW	0.10	0.10	-	-%
Solar	GW	0.29	0.29	-	-%
Waste	GW	0.04	0.04	-	-%
Biomass	GW	0.07	0.07	-	-%
Reserve Capacities	GW	1.06	1.06	-	-%
Natural gas	GW	1.06	1.06	-	-%
Heat	GW	0.35	0.35	-	-%
Green Capacities	GW	0.35	0.35	-	-%
Waste	GW	0.14	0.14	-	-%
Biomass	GW	0.21	0.21	-	-%
		Q4 2025	Q4 2024	Δ	Δ, %
Electricity					
Electricity Generated (net)	TWh	0.93	0.93	(0.00)	(0.4%)
Green Electricity Generated (net)	TWh	0.78	0.72	0.06	8.2%
Green Share of Generation	%	83.8%	77.1%	6.7 pp	n/a
Electricity sales	TWh	2.19	1.93	0.26	13.5%
Electricity distributed	TWh	2.88	2.73	0.16	5.7%
SAIFI	times	0.26	0.28	(0.02)	(7.6%)
SAIDI	min.	17	43	(25)	(59.2%)
Heat					
Heat Generated (net)	TWh	0.56	0.60	(0.03)	(5.8%)
Natural gas					
Natural gas sales	TWh	2.59	2.77	(0.18)	(6.5%)
Natural gas distributed	TWh	2.33	2.22	0.11	5.0%

3.4 Quarterly summary

Key financial indicators

		Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Total revenue	EURm	699.0	500.7	525.2	772.8	685.9	528.8	438.8	653.5	707.5	471.2	442.1	928.3
Adjusted EBITDA ^{APM}	EURm	141.0	104.3	112.3	188.5	130.9	107.2	108.0	181.7	139.4	91.8	103.6	149.9
Green Capacities	EURm	76.1	48.8	57.3	109.3	81.5	46.4	57.4	77.1	68.2	45.3	39.1	70.0
Networks	EURm	70.6	60.2	58.5	74.1	54.3	49.9	50.2	65.5	51.3	40.0	40.0	48.7
Reserve Capacities	EURm	3.0	5.6	11.7	17.4	5.3	11.5	5.2	20.0	11.6	6.1	3.6	28.6
Customers & Solutions	EURm	(5.5)	(15.3)	(13.5)	(14.2)	(4.0)	(0.7)	(5.6)	17.4	9.5	(0.8)	20.8	0.9
Other activities and eliminations	EURm	(3.2)	5.0	(1.7)	1.9	(6.2)	0.1	0.8	1.7	(1.2)	1.2	0.1	1.7
Adjusted EBITDA margin ^{APM}	%	19.8%	20.3%	21.0%	23.5%	19.2%	20.1%	24.5%	28.0%	20.3%	20.2%	20.7%	17.0%
EBITDA ^{APM}	EURm	127.6	92.0	102.4	160.1	134.9	103.6	105.3	188.9	159.2	108.3	44.6	195.3
Adjusted EBIT ^{APM}	EURm	70.3	46.5	60.2	138.4	81.2	60.6	63.2	140.3	98.5	52.7	67.1	111.3
Operating profit (EBIT) ^{APM}	EURm	56.9	34.2	50.3	110.0	85.2	56.9	60.4	147.5	118.3	69.1	8.2	156.6
Adjusted Net Profit ^{APM}	EURm	48.1	31.4	38.4	107.8	64.1	48.7	52.0	112.6	93.5	42.9	61.4	88.7
Net profit	EURm	31.5	21.0	27.5	83.9	62.2	45.6	49.7	118.7	107.6	56.8	28.6	127.2
Investments ^{APM}	EURm	190.4	186.7	196.7	146.5	228.3	161.4	212.8	209.5	303.4	231.1	281.8	120.8
Networks	EURm	110.9	106.4	99.7	65.5	119.9	81.3	72.1	63.7	100.2	84.7	90.3	71.6
Green Capacities	EURm	66.7	62.8	85.0	71.4	99.3	65.6	130.7	138.9	180.8	127.9	187.8	46.2
Customers & Solutions	EURm	10.6	8.7	4.9	5.2	8.1	9.3	5.2	2.6	19.6	3.3	1.5	0.6
Reserve Capacities	EURm	3.2	6.5	0.5	0.5	0.3	1.8	0.3	0.2	2.6	1.0	1.0	0.3
Other activities and eliminations	EURm	(1.0)	2.3	6.6	3.9	0.7	3.4	4.5	4.1	0.2	14.2	1.2	2.1
FFO ^{APM}	EURm	110.1	64.8	76.7	149.2	125.7	127.6	55.9	169.5	142.9	82.8	(23.7)	185.3
FCF ^{APM}	EURm	(69.4)	(186.6)	47.3	16.7	(69.4)	(19.5)	(110.0)	5.0	(97.1)	(165.5)	(157.8)	208.0
Adjusted ROE LTM ^{APM}	%	9.2%	10.0%	10.7%	11.3%	11.8%	13.7%	13.5%	14.2%	13.1%	11.4%	14.2%	13.9%
ROE LTM ^{APM}	%	6.6%	8.1%	9.0%	10.0%	11.8%	14.4%	15.0%	14.2%	14.6%	14.8%	15.9%	18.4%
Adjusted ROCE LTM ^{APM}	%	7.5%	8.1%	8.6%	8.9%	9.0%	10.3%	10.4%	11.1%	9.8%	8.6%	11.3%	12.1%
ROCE LTM ^{APM}	%	5.9%	6.9%	7.7%	8.1%	9.2%	10.9%	11.6%	10.7%	10.5%	11.4%	13.0%	16.7%

Key financial indicators (cont.)

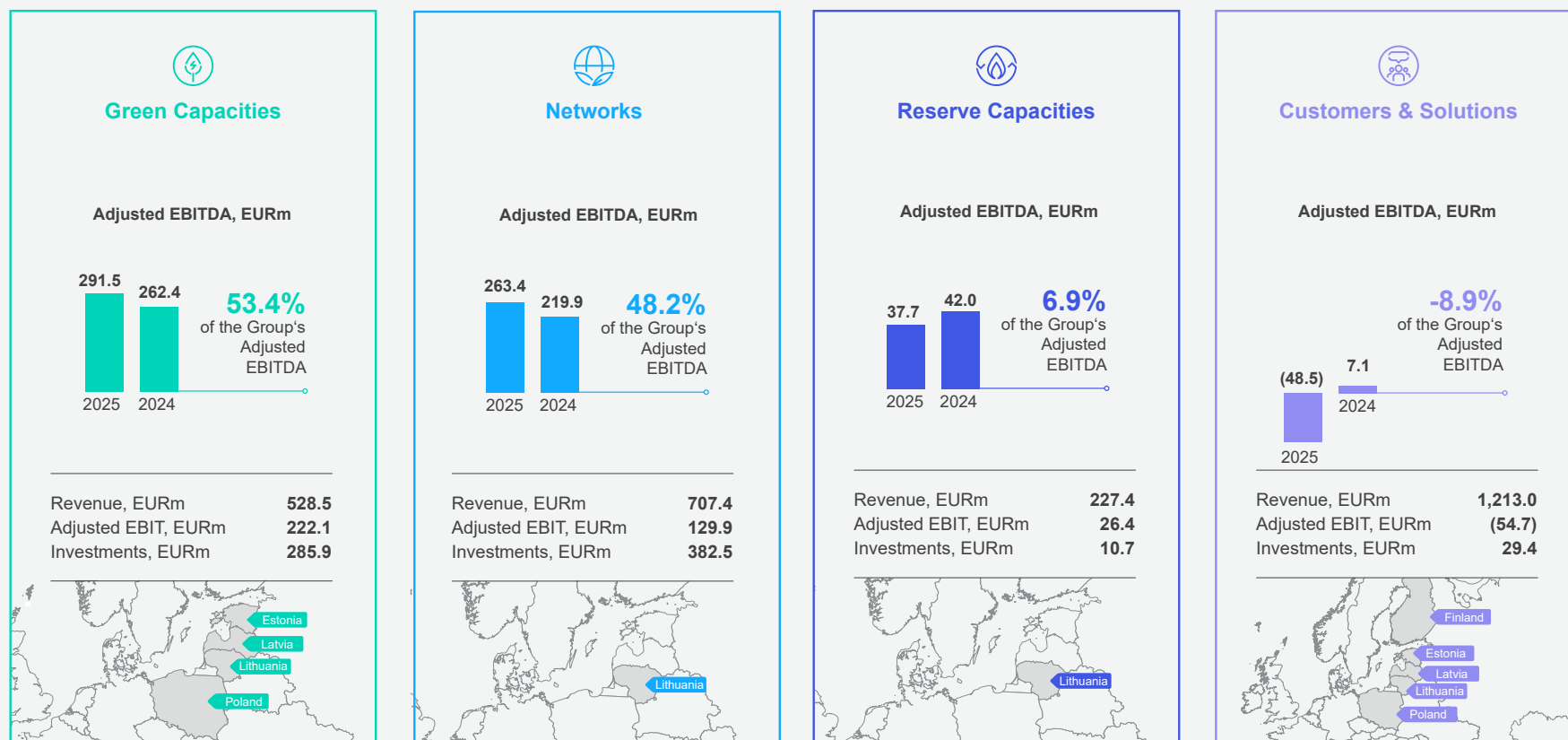
		31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Total assets	EURm	6,278.9	6,074.7	5,897.3	5,910.5	5,706.0	5,459.1	5,366.0	5,327.5	5,244.4	5,067.9	5,049.7	4,928.2
Equity	EURm	2,494.7	2,461.4	2,492.0	2,484.5	2,436.8	2,372.1	2,369.5	2,321.4	2,263.4	2,100.9	2,083.6	2,060.3
Net Debt ^{APM}	EURm	1,912.0	1,782.7	1,609.9	1,593.3	1,612.3	1,448.8	1,411.0	1,287.8	1,317.5	1,114.1	966.7	762.9
Net Working Capital ^{APM}	EURm	43.6	31.8	(53.7)	97.5	102.6	116.2	113.7	144.4	175.2	216.8	191.0	314.8
Capital Employed ^{APM}	EURm	4,406.7	4,244.1	4,101.9	4,077.8	4,049.1	3,820.9	3,780.5	3,609.2	3,580.9	3,214.8	3,050.1	2,823.3
Net Debt/Adjusted EBITDA LTM ^{APM}	times	3.50	3.33	2.99	2.98	3.05	2.70	2.71	2.49	2.72	2.44	1.87	1.50
Net Debt/EBITDA LTM ^{APM}	times	3.97	3.64	3.21	3.16	3.03	2.60	2.51	2.57	2.60	2.01	1.70	1.19
FFO LTM /Net Debt ^{APM}	%	21.0%	23.4%	29.8%	28.8%	29.7%	34.2%	32.0%	28.9%	29.4%	39.6%	47.6%	76.0%

Key operating indicators

		31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Installed Capacity													
Electricity	GW	3.19	3.19	2.81	2.48	2.48	2.48	2.45	2.43	2.38	2.33	2.27	2.27
Green Capacities	GW	2.13	2.13	1.75	1.42	1.42	1.42	1.40	1.38	1.33	1.28	1.22	1.22
Onshore wind	GW	0.73	0.73	0.60	0.28	0.28	0.28	0.28	0.28	0.23	0.23	0.17	0.17
Hydro	GW	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Pumped-storage	GW	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Run-of-river	GW	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Solar	GW	0.29	0.29	0.04	0.02	0.02	0.02	-	-	-	-	-	-
Waste	GW	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.44
Biomass	GW	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.05	0.05	-	-	-
Reserve Capacities	GW	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06
Natural gas	GW	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06
Heat	GW	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.33	0.33	0.18	0.18	0.18
Green Capacities	GW	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.33	0.33	0.18	0.18	0.18
Waste	GW	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Biomass	GW	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.19	0.19	0.04	0.04	0.04
		Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Electricity													
Electricity Generated (net)	TWh	0.93	0.79	1.05	1.21	0.93	0.58	0.55	0.77	0.67	0.44	0.41	0.55
Green Electricity Generated (net)	TWh	0.78	0.57	0.71	0.73	0.72	0.47	0.50	0.61	0.51	0.36	0.36	0.53
Green Share of Generation	%	83.8%	72.4%	67.4%	60.7%	77.1%	80.8%	91.7%	79.9%	76.6%	81.1%	88.4%	95.6%
Electricity sales	TWh	2.19	1.85	1.70	2.00	1.93	1.63	1.54	1.84	1.88	1.56	1.56	1.89
Electricity distributed	TWh	2.88	2.34	2.31	2.81	2.73	2.30	2.27	2.78	2.70	2.22	2.22	2.60
SAIFI	times	0.26	0.31	0.31	0.19	0.28	0.56	0.36	0.21	0.40	0.37	0.32	0.27
SAIDI	min.	17	20	22	15	43	307	36	14	46	42	14	19
Heat													
Heat Generated (net)	TWh	0.56	0.29	0.40	0.62	0.60	0.24	0.37	0.46	0.40	0.20	0.20	0.28
Natural gas													
Natural gas sales	TWh	2.59	1.23	1.48	2.94	2.77	1.83	1.27	2.84	2.65	1.34	1.45	3.85
Natural gas distributed	TWh	2.33	0.94	1.17	2.48	2.22	0.89	1.11	2.68	2.26	0.78	0.97	2.31

3.5 Results by business segments

Overview



Indicators provided in this page (except Revenue) are considered as Alternative Performance Measures [\[APM\]](#).

Green Capacities

Q4 2025 highlights

- We concluded a EUR 318 million long-term non-recourse project financing agreement with European Investment Bank, Swedbank, EBRD and Nordic Investment Bank for the 314 MW Kelmė WF.
- We took over full control of the Curonian Nord offshore wind project in Lithuania after acquiring 49% stake from Ocean Winds.
- We upgraded a power plant control centre at Kruonis PSHP. The new control centre enables centralised and automated management of Kruonis PSHP, Kaunas HPP and Elektrėnai Complex, strengthens cybersecurity and operational reliability, enhances the Group's ability to provide frequency control and balancing services.
- The National Audit Office, following a decision by the Parliament, prompted by its Commission for Energy and Sustainable Development, carried out a State audit review of Curonian Nord offshore wind project and provided three recommendations. Based on these recommendations, Ignitis Renewables, the project implementing company, will transfer the assets created, the work done and the obligations assumed in relation to the Curonian Nord project to its wholly-owned subsidiary Offshore Wind Farm 1, will revise the agreements concluded with the suppliers performing seabed surveys, and will conduct an analysis of internal and external factors affecting the project and will present the results to the stakeholders. All recommendations are already being implemented.
- We submitted a bid for the 700 MW Lithuanian offshore wind project with State support.

Key financial indicators, EURm

	2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Total revenue	528.5	423.7	104.8	24.7%	150.5	138.8	11.7	8.4%
Adjusted EBITDA APM	291.5	262.4	29.1	11.1%	76.1	81.5	(5.4)	(6.6%)
EBITDA APM	306.0	273.1	32.9	12.0%	90.6	92.2	(1.6)	(1.7%)
Adjusted EBIT APM	222.1	217.7	4.4	2.0%	48.0	69.5	(21.5)	(30.9%)
Operating profit (EBIT) APM	236.6	228.3	8.3	3.6%	62.5	80.1	(17.6)	(22.0%)
Investments APM	285.9	434.5	(148.6)	(34.2%)	66.7	99.3	(32.6)	(32.8%)
Adjusted EBITDA Margin APM	56.7%	63.5%	(6.8 pp)	n/a	56.0%	63.7%	(7.7 pp)	n/a
	31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
PPE, intangible and right-of-use assets	2,247.7	1,829.0	418.7	22.9%	2,247.7	2,189.9	57.8	2.6%

However, as the tender required at least two participants and only one bid was submitted, the tender did not take place.

- In December, the transformer failure of the second unit of Kruonis PSHP occurred, limiting the total capacity of the plant from 900 MW to 675 MW. A detailed diagnosis is currently being carried out, after which possible scenarios for restoring the unit will be assessed. Despite the incident, the remaining three units are operating at full capacity and continue to provide services. According to preliminary estimates, the financial impact at the Group level is currently not significant, as under normal market conditions all four units operate simultaneously <1% of the time.

After the reporting period:

- As part of the asset rotation program under its strategy and to ensure proper implementation of the European Commission's decision related to the EUR 138 million support received, we reached an [agreement](#) with Quaero Capital to dispose a 49% stake in Vilnius CHP. Based

on transaction valuation, 100% of Vilnius CHP equity is valued at EUR 244 million, 49% – at EUR 120 million, representing 4.6x multiple over the Group's equity invested. The agreement is expected to be signed by the end of March 2026, after the decision at our Annual General Meeting of Shareholders on 25 March 2026, with the transaction closing planned in Q2 2026. An acquiror – Quaero Capital – is a Switzerland-based infrastructure fund with EUR 3.8 billion in AUM and a presence in the Baltic States.

- The Mažeikiai BESS (45.1 MW) project has been awarded EUR 2.2 million in state aid.

Financial results

Q4 results

The Green Capacities segment's revenue increased by 8.4% (EUR 11.7 million) compared to Q4 2024. Revenue increased primarily due to the launch of new assets (Kelmė WF, Silesia WF II, Varmė SF, Stelpe SF I and II), and the new

services provided, was offset by lower captured prices.

The Green Capacities segment's Adjusted EBITDA was 6.6% (EUR 5.4 million) lower compared to Q4 2024. The decrease was mainly related to lower captured prices and higher operating expenses. The decrease was partly offset by the launch of new assets (Silesia WF II, Kelmė WF, Varmė SF, Stelpe SF I and II) and the new services provided.

Investments in Q4 2025 were lower compared to Q4 2024 as several Green Capacities projects were completed successfully. During the last twelve months, Kelmė WF, Silesia WF II, Stelpe SF I and II as well as Varmė SF reached the COD. The majority of Investments in Q4 were made in BESS, Tume SF and the Kruonis PSHP expansion project.

Operating performance

Q4 results

As of 31 December 2025, Installed Green Capacities remained flat at 2.1 GW compared to 30 September 2025.

Electricity Generated (net) increased by 0.06 TWh (8.2%). The increase was driven by onshore wind farms, mainly by Kelmė WF and Silesia WF II.

In Q4 2025, Heat Generated (net) amounted to 0.56 TWh and decreased by 0.03 TWh (5.8%) due to lower generation from biomass.

Key operating indicators

		31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
Installed Capacity									
Electricity	GW	2.13	1.42	0.71	50.2%	2.13	2.13	-	-%
Onshore wind	GW	0.73	0.28	0.45	159.1%	0.73	0.73	-	-%
Hydro	GW	1.00	1.00	-	-%	1.00	1.00	-	-%
Pumped-storage	GW	0.90	0.90	-	-%	0.90	0.90	-	-%
Run-of-river	GW	0.10	0.10	-	-%	0.10	0.10	-	-%
Solar	GW	0.29	0.02	0.26	n/a	0.29	0.29	-	-%
Waste	GW	0.04	0.04	-	-%	0.04	0.04	-	-%
Biomass	GW	0.07	0.07	-	-%	0.07	0.07	-	-%
Heat	GW	0.35	0.35	-	-%	0.35	0.35	-	-%
Waste	GW	0.14	0.14	-	-%	0.14	0.14	-	-%
Biomass	GW	0.21	0.21	-	-%	0.21	0.21	-	-%
		2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Electricity									
Electricity Generated (net)	TWh	2.79	2.30	0.49	21.2%	0.78	0.72	0.06	8.2%
Onshore wind	TWh	1.38	0.86	0.52	60.7%	0.42	0.34	0.08	22.4%
Solar	TWh	0.11	0.01	0.10	693.1%	0.02	0.00	0.01	396.5%
Hydro	TWh	0.72	0.90	(0.18)	(20.1%)	0.18	0.20	(0.02)	(10.1%)
Pumped-storage	TWh	0.46	0.54	(0.08)	(15.0%)	0.10	0.13	(0.04)	(26.0%)
Run-of-river	TWh	0.26	0.36	(0.10)	(27.8%)	0.08	0.06	0.02	25.4%
Waste	TWh	0.29	0.29	(0.00)	(0.9%)	0.08	0.08	(0.00)	(2.0%)
Biomass	TWh	0.30	0.24	0.06	22.8%	0.09	0.10	(0.01)	(7.8%)
Onshore wind farms availability factor	%	93.9%	95.6%	(1.6 pp)	n/a	94.9%	97.8%	(2.9 pp)	n/a
Onshore wind farms load factor	%	22.7%	31.2%	(8.5 pp)	n/a	20.3%	40.2%	(19.9 pp)	n/a
Wind speed	m/s	6.6	6.8	(0.3)	(4.2%)	6.3	7.3	(0.9)	(12.9%)
Heat									
Heat Generated (net)	TWh	1.87	1.66	0.21	12.4%	0.56	0.60	(0.03)	(5.8%)
Waste ¹	TWh	0.83	0.80	0.04	4.8%	0.24	0.24	0.00	0.3%
Biomass	TWh	1.04	0.87	0.17	19.3%	0.32	0.36	(0.04)	(10.0%)

¹ Vilnius CHP and Kaunas CHP can use natural gas for starting/stopping the plant, running tests, etc., which is included in the reported values of 'Waste'.

Networks

Q4 2025 highlights

- The regulator (NERC) has adopted resolutions, setting 2026 RAB at EUR 1.9 billion (+EUR 0.1 billion), WACC (weighted average) – 5.74% (-0.05 pp) and additional tariff component – EUR 51.8 million (+38.1%).
- We completed the mass smart meter roll-out with 1.3 million of smart meters installed.

Financial results

Q4 results

The Networks segment's revenue increased by 3.5% (EUR 6.6 million) compared to Q4 2024. The increase is mostly related to the electricity transmission activities (EUR +6.4 million) due to higher volumes transmitted and higher electricity transmission tariffs set by the regulator.

The Networks segment's Adjusted EBITDA was EUR 16.3 million higher than in Q4 2024, mainly due to the higher RAB effect (EUR +9.2 million), the higher WACC effect (EUR +3.1 million) and the less negative temporary volume effect (EUR +7.4 million).

In Q4 2025, Investments decreased by 7.5% (EUR 9.0 million) due to lower Investments in the expansion of the electricity distribution network (EUR -18.2 million), mainly due to the lower cost of connecting new customers and upgrades. The decrease was partly offset by higher Investments in transport (EUR +7.9 million) due to the electrification of the vehicle fleet.

Key financial indicators, EURm

	2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Total revenue	707.4	700.8	6.6	0.9%	195.7	189.1	6.6	3.5%
Adjusted EBITDA ^{APM}	263.4	219.9	43.5	19.8%	70.6	54.3	16.3	30.0%
EBITDA ^{APM}	188.7	202.7	(14.0)	(6.9%)	42.0	57.2	(15.2)	(26.6%)
Adjusted EBIT ^{APM}	129.9	105.1	24.8	23.6%	35.0	22.8	12.2	53.5%
Operating profit (EBIT) ^{APM}	55.2	87.8	(32.6)	(37.1%)	6.5	25.5	(19.0)	(74.5%)
Investments ^{APM}	382.5	337.0	45.5	13.5%	110.9	119.9	(9.0)	(7.5%)
Adjusted EBITDA Margin, % ^{APM}	33.7%	30.6%	3.1 pp	n/a	31.5%	29.1%	2.4 pp	n/a
Regulated activity share in Adjusted EBITDA	100.0%	100.0%	-	n/a	100.0%	100.0%	-	n/a
	31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
PPE, intangible and right-of-use assets	2,522.3	2,259.2	263.1	11.6%	2,522.3	2,449.8	72.5	3.0%

Key regulatory indicators¹

	2026	2025	2024
Total			
RAB opening balance	EURm	1,906	1,795
WACC (weighted average)	%	5.74	5.79
D&A (regulatory)	EURm	109.5	99.5
Additional tariff component	EURm	51.8	37.5
Deferred part of investments covered by clients and electricity equipment transfer ²	EURm	n/a	24.3
Electricity distribution			
RAB opening balance	EURm	1,655	1,541
WACC	%	5.77	5.82
D&A (regulatory)	EURm	97.8	88.6
Additional tariff component	EURm	51.8	37.5
Deferred part of investments covered by clients and electricity equipment transfer ²	EURm	n/a	22.7
Natural gas distribution			
RAB opening balance	EURm	251	254
WACC	%	5.56	5.64
D&A (regulatory)	EURm	11.7	11.0
Deferred part of investments covered by clients and electricity equipment transfer ²	EURm	n/a	1.6

¹ Numbers approved and published by the regulator (NERC), unless stated otherwise.

² Actual numbers from the Networks segment's Statement of profit or loss for the reporting period.

Operating performance

Q4 results

In Q4 2025, electricity distributed increased by 0.16 TWh (5.7%) compared to Q4 2024 and amounted to 2.88 TWh. The increase was driven by higher consumption among both B2C and B2B customers.

The electricity SAIFI improved to 0.26 interruptions (compared to 0.28 in Q4 2024), and electricity SAIDI decreased to 17 minutes (compared to 43 minutes in Q4 2024). Electricity quality indicators improved YoY due to the implementation of various measures, such as removal of hazardous trees, power line cabling and higher number of installed automatic solutions, as well as more favourable weather conditions in Q4 2025.

In Lithuania, the distributed natural gas volume increased by 0.11 TWh (5.0%), amounting to 2.33 TWh. The increase was driven by higher consumption due to colder weather conditions in Q4 2025 compared to Q4 2024.

Key operating indicators

		31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
Electricity									
Distribution network	thousand km	133	131	2	1.3%	133	132	0	0.3%
Number of customers	thousand	1,894	1,869	25	1.3%	1,894	1,880	13	0.7%
of which prosumers and producers	thousand	124	90	35	38.6%	124	120	4	3.7%
admissible power of prosumers and producers	MW	2,113	1,559	554	35.5%	2,113	1,971	142	7.2%
Number of smart meters installed	thousand	1,302	1,032	270	26.2%	1,302	1,241	62	5.0%
Natural gas									
Distribution network	thousand km	9.74	9.72	0.02	0.3%	9.74	9.74	0.01	0.1%
Number of customers	thousand	626	626	(0)	(0.0%)	626	626	0	0.0%
		2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Electricity									
Electricity distributed	TWh	10.34	10.07	0.27	2.7%	2.88	2.73	0.16	5.7%
of which B2C	TWh	3.40	3.26	0.14	4.3%	1.00	0.92	0.08	8.7%
of which B2B	TWh	6.94	6.80	0.13	1.9%	1.89	1.81	0.08	4.2%
Technological losses	%	4.8%	5.0%	(0.2 pp)	n/a	4.8%	5.1%	(0.3 pp)	n/a
New connection points	thousand	53.5	40.2	13.4	33.3%	10.2	9.4	0.7	7.9%
Connection point upgrades	thousand	22.7	18.6	4.1	21.9%	4.7	4.3	0.4	10.4%
Admissible power of new connection points and upgrades	MW	526	399	127	31.9%	122	98	24	24.3%
Time to connect (average)	c. d.	56	39	16	41.5%	64	50	14	28.0%
SAIFI	times	1.08	1.41	(0.33)	(23.8%)	0.26	0.28	(0.02)	(7.6%)
SAIDI	min.	75	399	(325)	(81.3%)	17	43	(25)	(59.2%)
Supply of Last Resort	TWh	0.35	0.24	0.11	46.2%	0.12	0.07	0.05	67.4%
Natural gas									
Natural gas distributed	TWh	6.92	6.91	0.01	0.2%	2.33	2.22	0.11	5.0%
of which B2C	TWh	2.42	2.29	0.14	6.1%	0.88	0.85	0.03	3.7%
of which B2B	TWh	4.50	4.62	(0.13)	(2.7%)	1.45	1.37	0.08	5.8%
New connection points and upgrades	thousand	1.7	2.0	(0.3)	(17.0%)	0.4	0.5	(0.1)	(25.2%)
Technological losses	%	1.4%	1.5%	(0.1 pp)	n/a	1.7%	0.8%	0.9 pp	n/a
Time to connect (average)	c. d.	106	63	42	67.2%	109	75	34	44.8%
SAIFI	times	0.005	0.005	0.000	7.9%	0.002	0.001	0.002	295.4%
SAIDI	min.	0.58	0.49	0.08	16.5%	0.28	0.07	0.21	318.9%
Customer experience									
NPS (Transactional)	score	63.9	56.2	7.7	13.7%	69.1	53.1	16.0	30.1%

Reserve Capacities

Q4 2025 highlights

- We won a Polish capacity mechanism quarterly auction for ensuring 148 MW capacity availability in 2030 for approximately EUR 14.7 million.
- A planned major overhaul of the CCGT unit was completed after intensive utilisation. High-load components were refurbished or replaced after reaching 24,000 Factored Fired Hours, in line with manufacturer's maintenance requirements. The overhaul ensures continued operational reliability, availability and readiness of the unit to support system flexibility.

Financial results

Q4 results

The Reserve Capacities segment's revenue was 31.6% (EUR 16.9 million) lower than in Q4 2024. The decrease was driven by lower generation due to overhaul works of the CCGT in Q4 2025.

The Reserve Capacities segment's Adjusted EBITDA was 43.4% (EUR 2.3 million) lower than in Q4 2024. The decrease was driven by major overhauls of the CCGT and unit 7 in Q4 2025.

Key financial indicators, EURm

	2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Total revenue	227.4	150.1	77.3	51.5%	36.5	53.4	(16.9)	(31.6%)
Adjusted EBITDA ^{APM}	37.7	42.0	(4.3)	(10.2%)	3.0	5.3	(2.3)	(43.4%)
EBITDA ^{APM}	36.2	42.1	(5.9)	(14.0%)	1.5	5.4	(3.9)	(72.2%)
Adjusted EBIT ^{APM}	26.4	31.1	(4.7)	(15.1%)	0.1	2.5	(2.4)	(96.9%)
Operating profit (EBIT) ^{APM}	25.0	31.3	(6.3)	(20.1%)	(1.3)	2.7	(4.0)	n/a
Investments ^{APM}	10.7	2.6	8.1	311.5%	3.2	0.3	2.9	966.7%
Adjusted EBITDA Margin, % ^{APM}	16.5%	28.0%	(11.5 pp)	n/a	7.9%	10.0%	(2.1 pp)	n/a
Regulated activity share in Adjusted EBITDA	18.2%	28.6%	(10.4 pp)	n/a	(15.4%)	54.6%	(70.0 pp)	n/a
	31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
PPE, intangible and right-of-use assets	259.1	253.3	5.8	2.3%	259.1	246.8	12.3	5.0%

Key regulatory indicators¹

	2026	2025	2024
Total			
D&A (regulatory)	EURm	12.4	11.3
CCGT			
D&A (regulatory)	EURm	7.8	7.5
Units 7 and 8			
D&A (regulatory)	EURm	4.6	3.8

¹ Numbers approved and published by the regulator (NERC), unless stated otherwise.

Operating performance

Q4 results

In Q4 2025, Electricity Generated (net) by CCGT as well as units 7 and 8 at Elektrėnai Complex amounted to 0.15 TWh and decreased by 0.06 TWh (29.5%) compared to Q4 2024 due to CCGT unit's planned overhaul. Accordingly, in Q4 2025 it resulted in a load factor of 6.5%, which was 2.7 pp lower compared to the year prior.

The total Installed Capacity of Elektrėnai Complex is 1,055 MW and, during the reporting period, 891 MW were used for isolated system operation services, with 260 MW provided by unit 7, 260 MW by unit 8 and 371 MW by CCGT.

Key operating indicators

		31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
Installed Capacity									
Electricity	GW	1.06	1.06	-	-%	1.06	1.06	-	-%
Natural gas	GW	1.06	1.06	-	-%	1.06	1.06	-	-%
		2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Electricity									
Electricity Generated (net)	TWh	1.19	0.52	0.66	126.1%	0.15	0.21	(0.06)	(29.5%)
Availability factor ¹	%	98.9%	99.5%	(0.6 pp)	n/a	99.9%	99.1%	0.8 pp	n/a
Load factor	%	12.8%	5.7%	7.2 pp	n/a	6.5%	9.2%	(2.7 pp)	n/a

¹ Excluding the planned overhaul works.

Customers & Solutions

Q4 2025 Highlights

- Our EV charging points installed reached 1,799 (+241 since 30 September 2025).
- A fast-charging hub with the ability to charge 20 EVs at once, including 14 fast and ultra-fast charging points, has been opened in Kaunas, Lithuania.
- We successfully completed the first shipment of liquefied biomethane (Bio-LNG) through a virtual pipeline at Klaipėda LNG terminal. This was the first such agreement and operation, enabling the supply of liquefied biomethane to our clients using maritime transport.
- On 1 October 2025, European day-ahead power markets have successfully moved from 60-minute to 15-minute trading intervals.
- The Lithuanian Ministry of Energy has initiated a public consultation, and on 3 December 2025 the Government of the Republic of Lithuania adopted legislative amendments related to the proposed updates to the prosumer model regulation. The proposed amendments are expected to improve the loss-making prosumer supply activities. However, as the legislative process is still ongoing, the final scope, timeline, and impact of the proposed amendments may change. For additional information, see the 'Regulatory environment' part under section '2.4 Business environment' of this report.

After the reporting period:

- We entered the B2C electricity supply market in Latvia.

Key financial indicators, EURm

	2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Total revenue	1,213.0	1,227.0	(14.0)	(1.1%)	356.7	366.2	(9.5)	(2.6%)
Adjusted EBITDA APM	(48.5)	7.1	(55.6)	n/a	(5.5)	(4.0)	(1.5)	(37.5%)
EBITDA APM	(50.9)	18.3	(69.2)	n/a	(3.2)	(13.5)	10.3	76.3%
Adjusted EBIT APM	(54.7)	4.1	(58.8)	n/a	(7.3)	(5.0)	(2.3)	(46.0%)
Operating profit (EBIT) APM	(57.1)	15.3	(72.4)	n/a	(5.0)	(14.5)	9.5	65.5%
Investments APM	29.4	25.2	4.2	16.7%	10.6	8.1	2.5	30.9%
Adjusted EBITDA Margin APM	(4.0%)	0.6%	(4.6 pp)	n/a	(1.6%)	(1.1%)	(0.5 pp)	n/a
	31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
PPE, intangible and right-of-use assets	85.7	52.4	33.3	63.5%	85.7	71.0	14.7	20.7%

Financial results

Q4 results

The Customers & Solutions segment's revenue was 2.6% (EUR 9.5 million) lower than in Q4 2024. The decrease in revenue was driven by the natural gas supply business, mainly due to lower natural gas prices (reflected in the average TTF price index of -21.3%). The decrease was partly offset by the higher result of the electricity supply business, driven by an increase in the volume supplied (+11.5%).

In Q4 2025, the Customers & Solutions segment's Adjusted EBITDA was 37.5% (EUR 1.5 million) lower than in Q4 2024. The decline was driven by natural gas B2B supply results that decreased mainly because more favorable margins were secured in 2024.

Operating performance

Q4 results

In Q4 2025, electricity sales increased by 0.21 TWh (11.5%) compared to Q4 2024. The increase was driven by higher sales to B2B customers, mainly in Poland.

The natural gas sales have decreased by 0.18 TWh (6.5%) in Q4 2025. The decrease was driven by lower wholesale sales in Q4 2025.

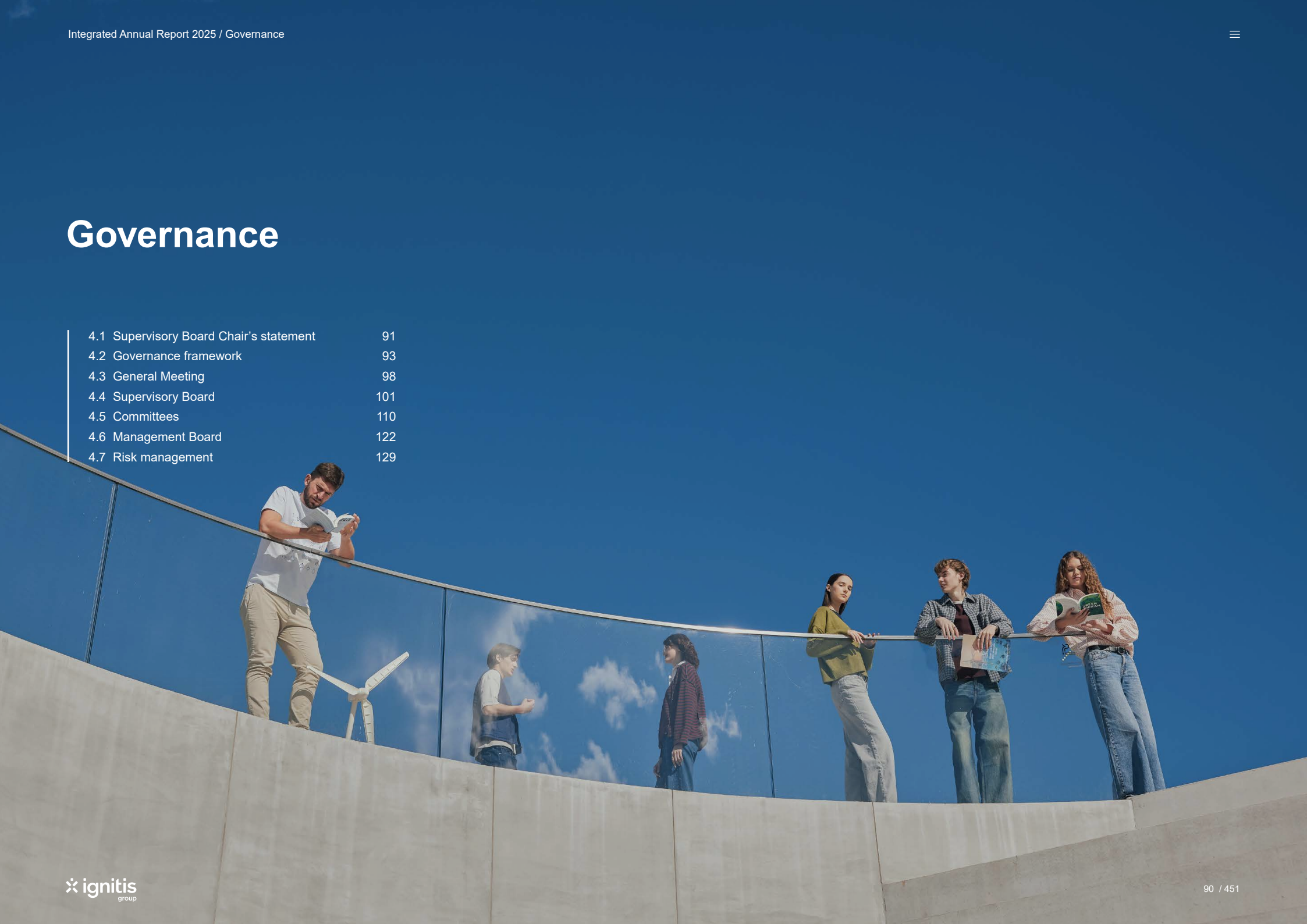
Key operating indicators

		31 Dec 2025	31 Dec 2024	Δ	Δ, %	31 Dec 2025	30 Sep 2025	Δ	Δ, %
Electricity									
Number of customers	m	1.4	1.4	0.0	0.2%	1.4	1.4	0.0	0.7%
EV charging points	units	1,799	1,091	708	64.9%	1,799	1,558	241	15.5%
Natural gas									
Number of customers	m	0.6	0.6	(0.0)	(0.1%)	0.6	0.6	0.0	0.0%
Gas inventory	TWh	0.7	0.9	(0.2)	(21.4%)	0.7	1.5	(0.8)	(51.4%)
		2025	2024	Δ	Δ, %	Q4 2025	Q4 2024	Δ	Δ, %
Electricity sales									
Lithuania	TWh	5.32	5.12	0.19	3.8%	1.49	1.46	0.03	2.4%
Latvia	TWh	0.84	0.78	0.06	7.6%	0.25	0.21	0.04	20.3%
Estonia	TWh	0.02	0.00	0.02	n/a	0.02	-	0.02	-%
Poland	TWh	1.21	0.80	0.41	51.6%	0.31	0.19	0.12	63.7%
Total retail	TWh	7.38	6.70	0.68	10.2%	2.07	1.86	0.21	11.5%
of which B2C	TWh	2.27	2.21	0.06	2.9%	0.65	0.62	0.04	6.3%
of which B2B	TWh	5.11	4.49	0.62	13.8%	1.41	1.24	0.17	14.0%
Natural gas sales									
Retail sales	TWh	6.97	6.81 ¹	0.15	2.3%	2.22	2.17 ¹	0.05	2.3%
by market									
Lithuania	TWh	4.76	4.92 ¹	(0.16)	(3.3%)	1.66	1.65 ¹	0.01	0.6%
Latvia	TWh	0.14	0.29	(0.15)	(52.2%)	0.05	0.06	(0.01)	(20.7%)
Estonia	TWh	-	0.00	(0.00)	(100.0%)	-	-	-	-%
Poland	TWh	0.29	0.26	0.04	15.1%	0.08	0.07	0.01	13.8%
Finland	TWh	1.77	1.34	0.43	31.9%	0.43	0.38	0.04	11.5%
by customer									
of which B2C	TWh	2.48	2.34	0.14	6.0%	0.90	0.87	0.03	3.9%
of which B2B	TWh	4.49	4.47 ¹	0.01	0.3%	1.31	1.30 ¹	0.02	1.2%
Wholesale sales	TWh	1.16	1.84	(0.68)	(37.0%)	0.33	0.58	(0.25)	(42.7%)
Biomethane sales	TWh	0.11	0.05	0.05	100.6%	0.03	0.01	0.02	143.7%
Customer experience									
NPS (B2C – Transactional)	score	74.3	68.7	5.6	8.1%	76.7	68.7	8.0	11.6%
NPS (B2B – Transactional)	score	67.0	64.0	3.0	4.7%	69.0	61.0	8.0	13.1%

¹ These figures have been restated compared to the Integrated Annual Report 2024. For more information, see Note 1 on section '7.3 Notes on restated figures' of this report.

Governance

4.1	Supervisory Board Chair's statement	91
4.2	Governance framework	93
4.3	General Meeting	98
4.4	Supervisory Board	101
4.5	Committees	110
4.6	Management Board	122
4.7	Risk management	129



4.1 Supervisory Board Chair's statement

From oversight to impact: the Supervisory Board's dedicated engagement

As Chair of the Supervisory Board, I am honoured to guide Ignitis Group toward the goals of green transition. At Ignitis Group, our role is integral to the Group's purpose and strategy, which guide all Supervisory Board's discussions and considerations. We actively assess the dynamic environmental, regulatory, political, and market developments to ensure they are reflected in our decision-making processes. Our foremost priority is to ensure strong business continuity while steering Ignitis Group toward its objectives.

Ignitis Group's strategy is closely aligned with national and regional goals of accelerating green transition and achieving full energy independence. The Group aims to create an abundant green energy ecosystem in the region, thereby creating a globally competitive price environment and increasing the region's investment attractiveness. The Group's purpose, rooted in its cultural mindsets and way of operating, continues to inspire and connect customers, communities, and employees throughout the region.

Focus on delivery

In 2025, Ignitis Group continued implementing its Strategic Plan 2025–2028. The Group continued to maintain a strong focus on the development

of Green Capacities and Networks this year. The Group increased its installed green capacities, further strengthening the Group's energy portfolio. In the Networks segment, Ignitis Group continued to invest in modernising and expanding its distribution infrastructure.

Over the last year, the Group increased its installed green capacities from 1.4 GW to 2.1 GW as six projects reached commercial operation dates. In the Networks segment, ahead and above of 2026 target, the Group installed over 1.3 million smart meters. Also, the updated Networks 10-year Investment Plan (2024–2033) set total investments at EUR 3.5 billion, a 40% increase compared to the previous plan.

However, due to global challenges in offshore wind energy market, in addition to its regular oversight activities, the Supervisory Board completed an independent assessment of the Curonian Nord offshore wind farm development in Lithuania. Independent experts from Wood Mackenzie were engaged to comprehensively assess the project's timeline, investment assumptions, and risk management practices against global and European offshore wind industry benchmarks. The assessment concluded that the multiple implementation scenarios adopted by the project team represent a robust approach aligned with industry standards, that the investments made to date are reasonable and below benchmark levels, and that the Group has a strong risk governance framework consistent with market practices. We



Alfonso Faubel
Chair of the Supervisory Board

also acknowledge the recommendations provided by the National Audit Office regarding the project's development, and together with those from Wood Mackenzie, we will continue to oversee key strategic projects to ensure value creation and take action when necessary.

Expanded Supervisory Board and selection of new Management Board

This year, Ignitis Group's Supervisory Board was elected for a new term, and a new structure of advisory committees was introduced, including the Nomination and Remuneration Committee, the newly established Sustainability Committee, and the reorganised Audit and Risk Committee.

All seven members of the previous Supervisory Board remain in office for the new term, ensuring continuity in the supervision of the organisation's activities. In addition, two new members have also joined the Supervisory Board: Jutta Disen, an independent member with experience in energy transition and flexibility technologies, Lina Liubauskaitė, an expert from the Office of the Government with experience in regulatory activities. These changes will allow for even greater focus on our priorities and will further strengthen stakeholder management.

At the end of 2025, the Supervisory Board initiated a public selection process for a new Management Board, given that the term of office of the Group's current Management Board is approaching, which members were selected after the reporting period. The Management Board ensures the proper implementation of the Group's strategy

and operations as well as the oversight of five different areas at the Group level: Strategy and Management, People & Business Support, Finance, Energy Markets & Commerce, and Regulated Business & Government Relations.

Governance recognition

The Supervisory Board remains firmly committed to fostering strong governance, transparency and a culture of sustainability.

This year, in the Good Governance Index published by the Lithuanian Governance Coordination Centre, Ignitis Group maintained its leadership among large companies and received the award for the best strategic management. Ignitis Group is the only company to have earned this recognition for seven consecutive years. In terms of sustainability, Ignitis Group was included in the CDP A List – placing the Group among the top 4% of companies globally assessed by CDP, the world's only independent system for environmental disclosure. This represents the highest possible score for climate change transparency. Additionally, Ignitis Group was recognised as one of the top investor relations companies in the Baltics, underscoring our commitment to transparent communication and governance excellence.

These achievements further reinforce Ignitis Group's position as an organisation that upholds the highest standards of governance, sustainability, and transparency in Lithuania and across the Baltic region.

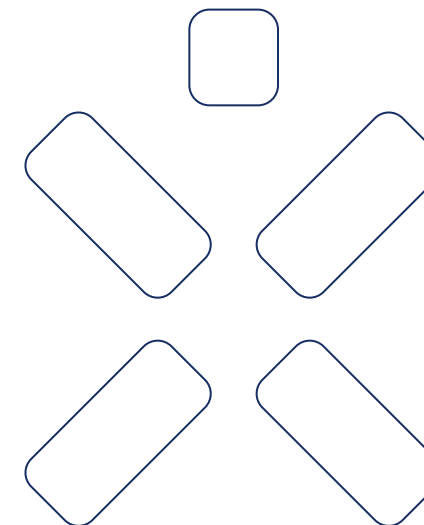
Next milestones

The Group is on the right track to create a 100% green and secure energy ecosystem in Lithuania, and the Supervisory Board remains committed to providing reliable oversight in achieving these ambitious goals.

Our path forward is grounded in a strong commitment to effective governance and oversight. We are focused on creating long-term value while embedding environmental, social, and governance principles at the core of our decisions. Together, we strive to shape a sustainable future for generations to come.

Alfonso Faubel

Chair of the Supervisory Board



4.2 Governance framework

Overview of the Group's corporate governance

The Group's governance framework is based on the most advanced international and national practices, OECD recommendations, and the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius, [Corporate Governance Guidelines](#) approved by the Ministry of Finance of the Republic of Lithuania. Overall, the Group's governance principles and model aim at the assessment and harmonisation of stakeholders' interests and their translation into measurable targets and indicators.

The parent company acknowledges the importance of good corporate governance and follows the [Corporate Governance Code](#) for the companies listed on Nasdaq Vilnius to the extent possible. This code is based on the principle of "comply or explain". In accordance with Article 12(3) of the Law on Securities and Paragraph

25.4 of the Nasdaq Vilnius Listing Rules, the parent company must disclose annually how it complies with, or reasons for non-compliance with, the Nasdaq Vilnius Corporate Governance Code (including its specific provisions or recommendations). We comply with all the governance recommendations. A separate overview describing our compliance with each of the recommendations can be found in sections "7.5 Compliance with the Corporate Governance code", "7.6 Compliance with the Guidelines for Ensuring the Transparency of State-Owned Enterprises".

The corporate governance excellence of the Group is reflected in numerous ratings and rankings. We are ranked among the leaders in corporate governance of state-owned enterprises in Lithuania. Additionally, ESG rankings are available in '6. Sustainability Statement', see section 'Other information' of this report.



Ignitis Group headquarters

The parent’s company governance model

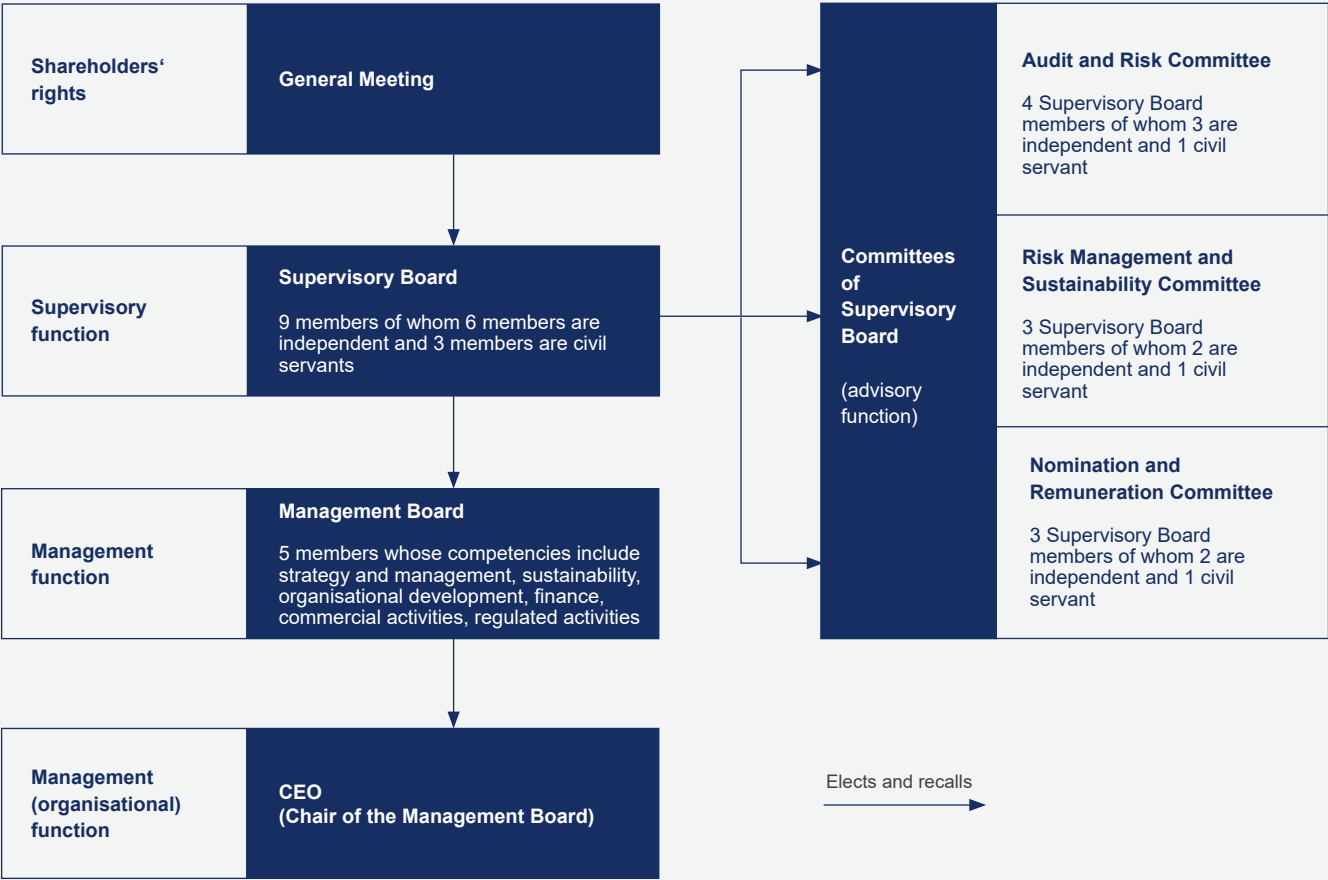
The parent company employs a corporate governance system designed to manage and control the Group as a whole and aimed at achieving common objectives. The corporate governance of the Group is exercised through the parent company’s functions, i.e., by coordinating common areas such as finance, legal and compliance, risk management, health and safety, etc. within the Group. Activities in these areas are based on mutual agreement within the Group, i.e., through cooperation with a focus on achieving a common result and are coordinated by using the policies (common provisions and norms) applicable to the whole Group.

The parent company has a Chief Executive Officer (CEO) and a two-tier board system consisting of a Management Board and a Supervisory Board. The CEO represents the parent company in all matters and, together with the Management Board, is responsible for its management, while the Supervisory Board is the body that oversees the Management Board and the CEO. The CEO manages the parent company’s day-to-day operations and is entitled to solely represent the parent company.

The parent company’s management and supervisory bodies are designed and are to be operated in such a way as to ensure the proper representation of the shareholders and the separation of the management and supervisory functions.

A more detailed description of each collegial body and its members is available in the following sections.

The parent company’s corporate governance model

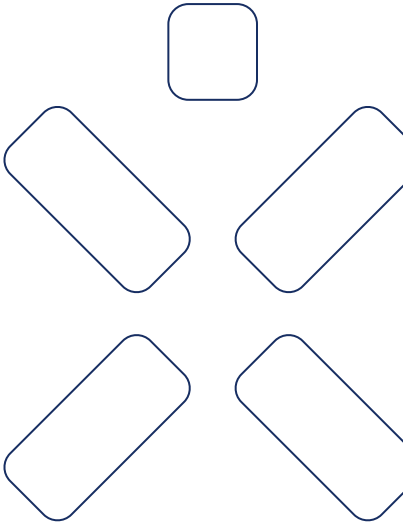


Updated Corporate Governance Guidelines

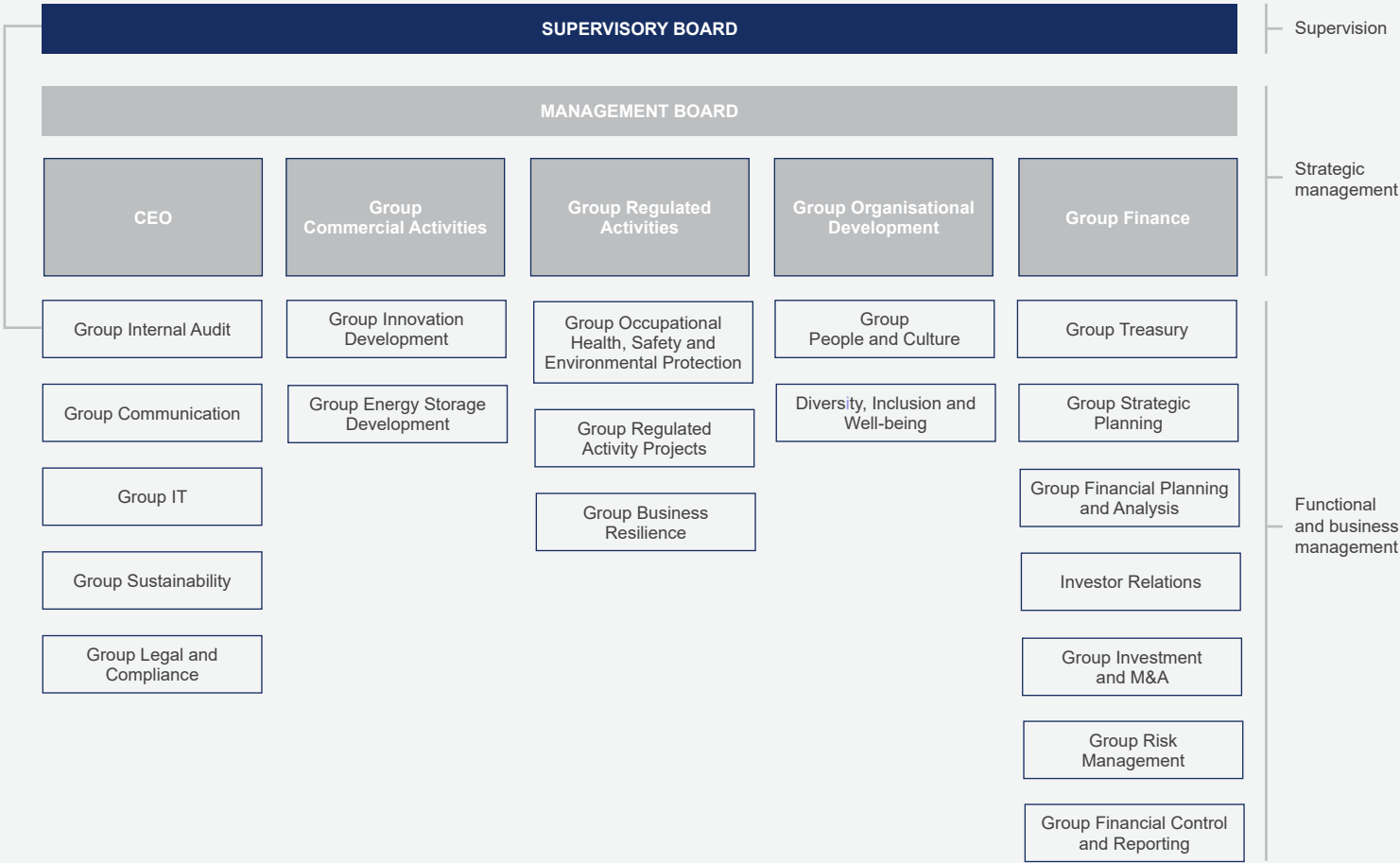
On 14 April 2025, the parent company received the updated Guidelines on Corporate Governance of the State-Owned Group of Energy Companies approved by the order of the Minister of Finance from the Ministry of Finance of the Republic of Lithuania, which exercises the rights of the majority shareholder. The updated [Corporate Governance Guidelines](#) were applied to the structure of the current Supervisory Board and to the selection of its members for a new term of office.

Taking into consideration the proposals of the parent company's Supervisory Board and independent experts as well as to continue the implementation of the best governance practices and initiate the selection of the parent company's Supervisory Board for a new term of office, the Ministry of Finance proposed the changes, which were implemented as detailed in the table on the right:

Essence of the change	As it was until 25 October 2025	As it is from 27 October 2025
1. Restructuring the committees of the Supervisory Board	The Supervisory Board formed two advisory committees from among its own and external members: the Nomination and Remuneration Committee, the Risk Management and Sustainability Committee (end of term 25 October 2025). The General Meeting formed the Audit Committee from the members of the Supervisory Board and external members (end of term 26 September 2025).	The Supervisory Board forms three advisory committees from among its members: the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Sustainability Committee.
2. Number of Supervisory Board members	The Supervisory Board was composed of 7 members, 5 of whom were independent members and 2 were civil servants (end of term 25 October 2025).	The Supervisory Board composes of 9 members, 6 of whom are independent members and 3 are civil servants.



The parent company’s organisational structure at the end of the reporting period



Implementation of the Directive on Gender Balance

Following the Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures ([the Directive on Gender Balance](#)), the national regulation obliges large, including listed, companies to take measures by 30 June 2026 to ensure that members of the underrepresented gender hold at least 33% (but not exceed 49%) of all manager positions (i.e. CEO, Management Board and Supervisory Board). The lawful means to implement this obligation are the following:

- candidates shall be selected based on a comparative assessment of qualifications of each candidate;
- when choosing between candidates who are equally qualified in terms of suitability, competence and professional performance, priority shall be given to the candidate of the underrepresented gender.

The Equal Opportunities and Diversity Policy of the Group apply to all selections for CEO, Management Board and Supervisory Board positions of the parent company as well as selections for CEO and Board positions of following subsidiaries which are considered as large companies: AB “Energijos skirstymo operatorius”, UAB “Ignitis”, AB “Ignitis gamyba”, UAB Kauno kogeneracinė jėgainė, UAB Vilniaus kogeneracinė jėgainė, UAB “Ignitis grupės paslaugų centras”.

In 2025, there were no underrepresented gender in the management and supervisory bodies of the parent company, as females were occupying 53% and men - 47%. The gender distribution is as follows: Supervisory Board - 2 males and 7 females, Management Board - 4 males and 1 female, and CEO – 1 male. The current gender proportion is defined as gender balance.

During 2025, a selection for Supervisory Board positions was organised in full compliance with the national regulation and the policy.

During the selection process, the following actions were taken to maintain the gender balance:

- a requirement to pursue gender balance when sourcing candidates was set for the recruitment agency;
- in the advertisement, the neutral and non-discriminatory requirements were stated and information on gender balance regulation provided for the applicants;
- an objective comparative qualification assessment of the candidates was conducted;
- the General Meeting was informed about the regulation on gender balance.

A Management Board selection announced on 11 December 2025 is also subject to regulation on gender balance ([link in Lithuanian](#)), therefore, the members of the new term Management Board must meet the set and announced requirements, based on which each candidate's qualifications will be comparatively assessed.

To achieve gender balance, since 2021 the parent company has been consistently raising its gender diversity targets for top management positions with a goal of reaching 33% female representation in top management by 2028. Additionally, from 2023 onwards the Group includes gender balance targets for shortlists in top management recruitments in the annual performance targets of the Group companies. In 2025, the parent company continued a series of initiatives to enhance gender balance within the top management of the parent company and its subsidiaries.

These initiatives include:

- the Women's Referral Challenge to increase referrals for female candidates;
- maintaining gender balance through the succession programme;
- partnering with recruitment agencies to source diverse and qualified candidates;
- ensuring job titles in all advertisements are listed in the feminine form first, with the masculine form in parentheses (a reversal of the common market practice) to attract more female candidates;
- requiring hiring managers to pledge their commitment to equal opportunities before posting job ads;
- providing equal opportunity and anti-discrimination training for new hiring managers;
- running a public awareness campaign to address gender stereotypes in professions;
- testing women-friendly headhunting messages;
- organizing inclusive hiring training for talent acquisition team;
- piloting anonymised CV screening in employee selections.

4.3 General Meeting

Shareholders' rights and General Meeting

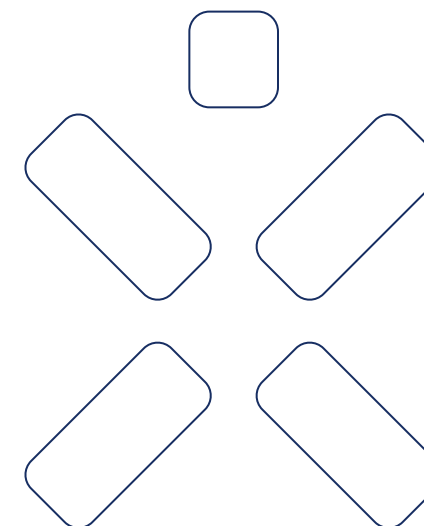
Our shareholders exercise their rights at the GM. The GM is the highest decision-making body of the parent company and passes the resolutions in accordance with the Law on Companies of the Republic of Lithuania (link in [Lithuanian](#)). Shareholders entered in shareholders register of the parent company before the record date (five working days before the GM) may attend the GM and vote on its matters.

The parent company is not aware of any restrictions on shareholders' voting rights and agreements between shareholders.

General Meeting's competence

The competence of the parent company's GM covers the following key areas:

- amending the [Articles of Association](#) of the parent company;
- approving the sets of annual financial statements of the parent company and annual consolidated financial statements of the Group companies;
- making decisions on the allocation of profit (loss);
- making decisions on the allocation of dividends for a period shorter than the financial year;
- agreeing or not agreeing to the consolidated annual management report of the Group and the consolidated interim management report of the Group, which is submitted together with the set of interim financial statements prepared for the purpose of making a decision on the allocation of dividends for a period shorter than the financial year;
- electing and removing an auditor or an audit firm for the auditing of the financial statements of the parent company and of the consolidated financial statements of the Group companies, setting the terms and conditions of payment for audit services as well as electing and removing an auditor, an audit firm or an independent sustainability reporting assurance service provider;
- making decisions on increasing or reducing the authorised capital of the parent company;
- making decisions on the reorganisation or separation of the parent company and the approval of the terms and conditions thereof as well as on the restructuring, liquidation or cancelation of the liquidation of the parent company;
- agreeing or not agreeing to the decisions of the Management Board of the parent company regarding the parent company becoming a founder or participant of other legal entities (except associations);
- agreeing or not agreeing to the decisions of the Management Board of the parent company regarding the transfer, pledge, other restriction, disposal of shares or rights, transfer of business, reorganisation, separation, restructuring, liquidation, transformation or other actions that change the status of the Group companies which are important to national security and engage in generation, distribution and supply activities in the energy sector as well as of the companies directly controlled by the parent company which engage in energy generation activities;
- electing and removing individual members of the Supervisory Board or the entire Supervisory Board of the parent company, making decisions on the payment of remuneration to members of the Supervisory Board.



General Meetings

During the reporting period, four GMs of the parent company's shareholders were held:

On 26 March 2025, the GM passed the following resolutions:

- agreed to AB “Ignitis grupė” consolidated annual management report for the year 2024;
- approved the set of annual financial statements of AB “Ignitis grupė” and the set of consolidated financial statements of AB “Ignitis grupė” group of companies for the year ended 31 December 2024;
- allocated profit (loss) of AB “Ignitis grupė” for the year 2024.

On 7 May 2025, the GM passed the following resolutions:

- approved the new version of the Articles of Association of AB “Ignitis grupė” and the power of attorney;
- approved of the updated Remuneration Policy of AB “Ignitis grupė” group of companies.

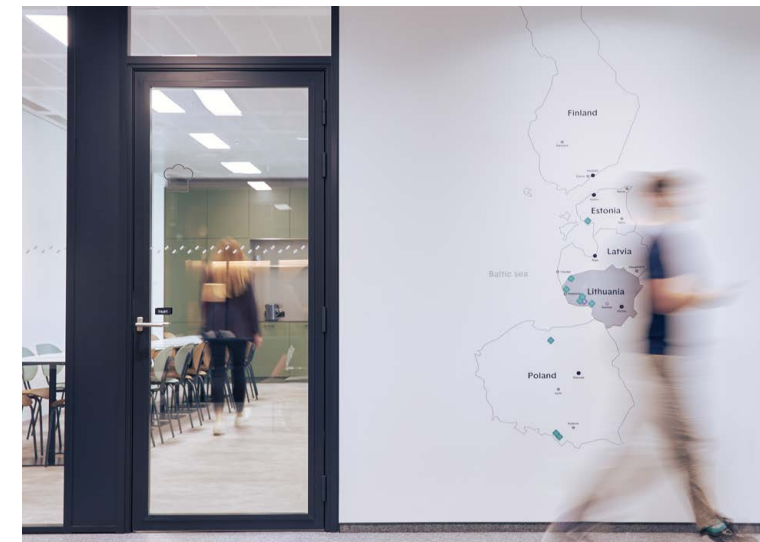
On 10 September 2025, the GM passed the following resolutions:

- agreed to AB “Ignitis grupė” consolidated interim management report for the six-month period ended 30 June 2025;
- approved the set of interim condensed financial statements of AB “Ignitis grupė” for the six-month period ended 30 June 2025;
- allocated dividends to the shareholders of AB “Ignitis grupė” for the period ended 30 June 2025, which is shorter than the financial year.

On 24 October 2025, the GM passed the following resolutions:

- elected the Supervisory Board of AB “Ignitis grupė” for a new term.

Notices about the convening of the GM, including all relevant and necessary information, of the GM and the decisions of the GM are published on our [website](#) as well as through Nasdaq Vilnius, London Stock Exchange and Luxembourg Stock Exchange.



Ignitis Group headquarters

Majority Shareholder

The Majority Shareholder of the parent company, the Republic of Lithuania, held 74.99% of the parent company's shares at the end of the reporting period. The rights and obligations of the Republic of Lithuania are exercised by the Ministry of Finance of the Republic of Lithuania in accordance with the Law on Companies (link in [Lithuanian](#)), which establishes property and non-property rights and obligations of all shareholders, the Description of the Procedure of the Implementation of State Property and Non-Property Rights in State-Owned Enterprises approved by the Resolution No 665 of the Government of the Republic of Lithuania of 6 June 2012 (the Property Guidelines) (link in [Lithuanian](#)), and the latest wording of the [Articles of Association](#) of the parent company.

One of the corporate governance principles outlined in the [Corporate Governance Guidelines](#), approved by the order of the Minister of Finance, is to ensure that the Majority Shareholder exercises the voting rights attached to the shares within its competence and undertakes its best effort to ensure that the Group are able to operate independently, i.e., the Majority Shareholder:

- shall not take actions that could prevent the parent company and the Group companies from conducting business independently;
- shall not influence the day-to-day running of the parent company's business or hold or acquire a

material shareholding in one or more significant subsidiaries of the Group companies;

- shall not take any action which could be prejudicial to the parent company's status or its eligibility to be a company whose shares are traded on a regulated market or would prevent the Company from complying with the obligations and requirements established by law that apply to listed companies whose shares are traded on a regulated market;
- shall conduct all transactions and ensure relationships with the subsidiaries of the parent company under market conditions (on an arm's length basis) and on a normal commercial basis;
- shall not vote in favour of or propose any decision to amend the [Articles of Association](#) of the parent company that would be contrary to the principle of independence of the parent company's business;
- shall vote in a manner that ensures that the management of the parent company complies with the principles of good governance set out in the Nasdaq's [Corporate Governance Code](#).

For further information on the parent company's shareholders, see section '1.6 Investor information' of this report.

Expectations of Majority Shareholder

In accordance with the Property Guidelines (link in [Lithuanian](#)), the Majority Shareholder submits a Letter of Expectations to the parent company at least once every four years on the objectives pursued by the Majority Shareholder in the SOE and its expectations.

The [Letter of Expectations](#) regarding the Group's activities, updated on 11 May 2023, sets out the following expectations for the Group's strategic priorities:

- to prioritise focused, sustainable and profitable development of green energy generation capacities in order to significantly contribute to energy security and green transition in the region;
- to ensure the availability and the long-term operational capacity of the infrastructure that is important for national and energy security;
- to strive to increase the electricity supply in the region by supplying final consumers with clean energy generated by its green energy generation assets;
- to ensure the resilience of the electricity distribution network to external factors, efficient distribution, network development, facilitation of the energy market and electrification in Lithuania and across region;

- to ensure the reliability and flexibility of the Lithuanian energy system and its development while contributing to the implementation of changes in the energy sector in Lithuania and across the region;
- to ensure sustainable development of the Group's activities.

4.4 Supervisory Board

Overview

During the reporting period, the composition of the parent company's Supervisory Board changed. As the term of office of the Supervisory Board expired on 25 October 2025, the General Meeting held on 24 October 2025 elected new members of the Supervisory Board, and the newly formed Supervisory Board commenced its activities on 27 October 2025 (for further details, see section '4.2 Governance framework').

The new term Supervisory Board consists of nine members in total: six independent members and three civil servants. From among its members, the Supervisory Board elects its Chair.

The Supervisory Board is a collegial supervisory body established in the [Articles of Association](#) of the parent company. The Supervisory Board is functioning at the Group level, i.e., where appropriate, it addresses the issues related not only to the activities of the parent company, but also to those of the Group companies or their respective management and supervisory bodies.

During the reporting period, the rules governing the election of the members of the Supervisory Board of the parent company were not amended. The Supervisory Board is elected by the General Meeting for the period of four years.

Key competence of the Supervisory Board covers the following:

- considering and approving the strategy and strategic plan of the Group, analysis and assessment of information on the implementation of the strategy and strategic plan of the Group, submission of this assessment to the Annual General Meeting of Shareholders;
- electing and removing members of the Management Board, oversight of the activities of the Management Board and the CEO;
- providing comments to the General Meeting on a set of financial statements, allocation of profit or loss and consolidated annual management reports;
- making decisions regarding the parent company's transactions to be concluded with a related party;
- approving the Policy on Related-Party Transactions of the Group.

The Supervisory Board also addresses other matters within its competence as stated in the parent company's [Articles of Association](#) and the Law on Companies (link in [Lithuanian](#)).

Information on selection criteria of the Supervisory Board members

The selection of the members of the Supervisory Board is initiated and conducted by the Majority Shareholder in accordance with the Description of Selection of Candidates for a Collegial Supervisory or Management Body of a State or Municipal Company, a State-Owned or Municipally-Owned Parent Company or its Subsidiary approved by the Resolution No 631 of the Government of the Republic of Lithuania of 17 June 2015 (link in [Lithuanian](#)), which sets out the obligation to ensure fair and equitable treatment of candidates in the selection process. According to the above-mentioned legislation, the Supervisory Board was formed to ensure the diversity in competencies. All its members must have at least one of the following competencies: finance (financial management, financial analysis or audit), strategic planning and management, knowledge of the industry in which the parent company operates (i.e., the energy sector), and other competencies (i.e., law, management, human resources). Therefore, the members of the Supervisory Board were selected on the basis of the general expectations and competencies set out in the [Competency Profile](#) of the Supervisory Board.

Moreover, [Equal Opportunities and Diversity Policy of the Group](#) is referred during the selection of the members of the Supervisory Board and its committees of the parent company.

Information on the remuneration of the Supervisory Board members during the reporting period

The remuneration of the members of the Supervisory Board is paid to them in accordance with the [Articles of Association](#), the [Group Remuneration Policy](#) and the Description of the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned Enterprises and Municipal-Owned Enterprises approved by the Resolution No 1092 of the Government of the Republic of Lithuania of 14 January 2015 (link in [Lithuanian](#)). The terms and conditions of the agreements with the members of the Supervisory Board, including their remuneration, are determined by the General Meeting.

Details of the remuneration paid to the members of the Supervisory Board during the reporting period are provided in section '5 Remuneration' of this report.

Conflicts of interest

In accordance with the Articles of Association of the parent company, each candidate for the Supervisory Board must submit a declaration of good faith, stating therein circumstances which could give rise to a conflict of interest between the candidate and the parent company. If circumstances that could result in a conflict of interest between the member of the Supervisory Board and the parent company arise, the member of the Supervisory Board must immediately notify the Supervisory Board and shareholders in writing of such new circumstances. A member of the Supervisory Board must withdraw from the preparation, consideration and/or making decisions on the issue if the issue may cause a conflict of interest between the member of the Supervisory Board and the parent company and/or the Group companies and, inter alia, may not participate in making the decisions related to the issue if they may create or create a conflict of interest. If a conflict of interest becomes apparent and the member of the Supervisory Board fails to withdraw, the Supervisory Board must consider the motives and/or circumstances that may cause a conflict of interest and make a decision on the removal of that member of the Supervisory Board.

None of the members of the Supervisory Board participate in the capital of the parent company or of Group companies.

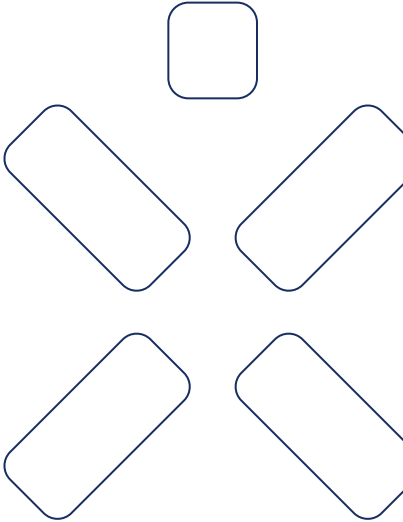
Self-assessments of the Supervisory Board

In line with the best corporate governance practices and the aim set out in the Letter of Expectations of the Majority Shareholder as well as the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius, the Supervisory Board and its committees during reporting period carried out self-assessments and agreed on further actions to improve their functioning. At least once every three years, the Supervisory Board of the parent company engages an independent external expert for the evaluation of its activities (the last evaluation was carried out in 2024).

Other information

Key responsibilities, activities, composition of the Supervisory Board and its committees as well as information on members' education, experience, place of employment and shareholdings in the Group companies at the end of the reporting period are provided below.

Additionally, no members of the Supervisory Board and its committees had 5% or more shareholdings in other companies that are the parent company's business partners, suppliers, clients or other related companies.



Competency matrix of members of Supervisory Board and its committees operating until 25 October 2025

	Alfonso Faubel	Ana Riva	Aušra Vičkačkienė	Ingrida Muckutė	Judith Buss	Lorraine Wrafter	Sian Lloyd Rees	Tim Brooks	Wolf Willems
Area of competency	Renewable energy	Risk management	Public policy and governance	Public policy and governance	Finance management	Organisational development	Strategy development and international expansion	Sustainable development and risk management	Occupational health and safety and Sustainability/ ESG
Experience in:									
Top-level management	+	+	+	+	+	+	+	+	+
Non/Executive management bodies	+	+	+	+	+	+	+	+	+
International development/expansion	+				+	+	+	+	+
Energy sector	+	+	+	+	+	+	+	+	+
Renewable energy field	+	+	+	+	+		+	+	+
Listed company	+	+	+	+	+	+	+	+	+
Regulated business	+	+	+	+	+				
Competency¹ in:									
Corporate finance	+	+	+	+	+				
Audit		+		+	+				
Business strategy	+	+	+	+	+	+	+	+	+
Mergers & acquisitions	+		+		+	+			+
Risk management	+	+		+	+			+	
Innovation/Digitalisation	+	+					+	+	
Public policy and governance			+	+					+
Sustainability-related:	+	+	+	+	+	+	+	+	+
Environment (incl. climate change)	+	+			+			+	+
Organisational development / HR / Diversity, equity, and inclusion	+		+		+	+	+	+	
Health & Safety	+							+	+
ESG regulatory frameworks (incl. CSRD, EU Taxonomy)		+		+	+		+	+	+

¹ Competencies are assigned according to the competencies members have had during the nomination and acquired while managing different strategic areas and targets and participating in various trainings. The parent company seeks to ensure its composition of management bodies reflects a range of skills, experience and perspectives that are relevant to parent company's sector, business and geographic locations – including expertise in material sustainability matters.

Competency matrix of members of Supervisory Board operating post 27 October 2025

	Alfonso Faubel	Aušra Vičkačkienė	Ingrida Muckutė	Jutta Dissen	Judith Buss	Lina Liubauskaitė	Lorraine Wrafter	Sian Lloyd Rees	Tim Brooks
Area of competency	Renewable energy	Public policy and governance	Audit and accounting	Energy Transformation and Flexibility Technologies	Finance and Investment	Regulatory	Organisational development	Risk oversight	Sustainability and ESG, including HSE
Accounting & Audit (incl. reporting standards and internal controls)			+		+				
Board experience/Listed company Board experience	+	+	+	+	+	+	+	+	+
Capital markets					+				
Compliance	+			+	+		+	+	+
Corporate finance/M&A	+			+	+				
Corporate governance	+	+	+	+	+	+	+	+	+
C-suite level & strategic management experience	+			+	+		+	+	+
Energy sector	+	+	+	+	+	+	+	+	+
Energy Transition & Flexibility Technologies	+			+	+			+	+
Engineering				+				+	+
Finance & Investment	+	+	+	+	+				
Health & Safety	+						+		+
International business development/ expansion	+			+	+		+	+	+
Leadership	+	+	+	+	+	+	+	+	+
Leadership in Renewable energy	+			+	+			+	
Organizational development (incl. remuneration, executive search, succession planning, DEI)	+	+		+	+		+	+	
Public Policy & Governance		+	+			+			
Regulatory				+	+	+			
Regulated business experience	+	+	+	+	+		+	+	+
Renewable energy (incl. technology and project management)	+			+	+			+	+
Risk Oversight and Risk Management	+			+	+			+	+
SOE Strategic Oversight		+	+		+	+		+	
Strategic transformation	+			+	+		+	+	+
Sustainability & ESG Reporting and Governance			+		+			+	+
Sustainability & ESG Strategy incl. HSE	+			+	+		+	+	+

¹ Competencies are assigned according to the competencies members have had during the nomination and acquired while managing different strategic areas and targets and participating in various trainings.

Members of the Supervisory Board at the end of the reporting period¹



Alfonso Faubel

Chair, member (26/10/2021-25/10/2025)
Re-elected on 27/10/2025
Independent
Competency: renewable energy
Committees: Audit and Risk Committee
Term of office expires: 26/10/2029

Experience

Alfonso Faubel is a senior executive with over 37 years of international leadership experience across the automotive, energy, and digitalization industries. He is recognized for his expertise in business transformation, operational excellence, and successfully leading multicultural teams across five continents. He has held top executive roles at Siemens Gamesa, Alstom/GE, and Delphi Automotive—global leaders in the wind power, energy, and automotive sectors. As CEO of Siemens Gamesa's Onshore business, he led the turnaround and post-merger integration of a company with over 10,000 employees across 90 countries. At Alstom/GE, he secured over EUR 12 billion in new orders across its power businesses and previously opened 16 new international markets as CEO of the wind power division.

Education

University of Cologne, Business Administration & Economics; Richmond American University London, Bachelor's degree in Business Administration; INSEAD, Executive Education.

Other current employment, position

As of 2024, Alfonso Faubel has been appointed Director of the Board at JERA Nex, code 11668305. As of 2025, he has been appointed Chairman of the Board at Velto Renewables, code B88561667, a CDPQ company. No main employment.

Shareholdings of the parent company

None.



Aušra Vičkačkienė

Member (30/08/2017-26/10/2021 and 26/10/2021-25/10/2025)
Re-elected on 26/10/2021 and 27/10/2025
Civil servant
Competency: public policy and governance
Committees: Nomination and Remuneration Committee
Term of office expires: 26/10/2029

Experience

Aušra has more than 20 years of experience in civil service. For the last 14 years she has been the Director of Asset Management Department of the Ministry of Finance, previously managed the Financial Services Division of the Ministry's Financial Markets Department and was the Head of the Loan and Guarantee Supervision Division. Moreover, Aušra Vičkačkienė served on management boards of various state-owned companies: Būsto Paskolų Draudimas, Turto Bankas and Viešųjų Investicijų Plėtros Agentūra, where she was the Chair of the Management Board.

Education

Vilnius University, Master's degree in Management and Business Administration; Vilnius University, Bachelor's degree in Management and Business Administration

Other current employment, position

Director of the State Assets Management Department, Ministry of Finance of the Republic of Lithuania, code 288601650, (main employment).

Shareholdings of the parent company

None.



Ingrida Muckutė

Member (26/10/2021-25/10/2025)
Re-elected on 27/10/2025
Civil servant
Competency: accounting and audit
Committees: Audit and Risk Committee
Term of office expires: 26/10/2029

Experience

Ingrida Muckutė is a highly experienced accounting, reporting and financial audit regulation professional who has been working at the Ministry of Finance since 2004. She started her career at the Ministry of Finance as the Director of the Accounting Methodology Department. In 2013, during the Lithuanian Presidency of the Council of the European Union, she was chairing the Task Force on Company Law meetings on Audit Directive and Regulation. She chairs the Committee of National Accounting Standards, actively contributes to the modernisation of the national systems of accounting, companies' insolvency and property and business valuation through proposals of legal initiatives. Before her career at the Ministry of Finance, she worked as a financial controller at Konica Minolta Baltija and as a senior auditor in Arthur Andersen, and later in Ernst & Young Baltic.

Education

Vilnius University, Master's degree in Economics, Accounting, Finance and Banking; Vilnius University, Bachelor's degree in Management and Business Administration; Uppsala University (Sweden), Financial Management Programme.

Other current employment, position

Director of the Reporting, Audit, Property Valuation and Insolvency Policy Department, Ministry of Finance of the Republic of Lithuania, code 288601650, (main employment).

Shareholdings of the parent company

None.

¹ Seven of nine members of the Supervisory Board were the same members of the former Supervisory Board (26/10/2021 - 25/10/2025), except two new members: Jutta Dissen and Lina Liubauskaitė.



Judith Buss

Member (12/11/2020- 26/10/2021 and 26/10/2021-25/10/2025)
Re-elected on 26/10/2021 and 27/10/2025
Independent
Competency: finance and investment
Committees: Audit and Risk Committee
Term of office expires: 26/10/2029

Experience

Judith is a senior executive with more than 25 years of experience in the global energy sector and financial markets/M&A (leading and executing transactions with over EUR 20 billion in total value), debt and equity security issuance, as well as in corporate governance and sustainability, including CSRD reporting. She also has more than 10 years of international experience as a non-executive director in the energy and automotive industry and has chaired audit committees in large multinational organisations in Germany, Lithuania, Norway, the UK and Algeria. Judith also held senior executive positions at E.ON Group (a leading European energy company included in DAX-40) for more than 20 years, including as Chief Financial Officer of E.ON Climate & Renewables Group with a portfolio of onshore and offshore wind and solar assets under development, construction and operation in Europe, North America and APAC worth over EUR 10 billion. She is currently serving as independent member of several boards of directors and chairs several audit committees.

Education

University of Augsburg, Master's degree in Business Administration (Banking, Finance and Controlling); Leadership Programs at IMD Business School, Lausanne, and Massachusetts Institute of Technology, Boston; University of Duesseldorf, Bachelor's degree in Art History.

Other current employment, position

Member of the Supervisory Board of Uniper SE (code HRB 77425); Chair of the Audit and Risk Committee of Uniper SE; Member of the Supervisory Board of HELLA GmbH & Co. KGaA, Lippstadt, Germany (code HRB 6857); Member of the Shareholders' Committee of HELLA GmbH & Co. KGaA, Lippstadt, Germany; Chair of the Audit Committee of Hella GmbH & Co. KGaA, Lippstadt, Germany. No main employment.

Shareholdings of the parent company
None.



Jutta Dissen

Member since 27/10/2025
Independent
Competency: energy transformation and flexibility technologies
Committees: Nomination and Remuneration Committee, Sustainability Committee
Term of office expires: 26/10/2029

Experience

Jutta is an accomplished C-Level Executive with over 20 years of leadership experience in global corporations (including DAX30), the energy sector, and top-tier advisory firms. Throughout her career, she has demonstrated a proven track record of guiding companies across the full business lifecycle—from venture growth and digital innovation to consolidation, crisis management, and organisational transformation. Jutta Dissen brings deep expertise in regulatory compliance, corporate governance, and ESG, with a background spanning the banking, energy, pharmaceutical and engineering sectors. She is experienced in leading large, multicultural teams (250+ FTE), managing P&L responsibilities, and delivering complex projects across multiple technologies and markets (offshore/ onshore wind, PV, BESS). She also has extensive board-level experience, including over 15 years in Non-Executive Director roles and SteerCos across major joint ventures and investments.

Education

Admitted to the Bar in Germany and New York, FIDAR Supervisory Board Training; Structuring an International JV, University of California Berkeley/Davis; LL.M. Program, University of California/ Davis.

Other current employment, position

CEO Europe of ib Vogt, code HRB 86173 (main employment).

Shareholdings of the parent company
None.



Lina Liubauskaitė

Member since 27/10/2025
Civil servant
Competency: regulatory
Committees: Sustainability Committee
Term of office expires: 26/10/2029

Experience

Lina has been working at the Office of the Government of the Republic of Lithuania for more than 27 years. For the past 6 years, she has been heading the Economic Policy Group of the Office of the Government, previously working as the Head of the Budget and EU Structural Assistance Division of the Office of the Government and the Head of the Economic Progress Division of the Policy Analysis and Reforms Department. Moreover, Lina Liubauskaitė has held positions in the collegial bodies of several state-owned enterprises: UAB Būsto paskolų draudimas, UAB Viešųjų investicijų plėtos agentūra, UAB Žemės ūkio paskolų garantijų fondas, etc.

Education

Vilnius University, Master of Law; J. W. Goethe University, LLM studies.

Other current employment, position

Head of the Economic Policy Group, Office of the Government of the Republic of Lithuania, code 188604574 (main employment).

Shareholdings of the parent company
None.



Lorraine Wrafter

Member since (26/10/2021-25/10/2025)
Re-elected on 27/10/2025
Independent
Competency: organisational development
Committees: Nomination and Remuneration Committee
Term of office expires: 26/10/2029

Experience

Lorraine is a Chartered Director certified by the Institute of Directors. She is a global HR director who specialises in Organisation Effectiveness (change, culture, M&A, organisation design, reward and talent management), working with boards and executive teams to transform organisations and workforce performance to deliver business value in complex multinational organisations. Lorraine has more than 30 years of experience in large multinational corporations: HOLCIM and CARGILL Inc. She is currently working on various projects related to organisation transformation, culture, team performance, and coaching.

Education

Limerick University, Diploma in Business Studies; University of West London, Diploma in Human Resources; Fellow of the Chartered Institute of Personal Development; Leicester University, Master's degree in Human Resources Management and Development; INSEAD, Diploma in Clinical Organisational Psychology, Executive Masters, Consultancy and Coaching for Change; Corporate Governance Institute, Diploma in Environmental, Social and Governance (ESG); Institute of Directors (IOD), Chartered Director Programme.

Other current employment, position

Consultant and owner of 'The problem', code 0799.377.889 (main employment); Lorraine Wrafter also serves as an Advisory Board Member for Hack CMP (crisis management platform), code HRB 6853. As of 2025, Lorraine has been appointed as the Chair of the Board at Circal, code 11828709, a solar and storage start-up in Ireland.

Shareholdings of the parent company

None.



Sian Lloyd Rees

Member (11/09/2024 -25/10/2025)
Re-elected on 27/10/2025
Independent
Competency: risk oversight
Committees: Audit and Risk Committee
Term of office expires: 26/10/2029

Experience

Sian is a top-level executive with more than 17 years of international experience in the energy sector and over 5 years of experience as a board member and a member of remuneration, nomination, audit and sustainability committees. Sian Lloyd Rees held top management positions at Aker ASA and Stena group companies and Halliburton Corporation. Under her leadership, a strategic business transformation was implemented: transitioning from servicing oil and gas industry to servicing offshore wind farms; the strategy for offshore wind energy expansion was developed; large-scale, technically complex projects were implemented (construction of 2.3 GW offshore wind farm in deep waters and 200 MW hydrogen production onshore).

S. L. Rees has significant experience in implementing international expansion, managing changes and transforming organisations, developing and implementing strategies, taking responsibility for digitalisation, initiating and supervising the implementation of ESG processes.

She also worked at Oracle Corporation UK for 13 years, where she led the global team responsible for development and implementation of digitalisation strategies.

Education

Financial Times, Non-Executive Director Diploma; University of Aberdeen, Postgraduate studies in Ecotoxicology, University of Swansea. BSc (Hons) Marine Biology & Oceanography.

Other current employment, position

Sian Lloyd Rees currently serves as a Non-Executive Board Member at Aberdeen Harbour Ltd, code SC184647, Serica Energy Plc, code 0545095, and Moreld ASA, code 927 396 483. No main employment.

Shareholdings of the parent company

None.



Tim Brooks

Member (26/10/2021 - 25/10/2025)
Re-elected on 27/10/2025
Independent
Competency: sustainability and ESG, including HSE
Committees: Sustainability Committee
Term of office expires: 26/10/2029

Experience

Tim is a senior executive with more than 20 years of experience in sustainable development both as a consultant and in large corporate entities. He is currently the Chief Sustainability Officer for Hikma Pharmaceuticals plc, a global pharmaceutical company listed on the FTSE 100 index. Prior to this role he spent 12 years at the LEGO Group as the Chief Sustainability Officer and Vice President for Sustainability regularly contributing to the company's risk and compliance boards. Tim worked with KIRKBI, the LEGO Group parent company, to support and coordinate over 700 million USD of funding for renewable energy projects resulting in construction of two offshore wind farms, and delivery of over 70MW of building and ground mounted solar PV for LEGO buildings including the largest solar project in Denmark.

Education

University of Sheffield, Bachelor's degree in Environmental Geoscience; Imperial College London, Master's degree in Environmental Technology (Energy Policy); Cambridge University, Institute of Sustainability Leadership.

Other current employment, position

Tim Brooks currently serves as the Chief Sustainability Officer for Hikma Pharmaceuticals Plc, code 05557934 (main employment).

Shareholdings of the parent company

None.

Activities of the Supervisory Board

Overview

The Supervisory Board plans its activities for the upcoming year in advance: assessing the current situation, strategic goals, and directions, discussing planned actions for the following year, and approving an annual activity plan that guides its activities and can be adjusted as needed. The Supervisory Board's meetings are held at least twice per quarter.

On 20 December 2024, the Supervisory Board approved its 2025 activity plan, which was implemented properly and in full. All planned items were considered, as well as other matters related to the Group's activities that emerged over the course of the year.

During the reporting period

Overall, 25 meetings of the Supervisory Board were held in 2025, covering the following key areas:

- the Integrated Annual Report for the year 2024, including the audited annual financial statements, the Sustainability Statement and the Remuneration Report;
- the auditor's draft report on the audit of the annual consolidated and the separate financial statements, the conclusion of the independent assurance service;
- the draft allocation of the parent company's profit (loss);
- the submission of opinions to the Management Board on the nominations of the members of the management bodies of the main subsidiaries;
- the Group's planning documents and targets for 2026;
- sustainability issues, including occupational health and safety and the results of the Double Materiality Assessment;
- the Strategic Plan 2025-2028 of the Group;
- issues related to strategic investments;
- issues related to the remuneration system of the Group;
- internal legal acts implementing the Remuneration Policy;
- the approval of the long-term incentive programme targets of the Group for the 2025-2028 period;

- issues related to the selection of the new Management Board of the parent company;
- issues related to the consolidated interim report of the parent company for the six-month period ended 30 June 2025 and the set of audited interim condensed financial statements for the six months, and the allocation of dividends to shareholders;
- major transactions in accordance with internal legal acts;
- assessment, conclusions, and recommendations for the Curonian Nord offshore wind project in Lithuania, conducted by independent experts from Wood Mackenzie;
- monitoring implementation of recommendations and conclusions for the Curonian Nord offshore wind project in Lithuania provided by the National Audit Office;
- matters concerning the setup of new Supervisory Board committees and the organisation of their activities. In addition, intense two-day strategic sessions took place in April and September 2025, where the latest situation in the energy sector, challenges and opportunities as well as the updated strategy of the Group, its strategic plans and the key strategic topics were discussed;
- the Group's strategic plan 2025-2027 for the Governance Coordination Centre.

After the reporting period

Overall, 5 meetings of the Supervisory Board were held from 1 January 2026 to 24 February 2026, covering the following key areas:

- the Integrated Annual Report for the year 2025, including the audited annual financial statements, the Sustainability Statement and the Remuneration Report;
- the auditor's draft report on the audit of the annual consolidated and the separate financial statements, the conclusion of the independent assurance service provider on the Sustainability Statement;
- the draft allocation of the parent company's profit (loss);
- the Annual Internal Audit Report for 2025;
- evaluating the achievement of the Group's annual targets for 2025 and making a decision on the payment of the variable part of remuneration to the Management Board members and the CEO of the parent company;
- evaluating the achievement of the Group's long term targets;
- questions related to the selection of the new Management Board of the parent company;
- the Group's strategic plan 2026-2028 for the Governance Coordination Centre.

Overview of the Supervisory Board meetings and attendance¹, share of women and shareholdings (from 1 January 2025 till 25 October 2025)

Term of office	26 October 2021 – 25 October 2025
Independence, including the Chair	71%
Meeting attendance ¹	100%
Share of women	71%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Alfonso Faubel ① ©	20/20
Aušra Vičkačkienė ☹	20/20
Ingrida Muckutė ☹	20/20
Judith Buss ①	20/20
Lorraine Wrafter ①	20/20
Sian Lloyd Reeds ①	20/20
Tim Brooks ①	20/20

Overview of the Supervisory Board meetings and attendance¹, share of women and shareholdings (from 27 October 2025 till 31 December 2025)

Term of office	27 October 2025 – 26 October 2029
Independence, including the Chair	67%
Meeting attendance ¹	98%
Share of women	78%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Alfonso Faubel ① ©	5/5
Aušra Vičkačkienė ☹	5/5
Ingrida Muckutė ☹	5/5
Judith Buss ①	5/5
Jutta Dissen ①	5/5
Lina Liubauskaitė ☹	4/5
Lorraine Wrafter ①	5/5
Sian Lloyd Reeds ①	5/5
Tim Brooks ①	5/5

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

© Chair
 ① Independent member
 ☹ Civil servant

4.5 Committees

Overview

Until 25 October 2025 the Supervisory Board formed two advisory committees from among its own and external members: the Nomination and Remuneration Committee and the Risk Management and Sustainability Committee. Moreover, until 26 September 2025, the General Meeting formed the Audit Committee from the members of the Supervisory Board and external members. After 27 October 2025, the Supervisory Board forms three advisory committees from among its members: the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Sustainability Committee. If necessary, other committees may be formed according to the ad hoc principle (e.g., to solve specific issues, to prepare, supervise or coordinate strategic projects). However, no such committees were formed in 2025.

The Audit and Risk Committee is composed of 4 Supervisory Board members, at least 3 of whom must be independent. Other committees are composed of 3 members, at least 2 of whom must be independent. The Chair of each committee is appointed from among the independent Supervisory Board members.

Members of the committees are elected for a maximum term of four years.

The committees submit proposals (opinions, recommendations) to the Supervisory Board on matters within the committees' competence and matters referred to the committees by the Supervisory Board.

Committees at the end of the reporting period

Audit and Risk Committee

The Audit and Risk Committee consisting of four Supervisory Board members:

- Judith Buss (Chair, independent member);
- Alfonso Faubel (independent member);
- Ingrida Muckutė (civil servant);
- Sian Lloyd Rees (independent member).

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consisting of three Supervisory Board members:

- Lorraine Wrafter (Chair, independent member);
- Aušra Vičkačkienė (civil servant);
- Jutta Dissen (independent member).

Sustainability Committee

The Sustainability Committee consisting of three Supervisory Board members:

- Tim Brooks (Chair, independent member);
- Jutta Dissen (independent member);
- Lina Liubauskaitė (civil servant).

More detailed information on each committee is provided below.

Audit and Risk Committee

Overview

The Audit and Risk Committee operate in the following areas of oversight: financial reporting and sustainability reporting, external audit and assurance of sustainability reporting, internal audit, risk management and internal controls, business resilience and business continuity, and compliance.

The functions of the Audit and Risk Committee are described in detail in the [Regulations](#) of the Audit and Risk Committee.

The Audit and Risk Committee plan its activities for the upcoming year in advance: considering legal requirements established to audit committees, assessing the current situation, strategic goals, and directions, discussing planned actions for the following year, and approving an annual activity plan that guides its activities and can be adjusted as needed. The Audit and Risk Committee’s ordinary meetings are held at least once per quarter. Additionally, ad hoc meetings are being held if necessary.

The Audit and Risk Committee comprises four members: three independent members and one civil servant. Information on members’ education, experience, place of employment and shareholdings in the Group companies at the end of the reporting period is available in section ‘4.4 Supervisory Board’.

The Audit and Risk Committee annual activity plan of 2025 was implemented properly.

Activities of the Audit and Risk Committee from 31 October 2025 till 31 December 2025

Overall, 2 meetings of the Audit and Risk Committee were held, where the committee’s members carried out the following activities:

- reviewed and discussed the plan for the preparation of the annual financial statements of the parent company for the year ending 31 December 2025 (stand-alone and consolidated);
- reviewed and discussed the plan of audit and preliminary audit findings of the annual financial statements of the parent company for the year ending 31 December 2025 (stand-alone and consolidated) as well as limited assurance engagement plan and preliminary limited assurance findings of the consolidated Sustainability Statement;
- reviewed and discussed relevant internal audit reports, i.e. implementation of the Internal Audit Plan as well as implementation of internal audit recommendations;
- approved the risk-based Internal audit plan and agreed to the internal audit budget for 2026;
- reviewed and discussed the Risk Management Policy;
- reviewed and discussed quarterly compliance report;
- approved the committee’s activity plan for 2026.

After the reporting period

Overall, 3 meetings of the Audit and Risk Committee were held from 1 January 2026 to 24 February 2026, where committee members carried out the following activities:

- reviewed and discussed the Group’s 2025 financial results (including information on related-party transactions);

Information on the Audit and Risk Committee between 31 October 2025 and 31 December 2025

Term of office	31 October 2025 – 26 October 2029
Independence, including the chair	75%
Share of women	75%
Meeting attendance ¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Judith Buss ① ③	2/2
Alfonso Faubel ①	2/2
Ingrida Muckutė ③	2/2
Sian Lloyd Rees ①	2/2

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- ③ Chair
- ① Independent member
- ③ Civil servant

- reviewed and discussed the annual consolidated and the parent company’s financial statements for the year ending 31 December 2025 (stand-alone and consolidated);
- reviewed and discussed the audit results of the annual financial statements of the parent company for the year ending 31 December 2025 (stand-alone and consolidated);
- reviewed and discussed the Sustainability statement 2025 and the limited assurance results;
- reviewed and discussed the most financially significant legal disputes in which the Group companies were involved;
- reviewed and discussed the annual report on the implementation of actions resulting from the Group Internal Audit reports;
- reviewed and discussed the Group Business Continuity report and plan for 2026;
- reviewed and discussed the quarterly Group risk management report as well as agreed to the risk management information prepared for the Integrated Annual Report 2025;
- reviewed and discussed the quarterly compliance report, Group Compliance Management Policy and Whistleblowing System;
- agreed to the Group Internal Audit Charter.

Nomination and Remuneration Committee

Overview

The Nomination and Remuneration Committee operate in the following areas of oversight: the Group Remuneration Policy, nomination of the members of the Management Board and the CEO and evaluation of their performance, their succession, assessment of candidates for the positions of members of the supervisory and/or management bodies of the four main subsidiaries (Energijos Skirstymo Operatorius (Networks); Ignitis Gamyba (Green Capacities and Reserve Capacities), Ignitis (Customers & Solutions), and Ignitis Renewables (Green Capacities)), their succession, as well as monitoring the Group's governance and social responsibility insofar as they relate to the Committee's activities specified above.

The functions of the Nomination and Remuneration Committee are described in detail in the Regulations of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee plan its activities for the upcoming year in advance by assessing the current situation, the strategic goals and directions, discussing its future actions, and approving the annual activity plan that will guide its activities and can be adjusted as needed. The Nomination and Remuneration Committee's ordinary meetings are held at least once per quarter. Additionally, ad hoc meetings are being held if necessary.

The Nomination and Remuneration Committee comprises three members: two independent

members and one civil servant. Information on members' education, experience, place of employment and shareholdings in the Group companies at the end of the reporting period is available in section '4.4 Supervisory Board'.

The Nomination and Remuneration Committee's annual activity plan of 2025 was implemented properly.

Activities of the Nomination and Remuneration Committee from 31 October 2025 till 31 December 2025

Overall, 2 meetings of the Nomination and Remuneration Committee were held, where the committee's members carried out the following activities:

- issues related to the announcement of the selection of the new term Management Board;
- assessing the independence of the independent members of the collegial bodies of the parent company and its subsidiaries;
- issues related to the implementation of the parent company's strategy and objectives in the area of people and culture;
- committee's organisational issues.

After the reporting period

Overall, 4 meetings of the Nomination and Remuneration Committee were held from 1 January 2026 to 24 February 2026, covering the following key areas:

- matters related to the selection process for Management Board members, including the CEO of the parent company, for a new term;
- reviewing the information on remuneration report (provided in the parent company's part of

Information on the Nomination and Remuneration Committee between 31 October 2025 and 31 December 2025

Term of office	31 October 2025 – 26 October 2029
Independence, including the chair	67%
Share of women	100%
Meeting attendance ¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Lorraine Wrafter ① ③	2/2
Aušra Vičkačkienė ③	2/2
Jutta Dissen ①	2/2

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- ③ Chair
- ① Independent member
- ③ Civil servant

- the annual management report) of the parent company for 2025;
- overseeing the achievement of the objectives linked to variable remuneration;
 - matters related to the development and implementation of the Remuneration Policy;
 - monitoring information on the implementation of the parent company's strategic objective related to organisational development, as well as diversity and inclusion.

Sustainability Committee

Overview

The committee operates in the following areas of oversight: environmental; social sustainability; sustainability governance; sustainability statements; assesses and analyses other matters referred to the committee by the Supervisory Board.

The functions of the Sustainability Committee are described in detail in the [Regulations](#) of the Sustainability Committee.

The Sustainability Committee plans its activities for the upcoming year in advance by assessing the current situation, the strategic goals and directions, discussing its future actions, and approving the annual activity plan that will guide its activities and can be adjusted as needed. The Sustainability Committee’s ordinary meetings are held at least once per quarter. Additionally, ad hoc meetings are being held if necessary.

The Sustainability Committee comprises three members: two independent members and one civil servant. Information on members’ education, experience, place of employment and shareholdings in the Group companies at the end of the reporting period is available in section ‘4.4 Supervisory Board’.

The Sustainability Committee’s annual activity plan of 2025 was implemented properly.

Activities of the Sustainability Committee from 31 October 2025 till 31 December 2025

Overall, 1 meeting of the Sustainability Committee was held, where the committee’s members carried out the following activities:

- approved the working framework and the activity plan of the committee for 2026, setting the committee’s strategic direction;
- considered the Annual Sustainability Plan 2026, which integrates safety and environmental objectives in the Group’s activities;
- reviewed proposed updates to the Group Occupational Health and Safety Policy and to the Group Code of Ethics;
- reviewed the draft of the new Group Human Rights Policy.

The Sustainability Committee’s objective for 2026 is to continue overseeing the Group’s progress in reaching its ambitious goals.

After the reporting period

Overall, 1 meeting of the Sustainability Committee was held from 1 January 2026 to 24 February 2026, where committee’s members discussed:

- Group’s Sustainability Statement 2025;
- Group’s ESG information for Group’s performance report;
- Group sustainability management plan for 2026;
- Group’s occupational health and safety report.

Information on the Sustainability Committee between 31 October 2025 and 31 December 2025

Term of office	31 October 2025 – 26 October 2029
Independence, including the chair	67%
Share of women	67%
Meeting attendance ¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None
Member	Meeting attendance ¹
Tim Brooks ① ②	1/1
Jutta Dissen ①	1/1
Lina Liubauskaitė ③	1/1

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- ② Chair
- ① Independent member
- ③ Civil servant

Former committees

Audit Committee

The Audit Committee ended its term of office on 26 September 2025. From 1 January 2025 until 26 September 2025 there was no change in the composition of the Audit Committee.

The Audit Committee consisted of five members:

- Irena Petruškevičienė (Chair, independant member);
- Ingrida Muckutė (civil servant);
- Judith Buss (independent member);
- Saulius Bakas (independent member);
- Marius Pulkauninkas (independent member).

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ended its term of office on 25 October 2025. From 1 January 2025 until 25 October 2025, there was no change in the composition of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee consisted of three members:

- Lorraine Wrafter (Chair, independent member);
- Aušra Vičkačkienė (civil servant);
- Sian Lloyd Rees (independent member).

Risk Management and Sustainability Committee

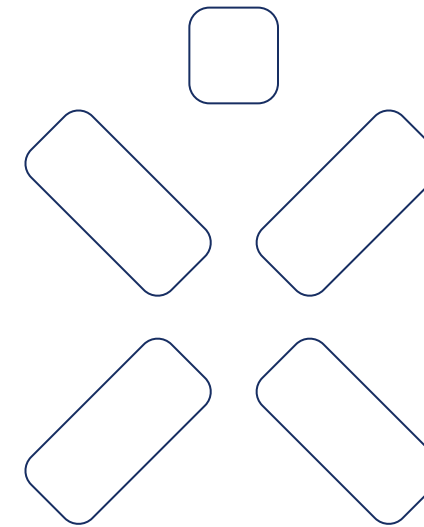
The Risk Management and Sustainability Committee ended its term of office on 25 October 2025. From 1 January 2025 until 25 October 2025, there was no change in the composition of the Risk Management and Sustainability Committee.

The Risk Management and Sustainability Committee consisted of four members:

- Tim Brooks (Chair, independent member);
- Alfonso Faubel (independent member);
- Ana Riva (independent member);
- Wolf Willems (independent member).

More detailed information on each committee is provided below.

Following the change of the Articles of Association of the parent company, the Audit Committee which was elected by the General Meeting of Shareholders of the parent company and Risk Management and Sustainability Committee of the Supervisory Board was discontinued. Currently, the Audit and Risk Committee, Nomination and Remuneration Committee as well as Sustainability Committee of the Supervisory Board operates in the parent company, for more information on these committees, see information in sections above.



Audit Committee

Overview

The Audit Committee operated in the following areas of oversight: financial reporting and sustainability reporting, external audit, internal audit, governance and risk management, including internal controls, in the context of financial and sustainability reporting.

The Audit Committee planned its activities for the upcoming year in advance: considering legal requirements established to audit committees, assessing the situation, strategic goals, and directions, discussing planned actions for the following year, and approving an annual activity plan that guides its activities and could be adjusted as needed. The Audit Committee's ordinary meetings were held at least once per quarter. Additionally, ad hoc meetings were being held if necessary.

The Audit Committee comprised five members: four independent members and one civil servant. Information on members' education, experience, place of employment and shareholdings in the Group companies is available below.

The Audit Committee annual activity plan of 2025 was implemented properly.

Activities of the Audit Committee from 1 January 2025 until 26 September 2025

Overall, 8 meetings of the Audit Committee were held, where the committee's members carried out the following activities:

- monitored the preparation process of financial statements of the Group companies and discussed the financial statements;
- ensured that financial statements are prepared in the European Single Electronic Format (ESEF);
- discussed accounting policies;
- discussed legal disputes in which the Group companies were involved;
- reviewed the external audit strategy, scope and materiality as well as key audit matters;
- periodically assessed updates from the independent audit company on the external audit process;
- discussed the independent audit company's report on the parent company's separate financial statements for the period ended 30 June 2025;
- monitored the implementation of recommendations resulting from external audit;
- discussed the Sustainability Statement 2024 and limited assurance exercise results;
- discussed the sustainability reporting process;
- reviewed the sustainability assurance plan 2025, prepared by the elected independent assurance service provider;
- discussed the Internal Audit's activity reports;
- discussed several internal audit reports and regularly followed the implementation of actions resulting from Internal Audit's reports;

Information on the Audit Committee between 31 October 2025 and 31 December 2025

Term of office	27 September 2021 – 26 September 2025
Independence, including the chair	80%
Share of women	60%
Meeting attendance¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance¹
Irena Petruškevičienė ① ②	8/8
Ingrida Muckutė ②	8/8
Judith Buss ①	8/8
Marius Pulkauninkas ①	8/8
Saulius Bakas ①	8/8

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- ② Chair
- ① Independent member
- ② Civil servant

- reviewed the implementation of the Internal Audit Plan;
- reviewed periodic reports on the Group's financial results and information on related party transactions;
- discussed the evaluative analysis report of the anti-corruption management system;
- discussed the financial reporting risks and relevant internal controls;
- discussed the internal audit report on the Group's whistleblowing channel and the action plan following it;
- regularly reported on its activities to the Supervisory Board.

Competency matrix¹

	Irena Petruškevičienė	Ingrida Muckutė	Judith Buss	Marius Pulkauninkas	Saulius Bakas
Experience in:					
Top-level management	+	+	+	+	+
Non/Executive management bodies	+	+	+	+	+
International companies and organisations	+	+	+	+	+
Energy sector	+	+	+	+	
Listed company	+	+	+	+	+
Regulated business	+	+	+	+	+
Competency¹ in:					
Accounting or financial statements auditing	+	+	+	+	+
Accounting or financial statements auditing, internal auditing in energy sector	+	+	+	+	+
Audit of public-interest entities	+	+	+	+	+
Risk management	+	+	+	+	+

¹ Competences are assigned according to the competences members have had during the nomination and acquired while managing different strategic areas and targets as well as participating in various trainings.

Members of the Audit Committee from 1 January 2025 until 26 September 2025



Irena Petruškevičienė

Chair, member (13/10/2017 - 27/09/2021 and 27/09/2021-26/09/2025)
Re-elected on 27/09/2021
Independent

Experience

Irena has over 30 years of experience in the field of auditing in Lithuania and at international organisations. She worked for 10 years at an audit and consulting company PricewaterhouseCoopers, was a Head of Financial Strategy & Management Programme at ISM University of Management and Economics. Irena also worked for many years at international institutions, including the European Court of Auditors, the European Commission, the UN World Food Programme and European Stability Mechanism. She is a member of the Lithuanian Chamber of Auditors and the Association of Chartered Certified Accountants (ACCA), and a member of the Association of Internal Auditors. She was elected as a member of the parent company's Audit Committee for the first time in November 2014.

Education

Vilnius University, Diploma in Economics.

Other current employment, position

Maxima Grupė, Chair of the Audit Committee.
State Enterprise Centre of Register, Member of the Audit Committee.
UAB "Vilniaus viešasis transportas", Member of the Audit Committee.

Shareholdings in the parent company

None.



Ingrida Muckutė

Member (23/03/2018 - 27/09/2021 and 15/12/2021-26/09/2025)
Re-elected on 15/12/2021
Civil servant

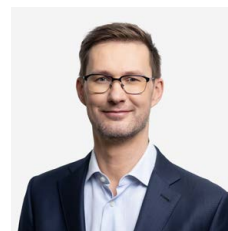
Information about this Audit Committee member is available on page 105.



Judith Buss

Member (15/12/2021-26/09/2025)
Independent

Information about this Audit Committee member is available on page 106.



Saulius Bakas

Member (27/09/2021-26/09/2025)
Independent

Experience

Saulius is an experienced professional with over 25 years of experience in accounting & reporting, audit and assurance, internal controls and risk management. From the start of his career till 2020 he worked at international accounting and audit firms (Big Four) and, most recently, from 2012 to 2020 was a partner with Deloitte Central Europe and in-charge of audit and assurance business in the Baltics region. Since 2021 he is a partner at Viridis sustainability, a boutique sustainable finance advisory firm. He has been a member of the Lithuanian Association of Certified Auditors and a fellow member of the Association of Chartered Certified Accountants (ACCA).

Education

Vilnius University, Master's degree in Economics; Vilnius University, Bachelor's degree in Business Administration.

Other current employment, position

Co-founder and CEO of Viridis Sustainability.

Shareholdings in the parent company

None.



Marius Pulkauninkas

Member (27/09/2021-26/09/2025)
Independent

Experience

Marius is a highly experienced finance and audit professional with a career of 14 years working at an audit and assurance services company Ernst & Young, coupled with business experience as CFO of Klaipėdos Nafta, a company operating oil and liquefied natural gas terminals in Lithuania. His business expertise was further developed at Valstybinių Miškų Urėdija, where he held a position of General Manager.

Education

Vilnius University, Master's degree in Business Administration and Management; Baltic Institute of Corporate Governance, Professional Board Member Education Programme.

Other current employment, position

General Manager and shareholder at UAB "Kalnų grupė".

Shareholdings in the parent company

None.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee operated in the following areas of oversight: submitting conclusions and proposals to the Supervisory Board on the appointment, removal, or promotion of Management Board members and members of the supervisory and management bodies of the parent company's subsidiaries, assessing the structure, size, composition, and activities of these bodies and their members, and establishing a common remuneration policy for the Group companies, including the structure and amount of remuneration and the principles of promotion.

The Nomination and Remuneration Committee planned its activities for the upcoming year in advance: assessing the situation, strategic goals, and directions, discussing planned actions for the following year, and approving an annual activity plan that guides its activities and could be adjusted as needed. The Nomination and Remuneration Committee's ordinary meetings were held at least once per quarter. Additionally, ad hoc meetings were being held if necessary.

The Nomination and Remuneration Committee comprised three members: two independent members and one civil servant. Information on members' education, experience, place of employment and shareholdings in the Group companies is available below.

The Nomination and Remuneration Committee annual activity plan of 2025 was implemented properly.

Activities of the Nomination and Remuneration Committee from 1 January 2025 till 25 October 2025

- Overall, 9 meetings of the Nomination and Remuneration Committee were held, where the committee's members carried out the following activities:
- issues related to the development of the remuneration policy;
 - issues related to executive remuneration;
 - evaluating the nominees for a Board member position at Energijos Skirstymo Opreatorius (Networks);
 - issues of planning succession for strategic positions in the Group;
 - issues related to the implementation of the parent company's strategy and objectives in the area of people and culture;
 - the committee's organizational issues.

Information on the Nomination and Remuneration Committee between 1 January 2025 and 25 October 2025

Term of office	3 November 2021 – 25 October 2025
Independence, including the chair	67%
Share of women	100%
Meeting attendance ¹	96%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Lorraine Wrafter ① ②	9/9
Aušra Vičkačkienė ②	8/9
Sian Lloyd Rees ①	9/9

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- ② Chair
- ① Independent member
- ② Civil servant

Members of the Nomination and Remuneration Committee from 1 January 2025 till 25 October 2025



Lorraine Wrafter

Chair, member (03/11/2021-25/10/2025)
Independent
Competency: organisational development

Information about this Nomination and Remuneration Committee member is available on page 107.



Aušra Vičkačkienė

Member (30/09/2017-26/10/2021 and 26/10/2021-25/10/2025)
Re-elected on 26/10/2021
Civil servant
Competency: public policy and governance

Information about this Nomination and Remuneration Committee member is available on page 105.



Sian Lloyd Rees

Member (11/09/2024-25/10/2025)
Independent
Competency: strategic management and international development

Information about this Nomination and Remuneration Committee member is available on page 107.

Risk Management and Sustainability Committee

Overview

The Risk Management and Sustainability Committee operated in the following areas of oversight: occupational health and safety, sustainability and ESG targets, risk management and internal controls, business ethics and business continuity.

The Risk Management and Sustainability Committee planned its activities for the upcoming year in advance: assessing the situation, strategic goals, and directions, discussing planned actions for the following year, and approving an annual activity plan that guides its activities and could be adjusted as needed. The Risk Management and Sustainability Committee's ordinary meetings were held at least once per quarter. Additionally, ad hoc meetings were being held if necessary.

The Risk Management and Sustainability Committee comprised four independent members. Information on members' education, experience, place of employment and shareholdings in the Group companies is available below.

The Risk Management and Sustainability Committee annual activity plan of 2025 was implemented properly.

Activities of the Risk Management and Sustainability Committee from 1 January 2025 till 25 October 2025

Overall, 6 meetings of the Risk Management and Sustainability Committee were held, where the committee's members carried out the following activities:

- issues related to occupational health and safety;
- issues related to periodical risk management reports of the Group and disclosure of risks in annual and interim management reports of the Group;
- issues related to sustainability / ESG information of the Group;
- issues related to the double materiality assessment;
- issues related to the anticorruption management system of the Group;
- the committee's organizational issues.

Information on the Risk Management and Sustainability Committee's between 1 January 2025 and 25 October 2025

Term of office	22 April 2022 – 25 October 2025
Independence, including the chair	100%
Share of women	25%
Meeting attendance ¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	None

Member	Meeting attendance ¹
Tim Brooks ① ©	6/6
Alfonso Faubel ①	6/6
Ana Riva ①	6/6
Wolf Willems ①	6/6

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

© Chair
① Independent member

Members of the Risk Management and Sustainability Committee from 1 January 2025 till 25 October 2025



Tim Brooks

Chair, member (03/11/2021-22/04/2022 and 22/04/2022-25/10/2025)
Re-elected on 22/04/2022
Independent
Competency: sustainable development and risk management

Information about this Risk Management and Sustainability Committee member is available on page 107.



Alfonso Faubel

Member (03/11/2021-22/04/2022 and 22/04/2022-25/10/2025)
Re-elected on 22/04/2022
Independent
Competency: renewable energy

Information about this Risk Management and Sustainability Committee member is available on page 105.



Ana Riva

Member (01/04/2025-25/10/2025)
Independent
Competency: risk management

Experience
Ana has more than 20 years of experience in international companies and consulting firms, including Nouryon, Grundfos and Big4. While working in these companies, she was developing and leading internal audit and risk management strategies as well as leading financial, performance and business risk audits. She also oversaw the transformation of internal audit and risk functions at the companies while focusing on strategic partnership, digitalisation and business continuity issues.

Education
IMD Business school, Leading Digital Business Transformation; University of Oxford, Said Business School, Finance Strategy; Baltic Management Institute (EMBA), joint program by HEC & CBS; Vilnius University, Applied Macroeconomics; Vilnius University, Audit and Financial Accounting.

Other current employment, position
Head of Group Internal Audit at Syngenta Group.

Shareholdings in the parent company
None.



Wolf Willems

Member (01/04/2025-25/10/2025)
Independent
Competency: occupational health and safety and sustainability/ ESG

Experience
Wolf has over 28 years of experience in the areas of sustainability, health and safety management, security and environmental affairs. During his career, Wolf has focused on improving organisational performance by aligning governance and strategies with business models, improving organisational culture, identifying and implementing the best practices and developing leadership. He assumed global executive positions in such companies as Stora Enso, AT&T, Chassis Brakes International (now Hitachi Astemo) and LVX Consulting.

Education
Rome Business School, Sustainability and Circular Bioeconomy (in progress); Liverpool John Moores University, Security Management (in progress); Business School Nederland, Business Administration; HAS Green Academy, Environmental Engineering.

Other current employment, position
LVX Consulting Oy, CEO.

Shareholdings in the parent company
None.

4.6 Management Board

Overview

The Management Board is a collegial management body established in the [Articles of Association](#) of the parent company. The activities of the Management Board are regulated by the Law on Companies (link in [Lithuanian](#)), its implementing legislation, the [Corporate Governance Guidelines](#), the [Articles of Association](#) of the parent company and the Rules of Procedure of the Management Board. During the reporting period, the rules governing the election of the members of the Management Board of the parent company were not amended. The Management Board comprises five executive members. The Chair of the Management Board is elected by the Management Board and is appointed as CEO of the parent company.

Key competences of the Management Board are the following:

- analysing and assessing the draft strategy and strategic plan of the Group and the information of their implementation;
- analysing and assessing the drafts of the long-term financial plan, the annual budget, the risk management plan and the investment policy of the Group;
- considering and approving the top priority strategic initiatives portfolio, long-term and annual sustainability plans of the Group;

- approving the operational guidelines, rules and indicators of the Group companies, common policies, and the management of the Group companies;
- making decisions regarding the parent company becoming a founder or participant of other legal entities, the establishment of branches and representative offices of the parent company;
- making decisions regarding the approval of nominations for members of the supervisory and/or management bodies of the Group companies and the parent company's branches and representative offices while considering the opinion of the Supervisory Board;
- making decisions regarding the transactions established by the legislations, [Articles of Association](#) and internal policies;
- making other decisions assigned to the Management Board by the Law on Companies (link in [Lithuanian](#)), the [Articles of Association](#) or the decisions of the General Meeting.

Information on the selection criteria of the members of the Management Board

The members of the Management Board are employees of the parent company. They are elected by the Supervisory Board on the proposal of the Nomination and Remuneration Committee.

Members of the Management Board of the parent company must meet the general and specific criteria laid down by the law as well as specific

competencies are determined by the Supervisory Board when forming the Management Board. Moreover, [Equal Opportunities and Diversity Policy of the Group](#) is referred during the selection of the Management Board of the parent company.

Each member of the Management Board is elected for a term of four years. In forming the Management Board, attention is given to ensuring that its members collectively possess diverse competencies, including strategy and management, people and business support, finance, energy markets and commerce, regulated business, and government relations.

Each member of the Management Board has to ensure the appropriate performance of the parent company's activities/supervise the respective areas at the Group level in the field of their competency. Also, each of them is responsible for the analysis of the issues related to their competency, i.e., when a decision must be made in the field under his/her supervision, and for the presentation of all the relevant information to other members of the Management Board so that the necessary decisions of the Management Board could be made in a timely manner.

The members of the Management Board, acting within their competence, must ensure the proper performance of the parent company's activities and supervise their respective areas at the Group level. Specific areas of competency may be changed

upon the proposal of the Chair of the Management Board with the approval of the Supervisory Board of the parent company.

The members of the Management Board were selected on the basis of the general expectations and competencies set out in the competency matrix of the Management Board, which is described below.

The following persons cannot be the members of the Management Board:

- a member of the Supervisory Board;
- a member of a supervisory body, management body or administrative body of a legal entity engaged in electricity or natural gas transmission activities;
- an auditor, an assurance specialist, an employee of an audit company, or an independent assurance service provider who participates and/or participated in the audit of financial statements or in the verification of information on sustainability matters, which is provided in the parent company's management report, if a period of more than 2 years has not elapsed from the performance thereof;
- a person who is not legally entitled to hold this position.

Information on remuneration of the Management Board members during the reporting period

Remuneration for the activities of the Management Board, including the achievement of annual targets, is provided in section '5 Remuneration' of this report and on our [website](#), and is paid in accordance with the [Group Remuneration Policy](#). The policy's latest wording was approved by the General Meeting on 5 May 2025.

Conflicts of interest

In accordance with the [Articles of Association](#) of the parent company, each candidate for the Management Board must submit the Supervisory Board a written consent to stand as a candidate for the Management Board and a Declaration of Interests, stating therein all the circumstances which may give rise to a conflict of interest between the candidate and the parent company. In the event of new circumstances that could result in a conflict of interest between the member of the Management Board and the parent company arise, the member of the Management Board must immediately notify the Management Board and the Supervisory Board in writing of such new circumstances. Also, the members of the Management Board may not do any other work or hold other positions if they are incompatible with their activities in the Management Board, including executive positions in other legal entities (except for positions within the parent company and the Group companies), work in civil service or statutory service. The members of the Management Board may hold other office or do other work, except for the positions within the parent company and other legal entities

the parent company is a member of, and may carry out pedagogical, creative or authorship activities only with the prior consent of the Supervisory Board.

Self-assessments of the Management Board

In line with the best corporate governance practices and the aim set out in [the Letter of Expectations of the Majority Shareholder](#) as well as the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius, the Management Board carried out self-assessment and agreed on further actions to improve its functioning.

Other information

Key responsibilities, activities, composition of the Management Board as well as information on members' education, experience, place of employment and shareholdings in the Group companies at the end of the reporting period are provided below.

All Management Board members hold shares of the Group companies (please refer to the information below). The Group [publishes](#) relevant transactions through stock exchanges according to Article 19 of the Market abuse regulation (EU) No. 596/2014 and other relevant disclosure requirements. Additionally, no members of the Management Board had 5% or more shareholdings in other companies who are the parent company's business partners, suppliers, clients or other related companies.



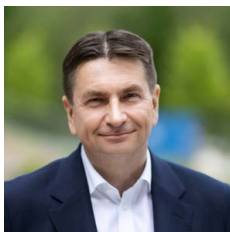
Ignitis Group employees

Competency matrix¹

	Darius Maikštėnas	Jonas Rimavičius	Dr. Živilė Skibarkienė	Vidmantas Salietis	Mantas Mikalajūnas
Area of competency	Strategy development and management	Finance management	Organisational development	Commercial activities	Regulated activities
Experience in:					
Top-level management	+	+	+	+	+
Non/Executive management bodies	+	+	+	+	+
International development/expansion	+	+	+	+	+
Energy sector	+	+	+	+	+
Renewable energy field	+	+	+	+	+
Listed company	+	+	+	+	+
International companies and organisations	+	+	+	+	+
Regulated business	+	+	+	+	+
Commercial business	+	+	+	+	+
Competency¹ in:					
Corporate finance	+	+	+	+	
Investment portfolio policy	+	+	+	+	
Business strategy	+	+	+	+	+
Mergers & acquisitions	+	+	+	+	+
Risk management	+	+	+		
IT/Innovation/Digitalisation	+		+	+	+
Public policy and governance	+		+	+	+
Sustainability-related:					
Environment (incl. climate change)	+			+	
Organisational development / HR / Diversity, equity, and inclusion			+		
Health & safety			+		+
Sustainable finance		+			
ESG reporting		+			

¹ Competencies are assigned according to the competencies members have had during the nomination and acquired while managing different strategic areas and targets as well as participating in various trainings.

Members of the Management Board



Darius Maikštėnas

Chair (01/02/2018-18/02/2022)
Re-elected on 18/02/2022
Competency: strategy and management, sustainability
Term of office ends until: 25/03/2026

Experience

Darius is a top-level executive with 20+ years of executive experience in energy, telecommunications, IT, and venture capital sectors. He joined Ignitis Group in 2018 and since then he serves as CEO and Chair of the Management Board. Darius Maikštėnas successfully prepared Ignitis Group for transitioning from a local monopoly to a renewable-focused integrated utility and the largest energy group in the Baltic states, oversaw Ignitis Group's IPO and has been leading the Group towards ESG excellence. Prior to joining Ignitis Group, he had led an international company based in Silicon Valley, offering innovative telecommunications solutions and operating in the United States and the UK.

Education

Harvard Business School, General Management Program; Baltic Management Institute, Executive MBA degree; Kaunas University of Technology, Bachelor's degree in Business Administration.

Main employment, position

AB "Ignitis grupė" (code 301844044), CEO, Chair of the Management Board.

Other current position

Eurelectric (code 0462.679.112), Member of Board of Directors; AB "Energijos skirstymo operatorius" (code 304151376), Member of the Board.

Shareholdings in the parent company¹

3,000.



Jonas Rimavičius

Member since 18/02/2022
Competency: finance
Term of office ends until: 25/03/2026

Experience

Jonas is an experienced finance professional. Since joining the Group in 2016, Jonas has been leading M&A activities and capital raising projects, including Ignitis Group's IPO and green bonds' issues. Additionally, Jonas has been serving as Chair and Member of the Management Board at Ignitis Renewables since January 2019. Prior to joining the Group, Jonas had accumulated experience in the areas of investment banking and corporate finance at Swedbank, EY and Telia.

Education

University of Cambridge, Master's degree in Business Administration; University of Warwick, Bachelor's degree in Accounting and Finance; former CFA charterholder.

Main employment, position

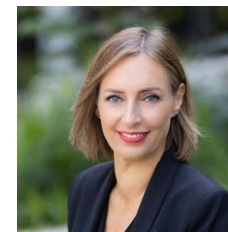
AB "Ignitis grupė" (code 301844044), Management Board Member, Chief Finance Officer.

Other current position

UAB "Ignitis renewables" (code 304988904), Chair and Member of the Board; UAB "Ignitis renewables offshore development" (code 306281817), Member of the Board; UAB "Ignitis renewables projektai 5" (code 306281226), Member of the Board, UAB "Ignitis renewables projektai 11" (code 306741831), Member of the Board.

Shareholdings in the parent company¹

1,300.



Dr. Živilė Skibarkienė

Member (01/02/2018-18/02/2022)
Re-elected on 18/02/2022
Competency: organisational development
Term of office ends until: 25/03/2026

Experience

Živilė is a professional in law and organisational development with over 10 years of executive experience. She joined the Group in 2018 and has since transformed how the Group is governed, resulting in the Group being constantly awarded the highest governance rating by the Governance Coordination Centre. She also led the transformation of the organisation into an attractive employer, whose compliance with the best human resources policies and practices has been certified by the Top Employers Institute (the Netherlands). This achievement was supported by growing employee net promoter score from 9 to 65 over several years. Živilė also serves as a Member of the Board at ESO and Chair of the Board at Ignitis Grupės Paslaugų Centras. Prior to that, Živilė gained executive experience while working in the financial sector. She was Head of Legal and Administrative Division at Šiaulių Bankas, Member of the Management Board and Deputy CEO at Finasta Bank, Head of Compliance at DNB Bankas (now Luminor), and Head of Legal Department at SEB Bankas. Živilė holds a board member's education certificate issued by the Baltic Institute of Corporate Governance.

Education

Harvard Business School, Business Leadership Program;
Saïd Business School, University of Oxford, Executive Leadership Programme;
Mykolas Romeris University, PhD in Law;
Vilnius University, Master's degree in Law.

Main employment, position

AB "Ignitis grupė" (code 301844044), Management Board Member, Chief Organisational Development Officer.

Other current position

UAB "Ignitis Grupės Paslaugų Centras" (code 303200016), Chair and Member of the Board;
AB "Energijos skirstymo operatorius" (code 304151376), Member of the Board.

Shareholdings in the parent company¹

300.

¹ The number indicates shares owned at the end of the reporting period.



Vidmantas Salietis

Member (01/02/2018-18/02/2022)
Re-elected on 18/02/2022
Competence: commercial
Term of office ends until: 25/03/2026

Experience
Vidmantas, who is a professional with 10+ years of experience in top-level positions in the energy sector, joined the Group in 2011 and since has served as an executive in various Group companies. During this time, he spearheaded one of the major changes in the electricity sector – market deregulation. In addition to becoming a Member of the Management Board of the parent company in 2018, Vidmantas was also serving as Chair of the Supervisory Board at Ignitis, Chair of the Supervisory Board at Ignitis Gamyba as well as Member of the Board at Ignitis Renewables. Prior to that, he had served as CEO at Energijos Tiekimas and led an electricity wholesale trading department at Ignitis Gamyba. He had also served as Chair and Member of the Board of Elektroninių Mokėjimų Agentūra and Member of the Board of Gamybos Optimizavimas.

Education
Stockholm School of Economics in Riga (SSE Riga), Bachelor's degree in Economics and Business.

Main employment, position
AB "Ignitis grupė" (code 301844044), Management Board Member, Chief Commercial Officer.

Other current position
UAB "Ignitis" (code 303383884), Chair and Member of the Board; AB "Ignitis gamyba" (code 302648707), Chair and Member of the Board; UAB "Ignitis renewables" (code 304988904), Member of the Board.

Shareholdings in the parent company¹
200.



Mantas Mikalajūnas

Member since 18/02/2022
Competence: regulated activities
Term of office ends until: 25/03/2026

Experience
Mantas, who has almost 20 years of executive experience in various energy companies, launched his career in Lietuvos Dujos. Later, he had an internship in a German energy group. After returning to Lithuania, he was working in strategic positions at Lietuvos Dujos, where he served as an executive team member and was responsible for issues related to investor relations, state authorities and the regulator as well as integration of Lietuvos Dujos into Lietuvos Energija (current Ignitis Group). Before transitioning to the current position of Chief Regulated Activities Officer, Mantas had served as Head of Business Development at Ignitis Group and CEO at Lietuvos Dujų Tiekimas (later, Lietuvos Energijos Tiekimas).

Education
Saïd Business School, University of Oxford, Strategic Management Executive Programme; Vilnius University, Master's degree in Business Administration and Management.

Main employment, position
AB „Ignitis grupė" (code 301844044), Management Board Member, Chief Regulatory Officer.

Other current position
UAB "Ignitis" (code 303383884), Member of the Board; UAB Vilniaus kogeneracinė jėgainė (code 303782367), Chair and Member of the Board; UAB Kauno kogeneracinė jėgainė (code 303792888), Member of the Board; AB "Ignitis gamyba" (code 302648707) Member of the Board.

Shareholdings in the parent company¹
220.

¹ The number indicates shares owned at the end of the reporting period.

Activities of the Management Board

Overview

Management Board meetings take place on a weekly basis. Additionally, ad hoc meetings are held if necessary.

There were no changes in the composition of the Management Board during the reporting period. However, given that the term of office of the Management Board is approaching its end, to ensure the Group's business continuity and provide sufficient time for the selection process, the Supervisory Board, in accordance with the Law on Companies, decided to extend the term of office of the current Management Board from 17 February 2026 until the Annual General Meeting of Shareholders scheduled for 25 March 2026. Following this decision, on 11 December 2025 the selection process for the new Management Board of the parent company was announced, and after the reporting period the Supervisory Board selected the candidates. The new Management Board of the parent company is expected to take office on 26 March 2026.

Activities of the Management Board in 2025

During the reporting period

Overall, 97 meetings of the Management Board were held, where the Management Board's members carried out the following activities:

- monitoring implementation of recommendations and conclusions for the Curonian Nord offshore wind project in Lithuania provided by the National Audit Office and independent experts from Wood Mackenzie;
- approving the Group's annual report of 2025

and submitting it to the Supervisory Board and the General Meeting;

- evaluating the Group's annual financial statements and draft allocation of profit (loss) for 2025 and submitting comments to the Supervisory Board and the General Meeting;
- approving the interim reports of the Group for the three-month period ended on 31 March 2025 and the nine-month period ended on 30 September 2025;
- agreeing to the updated Group Remuneration Policy and submitting it to the Supervisory Board;
- approving the interim report of the Group for the six-month period ended on 30 June 2025 and the set of audited interim condensed financial statements for the six months, proposing to allocate dividends to shareholders and submitting the proposal to the General Meeting;
- evaluating the most significant transactions planned by the Group, approving their conclusion and material terms and conditions;
- making decisions on participation and voting in General Meetings of Shareholders of the companies whose shares are held by the parent company;
- evaluating the organisation of the parent company's and the Group companies' activities and making decisions related thereto;
- monitoring implementation of recommendations and conclusions for the Curonian Nord offshore wind project in Lithuania provided by the National Audit Office and independent experts from Wood Mackenzie;
- evaluating and approving the Group's operational and strategic planning documents while taking into account the opinion of the parent company's Supervisory Board;
- making decisions on the approval of the Group's internal policies;

Information on the Management Board between 1 January 2025 and 31 December 2025

Term of office	18 February 2022 – 25 March 2026
Independence, including the chair	0% (all executives)
Share of women	20%
Meeting attendance¹	100%
Shareholdings in the parent company or its subsidiaries (at the end of reporting period)	Yes (see the table below)

Member	Position	Meeting attendance ¹	Shareholdings in the parent company or its subsidiaries
Darius Maikštėnas	Chair, CEO	97/97	3,000
Jonas Rimavičius	Member, CFO	97/97	1,300
Dr. Živilė Skibarkienė	Member, Chief Organisational Development Officer	97/97	300
Vidmantas Salietis	Member, Chief Commercial Officer	97/97	200
Mantas Mikalajūnas	Member, Chief Regulatory Officer	97/97	220

¹ The numbers indicate how many meetings the members have attended out of the total meetings held during the reporting period.

- analysing and evaluating the draft strategy and strategic plan of the Group and information about the implementation of the strategy and strategic plan of the Group.;
- agreeing to LTI Performance objectives 2025-2028 and submitting it to the Supervisory Board;
- analysing and evaluating achievement of STI Performance objectives 2024 and submitting it to the Supervisory Board.

After the reporting period

Overall, 8 meetings of the Management Board were held from 1 January 2026 until 24 February

2026, where the Management Board's members were covering the following key areas:

- agreeing to the Group's strategic plan for Governance Coordination Centre and submitting it to the Supervisory Board;
- agreeing to the achievement of LTI Performance objectives 2022-2025 and submitting it to the Supervisory Board;
- agreeing to the achievement of STI Performance objectives 2025 and submitting it to the Supervisory Board.

CEO

The CEO of the parent company is Darius Maikštėnas.

The parent company is managed by the CEO and the Management Board. CEO is a single-person management body of the parent company, who organises, directs, acts on behalf of the parent company and concludes transactions unilaterally as provided by the Law on Companies (link in [Lithuanian](#)), its implemented legislation and the [Articles of Association](#) of the parent company. CEO is entitled to solely represent the parent company and execute documents on the parent company's behalf.

The competence of a CEO, the procedure of his/her appointment and removal and the terms of office are established according to the Law on Companies (link in [Lithuanian](#)), its implemented legislation, the [Corporate Governance Guidelines](#) and the [Articles of Association](#) of the parent company. During the reporting period, the rules governing the appointment of the CEO of the parent company were not amended. In accordance with the [Corporate Governance Guidelines](#), the Chair of the Management Board is elected by the Management Board and is appointed as CEO of the parent company. It should be noted that the CEO of the parent company, as a SOE, is also subject to special regulations set out in the Law on Companies (link in [Lithuanian](#)), according to which the term of a CEO is limited to five years. It stipulates that the same person can only be appointed for two consecutive five-year terms.

Moreover, [Equal Opportunities and Diversity Policy of the Group](#) is referred during the selection of the CEO of the parent company's.

The term of the current CEO started on 1 March 2022 and will end on 28 February 2027.

The key competences of the CEO are:

- ensuring the implementation of the Group's strategy and strategic plans as well as decisions of the Management Board;
- submitting proposals to the Management Board regarding the annual budgets of the parent company and the Group companies, being responsible for the preparation of the sets of annual financial statements of the parent company and the annual consolidated financial statements of the Group companies as well as the preparation of the consolidated annual and interim management reports of the Group companies;
- preparing a decision on the allocation of dividends for a period shorter than the financial year, preparing a set of interim financial statements;
- carrying out other duties set out in the Law on Companies, other laws and legal acts, the [Articles of Association](#) and in the job description of the CEO as well as resolving other issues which are not attributed to the competence of other bodies of the parent company under the laws or the [Articles of Association](#);
- ensuring the security of the parent company's assets, appropriate working conditions, security of the parent company's commercial secrets and confidential information;

- entering into and terminating employment contracts, incentivising and imposing penalties on employees.

Information on education, experience and place of employment of the CEO is available in the previous sections, and the details of his remuneration during the reporting period as well as key contractual terms of his employment contract with the parent company are provided in section '5 Remuneration' of this report.

4.7 Risk management

Overview

This section outlines the Group's risk management governance model, the key components of its risk management process, a review of significant risks of the Group.

The Group is exposed to a range of internal and external risks that could affect its performance. To address these risks, the Group operates under a unified risk management framework based on the best practices, such as ISO 31000:2018 and COSO.

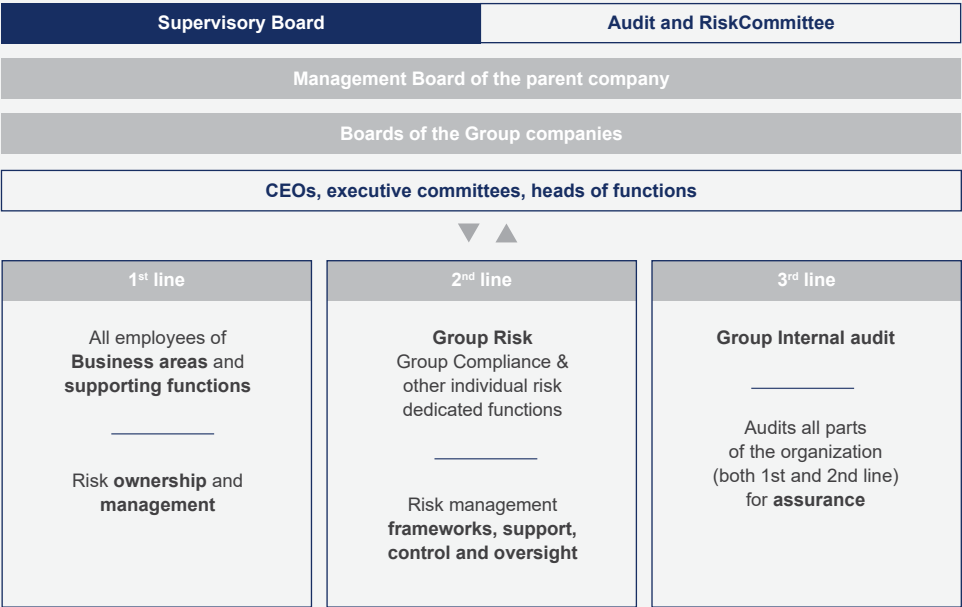
The purpose of the Group Risk Management Framework is to safeguard the Group's value, reputation, customers, stakeholders and shareholders, while fostering a risk-aware culture and enabling informed decision-making that aligns with the achievement of the Group's strategic objectives.

The Group risk management framework is based on the following **principles**:

- risk-based approach;
- continuous improvement and learning
- transparency and accountability;
- integration with business processes.
- tone from the top and risk culture.

Our risk management governance is based on established 'Three-lines risk management model', ensuring clear segregation of responsibilities among businesses, functions and governance bodies.

Three-lines risk management model



Strategic risks

Risks category covering business risk that affect the Group's long-term goals and objectives including competition risk, sector relevant regulatory changes and political risk.

Financial risks

The category of financial risks includes financing risk, market risk, currency and interest rate risk, as well as credit and liquidity risks¹.

Operational risks

Risk of day-to-day operations including system failures and cyber security threats, supply chain disruptions, process risk, human capital, OHS risk and other.

Legal risks

Risk associated with legal obligations and compliance including litigation regulatory fines and contractual disputes.

¹ Financial risks of the Group (market, currency, interest rate, credit, liquidity) which do not exceed the Group's risk appetite and KRI tolerance thresholds, in accordance with the IFRS requirements, as well as the information on the hedging instruments used by the Group are disclosed in section 'Financial statements' of this report.

Risk management process

The Group promotes proactive risk management to achieve its strategic goals and adapt to a dynamic environment. Following are the key steps of our risk management process:

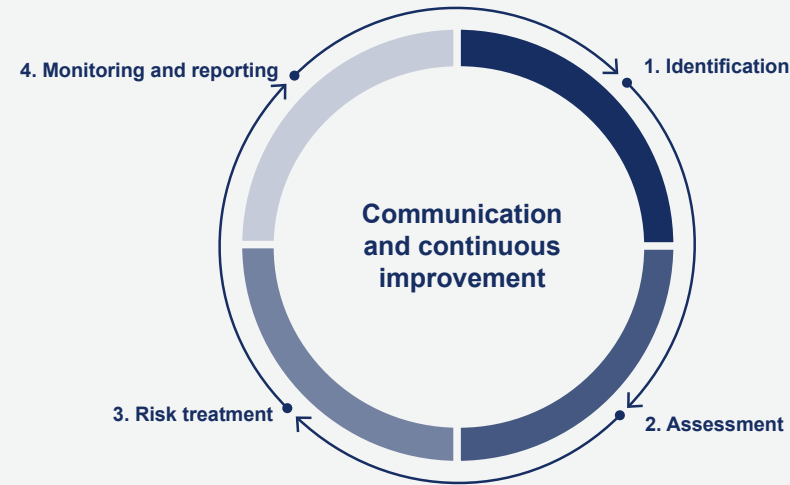
1. Identification. The Group analyses potential impacts arising from various risks, both internal and external, such as climate change, regulatory changes, geopolitical and economic situations, market trends, and social issues, with ESG factors considered and assessed integrally. All employees are responsible for identifying risks in a timely manner. The Group uses various methods for risk identification by utilizing both top-down and bottom-up approaches. Risks are assessed in various time horizons, i.e., from short term (up to 1 year), medium term (2–4 years) to long term (5 years or more), depending on when they are the most relevant.

2. Assessment. The Group determines the level of risks (from low to very high) based on the risk probability and impact assessment carried out while following internal methodology. The following risk impacts were reassessed: financial, reputational, compliance, people, OHS.

3. Risk treatment. The Group decides whether to accept, mitigate, avoid, or transfer risks. All the risks exceeding the Group’s risk appetite must be mitigated.

4. Monitoring and reporting. Continuous risk review ensures timely and effective decision-making in all Group companies. This process includes quarterly and triggered-based risk monitoring of Top risks measures and indicators and other relevant information, as well as the preparation of internal management reports. Risk reports provide oversight over all the risk types relevant to the Group.

Risk management process



Risk management overview

Overview of key risks in 2025

The Group's risk profile in 2025 was mostly affected by the following aspects:

- 1. in Q1 2025, the risk level of 'Regulatory changes and political risks' (risk #5) increased from 'High' to 'Very high' due to:
 - the Group being publicly challenged by Lithuanian politicians over the Curonian Nord offshore wind development project. In relation to that, the following events have taken place:
 - in Q2 2025, the General Prosecutor's Office announced that based on its findings, the Prosecutor concluded there is no legal basis to apply public interest protection measures;
 - in Q3 2025, in addition to its regular oversight activities the Supervisory Board's working group finalized its assessment of Curonian Nord project development. Independent experts from Wood Mackenzie were engaged to comprehensively assess the project's timeline, investment assumptions, and risk management practices against global and European offshore wind industry benchmarks. The assessment concluded that the multiple implementation scenarios adopted by the project team represent a robust approach aligned with industry standards, that the investments made to date are reasonable and below benchmark levels, and that the Group has a strong risk governance framework consistent with market practices;
 - in Q4 2025, the National Audit Office, following a decision by the Parliament, prompted by its Commission for Energy and Sustainable Development, completed a State audit review of Curonian Nord offshore wind

project and provided three recommendations. Based on these recommendations, Ignitis renewables, the project implementing company, will transfer the assets created, the work done and the obligations assumed in relation to the Curonian Nord project to its wholly-owned subsidiary Offshore Wind Farm 1, will revise the agreements concluded with the suppliers performing seabed surveys, and will conduct an analysis of internal and external factors affecting the project and will present the results to the stakeholders. All recommendations are already being implemented;

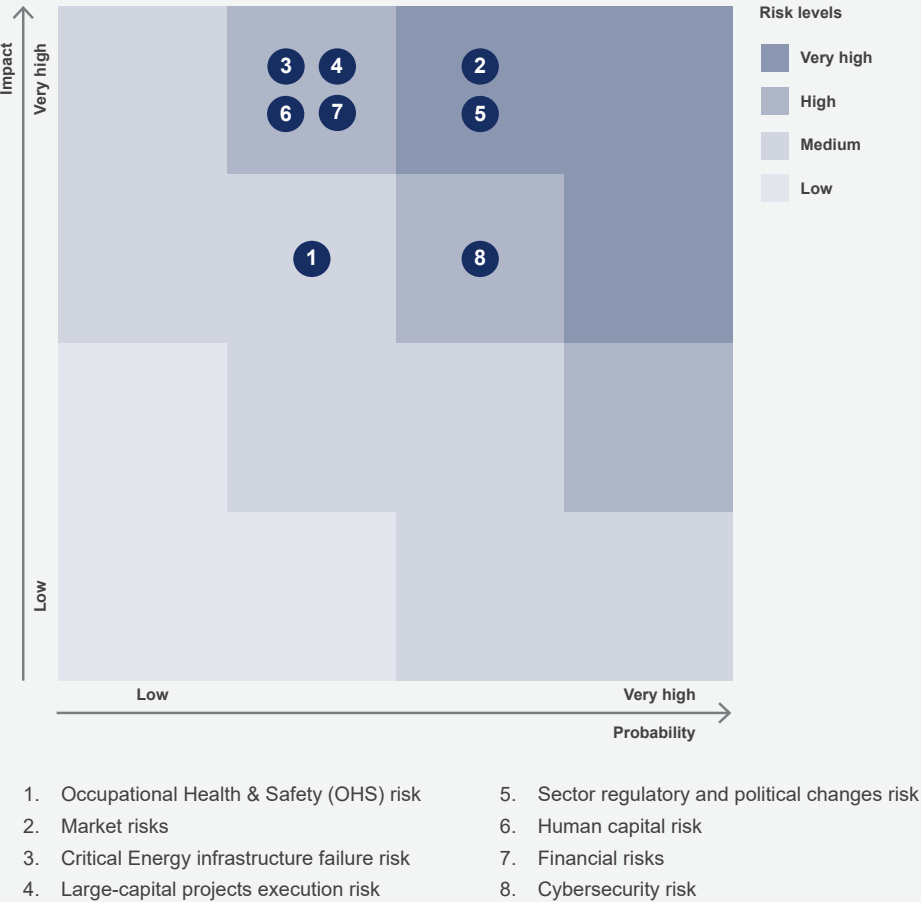
Given the above-mentioned, the Group continues to monitor the observed signals and will take necessary actions if required.

- ongoing challenges arising from prosumers operating under the net-metering scheme.
- 2. in Q1 2025, the risk level of 'Market risks' (risk #2) increased from 'High' to 'Very high' due to:
 - elevated imbalance costs;
 - changes in captured rates of wind and solar assets.
- 3. In Q4 2025, the risk level of 'Occupational Health and Safety (OHS) risk' (risk #1) decreased from 'High' to 'Medium' due to improved and continuously strengthening OHS program.

The identified risks continued to be closely monitored and mitigated as part of ongoing risk management efforts.

The top risks the Group faced in 2025 are outlined in the heatmap on the right side of the page. Other risks were monitored at the operational level.

Heat map of Group Top risks



Top risks of the Group

This section covers the Group's top risks incorporating material ESG risks and factors from DMA process. More information on the Group's sustainability risks, goals and initiatives is available in the '6. Sustainability statement'.

1 Occupational health and safety (OHS) risk

Risk category
Operational

ESG factors
Social (S1 and S2)

Risk description:

- This risk includes workplace injuries and fatalities of workers and contractors related to high-risk working environment, inadequate social and cultural approach to OHS issues, as well as failure to develop risk mitigation actions.
- The Group places the utmost value for human life and safety and aims to ensure safe and sustainable working environment.

Key mitigations:

- ensuring that the majority of the Group companies obtain ISO 45001 certification;
- providing employees with instructions based on the approved OHS guidelines that are relevant to their roles;
- conducting compulsory training and certification of employees as required by applicable standards;
- instructing the persons responsible for contractors on our OHS protocols;
- offering OHS training and education to contractors;
- monitoring OHS in workplaces, including the workplaces of contractors;
- conducting and initiating occupational risk assessments of workplaces;
- sharing accident and incident investigation materials and findings with employees and OHS specialists from other Group companies;
- periodically monitoring both employee and contractor TRIR.

2 Market risks

Risk category
Financial

ESG factors
N/A

Risk description:

- There's a risk that the Group will experience negative financial impact deriving from the fluctuations in commodity market prices (incl. sudden and high-impact shocks) due to various factors, such as changes in supply and demand, which can be impacted by economical, geopolitical and other factors.

Key mitigations:

- establishing and complying with the Energy Commodities Market Price Fluctuation Risk Management Policy, the Market Risk Management Standard, and the Sales Hedging Standard;
- utilising the Group's internal and external hedging possibilities, including available derivative instruments;
- tracking electricity and natural gas price forecasts, data, and forecasting deviations;
- storing natural gas in the Inčukalns Underground Gas Storage;
- coordinating with the LNG terminal operator regarding regasification schedule adjustments;
- maintaining biomass storage capacities to address potential fuel shortages;
- diversifying biomass fuel supply and securing fixed medium- to long-term supply contracts;
- concluding PPAs (power purchase agreements) with counterparties in all the markets we operate to cover excess supply or demand;
- diversifying our supply chains and continuously monitoring the market for new supply sources.

For further details regarding financial risks management see note '34 Risk Management' under the '8. Consolidated financial statements' section of this report.

3 Critical Energy infrastructure failure risk

Risk category Operational	Risk description: – The risk involves possible failure of Group-owned energy infrastructure that is essential for our operations and providing services of national importance, such as electricity and gas supply. Inadequate maintenance, protection or recovery readiness may disrupt business, cause financial loss, interrupt services, and violate regulatory obligations, leading to penalties and reputational harm. – The infrastructure could fail due to various reasons, e.g. aging energy infrastructure; severe weather, such as heavy rain, storms, hails, floods, heat waves that cause significant damage to energy infrastructure (these events are becoming more frequent and intense due to climate change, therefore ESG factor has significant impact on this risk); cybersecurity threats that, due to continuous geopolitical tension in the region, have become heightened and inherent threat; physical attacks and sabotage; etc.	Key mitigations: – regular and timely energy infrastructure maintenance, system monitoring and response teams are ensured via allocated budgets and performance monitoring; – installing remote-controlled equipment and self-healing network solutions; – strengthening internal repair teams to reduce dependency on contractors; – updating a 10-year investment plan for Networks annually and focusing on replacing overhead power lines with underground power lines in forested areas; – establishing a distribution network automation program (smart meter roll-out); – ensuring physical and cyber security of our assets; – preparing business continuity and emergency management plans; – collaborating with state institutions, i.e., conducting security exercises, ensuring effective communication during emergency situations; – modelling climate scenarios for specific project areas; – planning season-based renewable project construction; – implementing detailed processes for managing disruptions, including mass disconnections and gas flow restrictions; – regularly updating processes for managing mass disconnections, including IT solutions and network restoration actions; – regularly training and certifying personnel, and testing equipment.

4 Large-capital project execution risk

Risk category Strategic	Risk description: There is a risk that the Group will be unable to develop or deliver significant projects within the budget and schedule. The risk includes, but is not limited to, the following: – possible cost overruns or schedule delays; – regulatory and/or political changes impacting projects; – stakeholder management – regulatory bodies, communities, etc. – supply chain management; – ESG-related factors such as: environmental regulations, extreme weather events and local communities.	Key mitigations: – carrying out diligent project planning and approval while following the Group Investment Policy; – providing management with regular project performance reports to track progress, costs, and timelines, along with frequent updates and revisions to project plans; – developing contingency plans for potential delays or cost overruns, including setting aside contingency budgets and having backup suppliers; – maintaining continuous communication with stakeholders to manage expectations and promptly address concerns; – installing specialised bird monitoring systems designed to protect rare bird species; – engaging the engagement with local communities early and in a timely manner during all project development stages, providing general benefits and financial support to communities; – attracting highly skilled and competent talent and continuing training programmes to keep the teams updated on the latest technologies and practices; – leveraging advanced technologies, such as project management software, automation, and data analytics, to improve operational efficiency and decision-making; – monitoring legal and regulatory requirements to avoid compliance issues that could delay the project.

5 Sector regulatory and political changes risk

Risk category Strategic	Risk description: There is a risk of potential losses or operational disturbance due to changes in sector-related laws and regulations imposed by governments, regulatory or political authorities, including risks arising from potential noncompliance with EU state-aid rules. The materialization of risk may adversely affect the Group's financial results, financial position, and reputation. The lack of support for energy transition is an integral part of the risk as this ESG factor is a key business driver for the expansion of renewable energy. For further details regarding state-aid related investigations, see note '31 Contingent liabilities and commitments' under the '8 Consolidated financial statements' section of this report.	Key mitigations: – actively cooperating with regulators and other state and municipal authorities, including analysing effective and draft regulations and proposing rational amendments thereto with explanations; – engaging third parties (lawyers, consultants) in order to analyse the regulations; – collaborating with other market participants to propose joint positions on relevant regulations; – aligning the Group's decisions with regulatory requirements; – continuously evaluating regulatory initiatives and changes while informing the Group companies about the planned regulatory changes and their potential impact.

6 Human capital risk

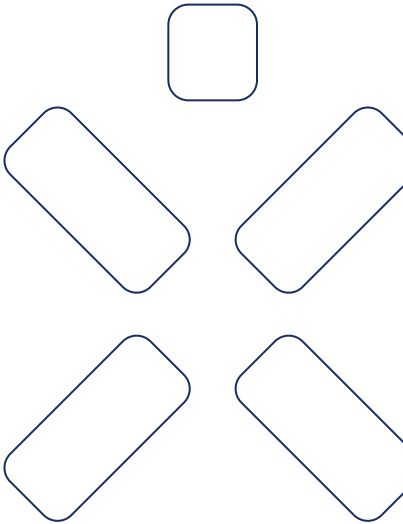
Risk category Operational	Risk description: – The risk is related to attracting, retaining, and developing a highly skilled workforce, which is essential for achieving the Group's strategic objectives. Lack of expertise could significantly hinder our progress and damage our reputation. To ensure our continued success, we must attract, retain and develop competencies while fostering innovation and excellence.	Key mitigations: – developing, implementing, monitoring, and reviewing recruitment plans for various periods; – creating competency development plans and programmes; – promoting internal career opportunities through Group-wide initiatives, e.g., EnergyTalentLab; – employing a variety of talent acquisition strategies; – partnering with educational institutions in all the countries we operate; – tracking employee satisfaction rates and actively responding to negative trends; – offering and regularly reviewing the additional benefits package.

7 Financial risks

Risk category Financial	Risk description: The Group's financial risks cover the following: – Capital expenditure and financing: The high capital costs associated with energy projects are a significant risk. The Group needs to make substantial upfront investments, while it can be challenging to secure financing, especially in volatile markets. – Interest rate risks: Changes in the interest rates can impact the cost of borrowing and the value of the Group's financial assets and liabilities. – Exchange rate risks: The Group operates internationally and is exposed to fluctuations in exchange rates. This can affect the cost of imports and exports as well as the value of foreign investments. – Liquidity risks: The risk of not having sufficient liquidity to meet short-term obligations is a common concern. This can be exacerbated by delays in project completion or unexpected operational issues. – Asset impairments: The risk of asset impairment can materialise due to changes in market conditions, regulatory environment or technological advancements, it can lead to significant write-downs and affect the company's financials. – Credit & counterparty risks: The risk of counterparties failing to meet their financial obligations can impact the Group's cash flow and profitability. This includes the risks related to customers and suppliers.	Key mitigations: Budgeting, forecasting and monitoring: – budget planning, short-term and long-term forecasting, and regular monitoring. CAPEX: – tendering key capital expenditure contracts and collecting binding offers before FID; – incorporating a capital expenditure contingency into the FID financial model. Financing: – sourcing financing in parallel to the FID process and obtaining offers that are at least non-binding; – continuously monitoring our portfolio financing; – asset rotation program. Liquidity risk: – managing liquidity needs according to monthly cashflow forecast for the current and the following year, which is prepared on a quarterly basis; – maintaining liquidity reserve through committed multiple diversified credit lines, overdrafts, term loans and trade finance facilities; – concentrating liquidity daily using external cash pool platforms. Credit risk: – establishing a credit risk policy and checking the creditworthiness of private customers. For further details regarding financial risks management see note '34 Risk Management' under the '8. Consolidated financial statements' section of this report.

8 Cybersecurity risk

Risk category Operational	Risk description: The risk is related to geopolitical issues, which make the Group's key services major targets for cyberattacks. The following vulnerabilities could be exploited: – unresolved vulnerabilities in IT and OT systems; – human factors, such as insufficient employee resistance to social engineering attacks; – inadequate privileged access control and monitoring of privileged users.	Key mitigations: – periodically preparing and submitting vulnerability reports to responsible personnel; – implementing a vulnerability management process that classifies and addresses vulnerabilities based on their criticality; – limiting and isolating critical systems within a local network; – developing digital security competencies by developing accredited CERT members in the organisation and participating in cybersecurity exercises with external partners; – ensuring 24/7 Group-wide cybersecurity supervision; – maintaining an incident management process to ensure effective response; – conducting regular phishing simulations across all Group companies to increase the vigilance of employees.



Compliance with financial market transparency rules

The Group strives for maximum transparency, effective management of inside information and equality of all financial market participants regarding the availability of the issuer's material information. Effective prevention of market abuse is one of our main priorities. The Group is listed in both London and Nasdaq Vilnius stock exchanges and complies with all relevant EU, Lithuanian and UK laws and regulations.

The Group's own internal market abuse prevention and transparency rules are regularly updated, and the main regulations are made [available](#) to the public. The Group periodically trains its employees on market abuse and insider rules. The coordination of market abuse prevention is one of the responsibilities of the Group Law and Compliance.

The main market abuse prevention projects carried out in 2025 include:

- updating the Trading Guidelines for the Issuer's Managers and Persons Closely Associated with them, including the requirements and prohibitions for issuer's managers and persons closely associated with them;
- updating the Group's inside information matrix and periodically presenting specialized inside information management instructions for target groups;
- introducing a new specialised inside information management and share trading course to those on the Insider List and to other Group employees, which included material on inside information management, trading securities, market manipulation and closed periods.

Also, the Inside Information Disclosure Committee (comprising 5 experts from finance, law, compliance, investor relations and communication areas) is operating successfully while dealing with complex inside information management issues and ensuring maximum transparency. In its activities, the committee follows the principles of ensuring proper competencies, managing emerging risks, promptly making appropriate decisions, constantly improving the knowledge of the Group employees in the field of market abuse prevention and implementing the best practices.

The Group is implementing Article 19 of the Market Abuse Regulation (EU) No [596/2014](#) (MAR) and applying a stricter Closed Period than the requirements of Lithuanian and UK legal acts, prohibiting trading for a period of 30 calendar days not only before the publication of annual and half-year financial results, but also before the publication of three- and nine-month results, including two days after their publication. In order to ensure uniform disclosure of information on managers' transactions in EU and UK markets, the Group publicly discloses transactions whose value exceeds EUR 5,000 during a calendar year (in EU markets, transactions worth EUR 20,000 or more should be disclosed). Our goal is to ensure even greater market abuse prevention and transparency.

In 2025, same as in the previous years, the Group has successfully ensured the compliance with all [MAR](#) requirements.

Related party transactions

The parent company follows the provisions of the Law on Companies of the Republic of Lithuania ([link in Lithuanian](#)) when conducting related party transactions. [The Policy on Related Party Transactions of the Group](#) was updated by the decision of the Supervisory Board on 16 June 2023 in accordance with changes in the provisions of the Law on Companies of the Republic of Lithuania. It must be noted that the Supervisory Board of the parent company considers the conclusions of the Audit Committee and makes decisions regarding related party transactions of the parent company and the Group companies if these transactions meet all of the following materiality criteria: (i) the type of the transaction is an investment, acquisition, transfer, lease, pledge and mortgage of assets, surety or guarantee for the fulfilment of obligations; (ii) the amount of the transaction or the aggregate amount of such transactions during the financial year exceeds 1/10 of the asset value shown in the most recent balance sheet; (iii) transactions are conducted under unusual market conditions and/or are not attributable to ordinary economic activities. We disclose information about the concluded related party transactions on our [website](#) and, in accordance with the IFRS requirements, in the section '8 Consolidated financial statements' of this report. Additionally, according to Article 372(11) of the Law on Companies of the Republic of Lithuania, the Group's management report must include transactions concluded with related parties regarding the investment, acquisition, transfer, lease, pledge and mortgage of assets, surety or guarantee for the fulfilment of obligations, which are entered into in the ordinary course of business under normal market conditions where a transaction or the aggregate amount of such transactions during the financial year exceeds

1/10 of the asset value shown in the most recent balance sheet, as well as information on the legal name, registration code, business form, official register and address of the related party and the amount of the transaction, which is also disclosed in section '8 Consolidated financial statements' of this report.

Remuneration

5.1 Remuneration overview	139
5.2 Remuneration of the parent company's Management Board	144
5.3 Remuneration of the Supervisory Board and committees	151
5.4 Additional information on remuneration of the Group employees	155



5.1 Remuneration overview

Overview

Remuneration structure of the Group is based on two key documents: the [Remuneration Policy](#) and the Remuneration Guidelines. The Remuneration Policy, which is a public document, defines the key principles and essential provisions on remuneration management and structure whereas Remuneration Guidelines, which is an internal document, is a supporting document detailing the provisions of the Remuneration Policy (e.g., setting and evaluating objectives, determining and paying short-term incentives). Both documents are integrated and apply to all Group companies.

The overall objective of the [Group Remuneration Policy](#) is to attract and retain competent, fast-learning, technologically advanced, globally-minded and creative employees. It includes remuneration elements that support our strategy. The Group is rapidly moving towards sustainability, including the management of human resources. Hence, the ongoing transition requires new skills and competencies as well as continuous development of our culture. In 2025, we continued to develop our Remuneration Policy to maintain the principles of transparency and clarity.

The Remuneration Policy's approval process is based on the Lithuanian Labour Code, the Law on Companies and the Corporate Governance Code for the Companies Listed on Nasdaq. The parent company is required to submit any proposed amendments to the Remuneration Policy for the approval of the General Meeting of Shareholders. We also inform and consult the representatives of employees of the parent company and the Group companies as well as other stakeholders about changes to the Remuneration Policy (if any).

The latest version of the Remuneration Policy was approved by the General Meeting on 7 May 2025 with 76.64% of the votes in favour ([resolutions and voting results](#)) and is available on our [website](#). To ensure adherence to best governance practices, the following changes have been in effect since 25 October 2025:

- the remuneration framework for the Supervisory Board was reviewed and updated in preparation for the new term. The revised structure reflects the parent company's commitment to maintaining a competitive and transparent remuneration model that aligns with market practices, regulatory expectations, and the scope of responsibilities of Supervisory Board members.

Key activities in 2025

The Annual General Meeting of Shareholders of the parent company held on [26 March 2025](#) agreed to the parent company's Remuneration report for 2024, as part of the parent company's [Integrated Annual Report 2024](#). 99.99% of shareholders, who participated in the vote, voted in favor, and the decision was adopted accordingly ([resolutions and voting results](#)). No remarks were made regarding the document during the meeting. Nevertheless, the parent company has considered the observations provided by proxy advisory.

The Group also launched a number of additional initiatives related to the changes in the Group's economic and work/social environment, such as:

- continuing to enhance the semi-flexible benefits system by providing an increased variety of options to choose as additional benefits and by increasing the value of the benefits provided in response to the market situation;
- the introduction of a renewed recognition programme aligned with the updated behavioural mindsets of the Group. The programme is designed to strengthen a culture of appreciation, reinforce desired behaviours, and promote the values and competencies expected across the organisation.

- continuing to apply a hybrid work model by offering employees work flexibility, thus improving their work-life balance. Our hybrid work model allows employees to work 2 days per week remotely. Additionally, we are offering an opportunity to work from Lithuania, any other European Union and selected other countries for 2 consecutive weeks per calendar year.

Plans for 2026

In 2026, the Group will continue strengthening its remuneration and people practices. The key focus areas for the upcoming year will include the implementation of initiatives related to the Pay Gap Directive, further enhancement of the performance management framework, and actions aimed at fostering a high-performing organisational culture. These priorities will support greater transparency, improved employee experience, and sustained organisational effectiveness.

Remuneration Policy and its structure

The key objective of our [Remuneration Policy](#) is to support the Group's pathway towards achieving its goals through 5 key principles on the right side.

The Remuneration Policy defines the remuneration structure, the fixed base salary (FBS) review and determination process, the composition of the maximum variable remuneration, related guidelines, principals, etc.

Overall, our Remuneration Policy is designed to attract, retain, and motivate employees to ensure the achievement of the Group's objectives by creating a high performing organisational culture. Thus, we aim to pay the median of the market where the Group companies operate. Depending on the competitive environment in a certain country or the strategic objectives set for a Group company, a different remuneration ratio (higher or lower) than the median of the remuneration market may be set. To ensure the principle of external competitiveness, the FBS salary ranges may be determined and reviewed annually while

considering the data of an independent national salary survey and the remuneration market trends. Salary ranges are determined for each job level based on the median of the salary market.

Due to the Group's scale and organisational complexity, locally available remuneration surveys offer limited benchmark data for comparable top management positions. For this reason, the Supervisory Board was advised by an international remuneration consultant who provides independent opinion on executive's remuneration compared to the local salary market.

The remuneration structure is consistent across the Group. It includes fixed and variable remuneration parts, which are described in detail in the following table. Additionally, further information on short-term incentives (STI) and long-term incentives (LTI) is provided separately in the following pages.

The complete [Remuneration Policy](#) and [People and culture policy](#) along with further information on human resources management are available on our [website](#), and in the '6. Sustainability statement' under section '6.3 Social' of this report.

Key principles of the Remuneration Policy

Internal fairness	We ensure that similar- or same-value-creating work is compensated equally throughout the organisation.
External competitiveness	Employees are entitled to receive a competitive salary based on their function, market conditions and geography.
Clarity	We aim that all employees are informed about how their performance, competencies and qualification impact their remuneration package as well as on what basis it is set.
Transparency	We believe in transparency and share our objective remuneration criteria with our employees.
Equal opportunities and non-discrimination	Decisions on remuneration must be made in accordance with the provisions set out in the Remuneration Policy and the Equal Opportunities and Diversity Policy in force in the Group.

Remuneration structure

Type	Element	Applicability	Description and performance measures
Fixed remuneration	Fixed base salary (FBS)	All Group employees	▶ FBS is established in the employment contract while considering the level of the position and the level of competencies of the employee. FBS is paid monthly. FBS review is performed during the annual performance review or when necessary (in case of changes in functions, career, etc.).
Variable remuneration	Short-term incentives (STI)	All Group employees	▶ This is performance-based incentivization (cash-based) paid for meeting objectives set for an individual position. STI proportion is determined as a percentage of annual FBS, e.g., 20% of the annual FBS applies to the executives and positions with strategic responsibilities, 10% of the annual FBS – for other employees. To achieve the flexibility of the remuneration system for specific job groups, a specialised remuneration system with different STI size or payment frequency may be introduced.
	Long-term incentives (LTI)	Key executives ¹	▶ This is performance-based incentivization (cash-based) paid for meeting objectives tied to the Group's four-year strategic plans (not overlapping with STI targets). LTI proportion is determined as a percentage of average annual FBS, e.g., LTI of 40% of the average annual FBS for a relevant strategic period (10% of annual FBS each year). Long-term incentives are determined by evaluating business performance over a rolling four-year performance period and are paid after the end of each strategic period of 4 years (vesting period is 4 years).
		Managers with strategic responsibilities ²	▶ This is performance-based incentivization (cash-based) paid for the objectives related to the Group's four-year strategic plans (not overlapping with STI targets). LTI proportion is determined as a percentage of average annual FBS, e.g., LTI of up to 30% of the average annual FBS for a relevant strategic period. Criteria for and objectives of the implementation of long-term targets may be determined and approved by the Management Board of the parent company.
Other rewards	Discretionary bonus	All Group employees except CEOs, members of the Management Board of the parent company and the executive committees of the Group companies	▶ This is performance-based incentivization (cash-based) to promote extraordinary results or for managing strategically important initiatives of the Group. Discretionary bonus may be provided at the initiative and discretion of the employer and are not a guaranteed part of the remuneration package.
	Expatriate's / attraction package	Employees who are hired from a foreign country	▶ This is reimbursement of additional expenses (cash-based) related to the relocation of an employee from one country to another due to his/her job functions. It is mainly used to attract talents with required competencies from foreign countries.
	Additional benefits	All Group employees	▶ This includes non-cash remuneration, such as accidental injury insurance and a variety of health insurance schemes with pre-set funds (amount does not exceed EUR 1,000 per person and is the same for everyone), contributions to a private pension fund, and other benefits offered according to the internal procedures and each employee's decisions. It is designed to promote employee motivation and loyalty. The additional benefits package for the members of the Management Board of the parent company and the executive committees of the Group companies additionally includes a company EV or mobility allowance.

¹ Key executives – employees holding the position of a member of the parent company's Management Board as well as CEOs of Energijos Skirstymo Operatorius, Ignitis, Ignitis Gamyba and Ignitis Renewables.

² Managers with strategic responsibilities – managers who have the Group's long-term (longer than one year) strategic and/or critical importance objectives.

Short-term incentives

Short-term incentives (STI), i.e., a percentage of the annual FBS paid to a particular position or an employee for meeting the objectives set for him/her, are cash-based and tied to performance results. Objectives linked to STI usually support the achievement of long-term objectives, which incorporate financial targets, strategic projects and key milestones, as well as sustainability results.

The maximum STI level, depending on the employee's position within the Group, is provided in the following table. Additionally, further information about STI objectives of members of the parent company's Management Board, including the CEO, and the performance results are provided in section 'Remuneration of the parent company's Management Board' below.

The minimum threshold for the achievement of a specific objective is 70%, and if the objective is achieved at a lower percentage, the objective shall be considered as not achieved (0 (zero) percent). Overachievement of the objectives is not rewarded (except for sales positions where it may be compensated; however, a cap on the maximum bonus amount is applied). Deferral or recovery of STIs are not possible in the Group. However, it is possible to withhold their payment, reduce or request to return the STIs in part or in full to/from an employee who commits unlawful acts whilst achieving the set objectives or in cases such as the restatement of accounts or the submission of erroneous data. Further details on this matter are described in the Remuneration Policy (malus and claw-back).

Long-term incentives

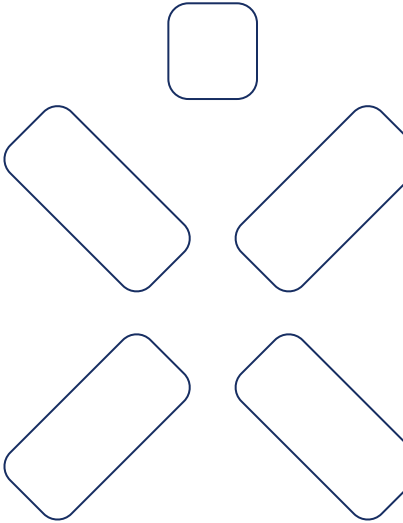
Following the IPO, the parent company provides long-term incentives (cash-based) to align with shareholders' expectations, retain key executives, enhance their motivation, and connect compensation to the long-term strategy. These incentives are tied to the Group's four-year strategic plan and are linked to long-term targets, which incorporate financial targets, strategic projects and key milestones, as well as sustainability results.

The long-term objectives of the top managers that align with the strategy of the Group are approved by the Group's Supervisory Board. LTI is based on the performance during the strategic periods, and the first LTI payment was paid in Q2 and Q3 2024 for the 2020–2023 strategic period. We disclose our LTI plan, outlining the strategic objectives for the period of 2022–2025 in section 'Long-term incentive (LTI) targets', whereas objectives for other periods (2023–2026, 2024–2027, 2025–2028) are made publicly available on our [website](#), [Nasdaq Vilnius](#), [London](#) or [Luxembourg](#) stock exchanges or both and, thus ensuring information transparency and accessibility for our shareholders. It is important to note that the strategic objectives for the period of 2026–2029, together with a strategic plan, are expected to be announced and approved later in 2026.

The maximum STI level depending on the employee's position within the Group	
Position category	Maximum STI level (of the annual FBS paid during the year)
Members of the Management Board of the parent company	20%
CEOs (executives) / members of the Group companies' executive committees	20%
Mid-level managers of the Group	10% / 20% ¹
Other employees of the Group	10% / 20% ¹

¹ The maximum STI level is set at 20% of the annual FBS for employees with strategic responsibilities for the development of strategic and/or critically important long-term projects and/or strategic objectives not shorter than 1 year.

Long-term incentives (LTI), i.e., a percentage of the annual FBS paid to an employee in a particular position category for meeting the objectives set for him/her, are cash-based and tied to performance results. Long-term objectives do not overlap with short-term objectives and in turn STI. The maximum LTI level, depending on the employee's position within the Group, is provided in the following table. Additionally, further information about LTI objectives of members of the parent company's Management Board, including the CEO, and the performance results are provided in section 'Remuneration of the parent company's Management Board' below.



The maximum LTI level depending on the employee’s position within the Group

The awards under the LTI are subject to the following vesting schedule as described in the table on the right. Cash-based LTI is paid based on a vesting period of four years. The payment, calculated using the specified formula below, is made after the due date:

$$\text{LTI} = (\text{total FBS paid during the strategic period}) / 4 \times \text{cap of LTI (\%)} \times \text{percentage of achieved LTI objectives (\%)}$$

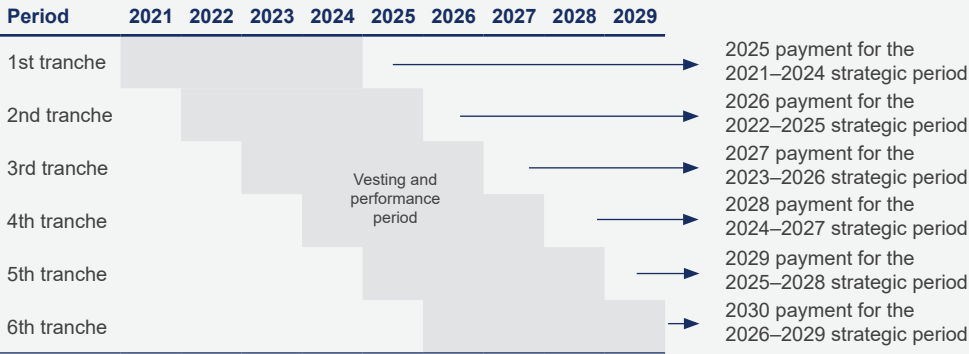
The minimum threshold for the achievement of a specific target is 70%, and if the target is achieved at a lower percentage, the target shall be considered as not achieved (0 (zero) percent). Overachievement of the targets is not rewarded. Deferral or recovery of LTIs are not possible in the Group. However, it is possible to withhold their payment, reduce or request to return the LTIs in part or in full to/from an employee who commits unlawful acts whilst achieving the set targets or in cases such as the restatement of accounts or the submission of erroneous data. Further details on this matter are described in the Remuneration Policy (malus and claw-back).

The maximum LTI level depending on the employee’s position within the Group

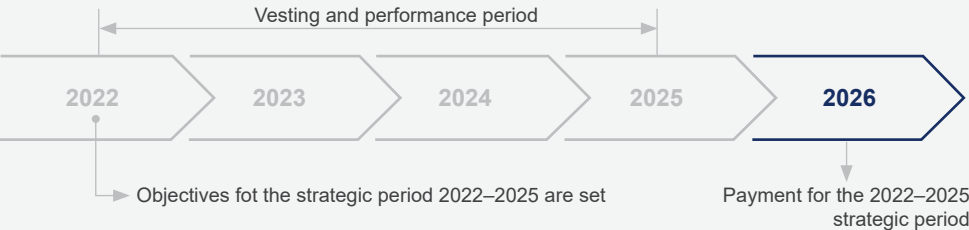
Position category	Maximum LTI level (of the average annual FBS paid during the strategic period)
Key executives (members of the parent company’s Management Board, as well as CEOs of Energijos Skirstymo Operatorius, Ignitis, Ignitis Gamyba and Ignitis Renewables)	40%
Managers with strategic responsibilities ¹	Up to 30%

¹ Vesting, performance and payout periods differs from those applicable to key executives.

Payout periods and calculation example (according to strategic plans)



Vesting schedule



5.2 Remuneration of the parent company's Management Board

Overview

In this section we provide the development of remuneration paid to both former and current members of the Management Board including CEO for the last 5 years, as required by local legislation. More in-depth information about the former members of the Management Board is available in the section 'Governance report' of our previous integrated annual reports, and about the current Management Board – in section '4 Governance' of this report. The remuneration paid to the former as well as current members of the parent company's Management Board during their term of office was in line with the Group Remuneration Policy.

We remain committed to maintaining competitive compensation practices. Through our benchmarking process, we aim to align our salaries with industry standards and strive to catch-up ourselves to the median. While our employees are already at this benchmark line, our executive salaries were below the median of the market range. To address this disparity and retain top talent, further focus on reducing the gap between the executives' remuneration and the market practices.

In 2024, the Group established a salary peer group as a benchmarking reference for assessing the CEO's remuneration to ensure relevant and meaningful market comparisons. The peer

		2025		2024		2023		2022		2021	
		Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes
Fixed remuneration	Darius Maikštėnas	281,003	167,049	244,054	145,110	198,673	118,270	175,158	104,975	159,178	95,597
	Jonas Rimavičius ¹	211,848	125,152	186,769	109,791	152,454	90,054	113,582	66,603	-	-
	Dr. Živilė Skibarkienė	206,718	122,136	190,727	112,720	160,355	94,678	142,666	84,755	129,778	77,578
	Vidmantas Salietis	212,417	128,512	192,283	116,331	158,657	96,571	142,020	86,744	129,550	79,205
	Mantas Mikalajūnas ¹	201,231	118,258	183,223	107,666	152,362	90,008	114,763	67,602	-	-
	Darius Kašauskas ²	-	-	-	-	-	-	43,928	26,638	129,829	77,168
	Dominykas Tučkus ³	-	-	-	-	-	-	-	-	70,159	40,724

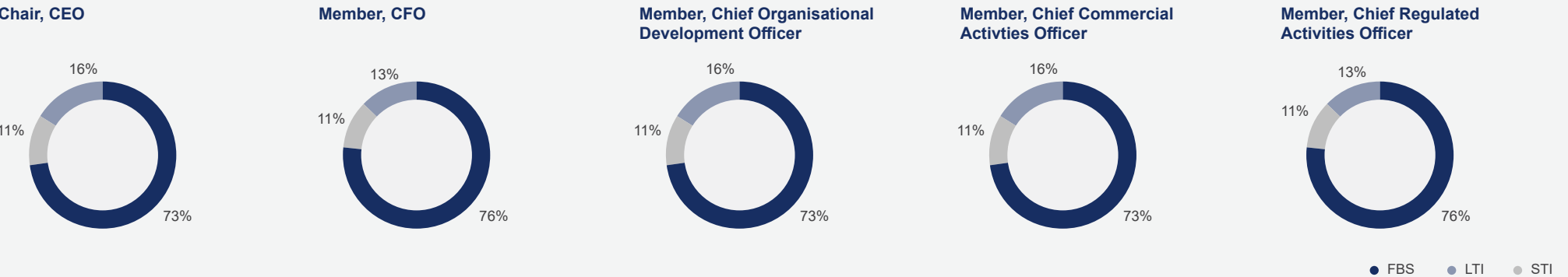
¹ Jonas Rimavičius and Mantas Mikalajūnas were elected as members of the Management Board on 18 February 2022, causing comparison discrepancies.
² The term of office of Darius Kašauskas as a Management Board Member ended on 18 February 2022 (the job agreement was terminated on 28 February 2022) causing comparison discrepancies.
³ On 25 June 2021, Dominykas Tučkus resigned from the position of a Member of the Management Board causing comparison discrepancies.

group continues to serve as the benchmark for assessing the CEO's remuneration, reflecting the competitive landscape of the industry and the Group's operational profile (for further details see Integrated Annual Report 2024). The Group's size metrics, including market capitalisation, revenue, and assets, place the Group near or above the median within the peer group, demonstrating its robust standing relative to peers. However, despite the inclusion of local market companies, the parent company's CEO fixed base salary is positioned at the 14th percentile compared to the peer group. Considering the geographic composition of the peer group and the differences in cost of living, economic conditions between these countries and Lithuania, this positioning is partly explainable.

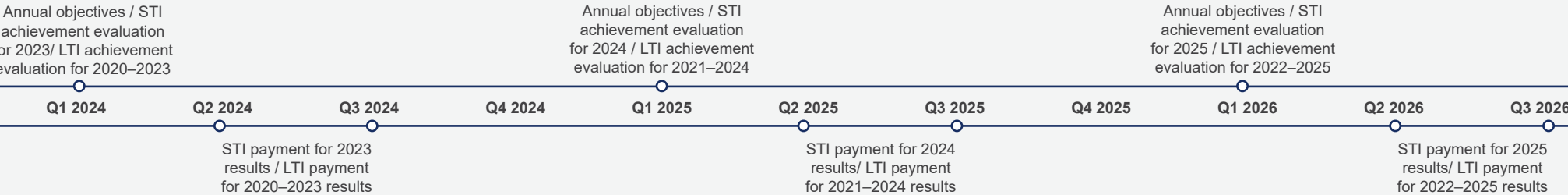
This structured and deliberate approach to creating a peer group ensures that remuneration benchmarking remains fair, competitive, and aligned with the Group's strategic objectives and industry standards.

Overall, the Group's performance in 2025 was strong, resulting in exceeded full-year Adjusted EBITDA guidance and achievement of the 2025 STI and 2022-2025 LTI objectives. For both remuneration elements, the payments will be made in Q2 and Q3 2026 (for further details, see the sections 'Short-Term Incentive (STI) Performance Objectives' and 'Long-Term Incentive (LTI) Performance Objectives'.

The parent company Management Board's composition of cash-based remuneration in 2025, % (before taxes)



Remuneration payment timelines for a fiscal year^{1, 2, 3}



¹ FBS is paid monthly, and annual review is conducted in March with effective date being 1 April.
² STIs are paid in Q2 for the previous calendar year's results.
³ LTIs are paid in Q2 and Q3 for the previous strategic period's results.

Short-Term Incentive (STI) Performance Objectives

2025 STI Performance Objectives and their achievement overview

Annual objectives of the CEO and the members of the parent company's Management Board are based on the Group's strategic plan and are aligned with the annual objectives of the Group. The objectives are approved and their achievement is assessed by the Group's Supervisory Board.

The criteria applicable to the STI of the members of the parent company's Management Board for 2025 and objective achievements are available in the following table. The weights of performance objectives were redistributed, as Offshore wind tender has been declared void. The possibility of this redistribution was foreseen when STI performance objectives for 2025 were set. In the event of below-access threshold achievement, the performance objective is considered as not achieved and payment for the objective is not awarded. The information on the STI performance objectives and their achievement in the previous periods is available on our [website](#).

The parent company Management Board's 2025 STI Performance Objectives and their achievement

Performance criteria	Weight	Performance objective	Access threshold (70%)	Threshold I (80%)	Threshold II (90%)	Target and maximum (100%)	Actual result	Achieved performance	Achieved payout
Financial targets	44.4%	Group Adjusted EBITDA (excl. asset rotation), mEUR 2025	470	1	1	532	546.1	100%	44.4%
Strategic projects or their key milestones	16.7%	Expansion of Green Capacities (excl. Offshore) portfolio: – New projects (excl. offshore) achieved Secured Capacity ² phase during 2025, MW	300	1	1	450	291	0%	0.0%
	11.1%	Delivery of Green Capacities projects under construction: – % of milestones achieved (time-wise 50% and capex-wise 50%)	≥70%	1	1	≥90%	91%	100%	11.1%
	-	Development of Green Capacities Offshore portfolio³: Offshore wind milestones achieved in 2025: – Awarded ⁴ with CfD tariff in Lithuanian second offshore wind auction	n/a	n/a	n/a	1/1	Objective removed as Offshore wind tender has been declared void ⁵	n/a	n/a
		– Partnership arrangement for Lithuanian second offshore wind signed	n/a	n/a	n/a	1/1		n/a	n/a
Service quality	11.1%	Assurance of service availability in 2025 to ensure energy security after the synchronization of the Baltic states' grids with the European: – Availability of Kruonis PSHP (5.6%)	≥96.2%	≥96.8%	≥97.5%	≥98.2%	98.4%	100%	5.6%
		– Availability of Elektrėnai complex (CCGT unit) ⁶ (5.6%)	≥96.1%	≥96.7%	≥97.4%	≥98.1%	97.5%	90%	5.0%
Sustainability targets	11.1%	ESG targets with focus on: – Increasing safety at work: Zero work-related fatal accidents (own employees and contractors), and – TRIR of own employees (5.6%) – TRIR contractors (5.6%)	0 and ≤1.5 ≤2.7	0 and 1 1	0 and 1 1	0 and ≤1.2 ≤1.9	0 and 0.7 0.7	100%	11.1%
		– Implementation of inclusive recruitment program, 2025⁷	70%	1	1	100%	91%	91%	5.1%
	5.6%								
		STI, %							82%
STI, % of FBS (the maximum STI level is capped at 20% of annual FBS)									16.4%

¹ Target to be measured according to the achievement scale with linear interpolation between the access and target thresholds. ² Secured capacity - projects under the following stages: (i) installed capacity, or (ii) under construction or (iii) awarded / contracted.

³ In the event of the auction is announced as not happening, delayed or terminated, accordingly the winner of the auction is not announced, the weight of this target is redistributed pro-rata on the other targets. ⁴ Awarded means the auction winner is announced officially by the National Energy Regulatory Council. ⁵ Offshore wind tender has been declared void, therefore, the target is not applicable and removed, and weight is distributed to other targets proportionally (regarding Note 3). ⁶ In the case threshold of working hours would be reached and overhaul is performed in 2025; such repairs will be estimated as planned. ⁷ Ensuring gender balance in of top management recruitment process: at least 33% of the underrepresented gender in shortlist of top management positions for completed recruitments of new/vacant positions in 2025.

2026 STI Performance Objectives' overview

In the table on the right we illustrate the STI performance objectives for 2026. Detailed information as of now is market-sensitive, therefore the performance and assessment will be provided in our Integrated Annual Report 2026.

The parent company Management Board's STI Performance Objectives for 2026

Performance criteria	Weight	Performance objective
Financial targets	30% 20%	Group Adjusted EBITDA Group OPEX
Strategic projects or their key milestones	20%	– Delivery of Green Capacities projects under construction (10%) – Automated trading and dispatch project implementation (10%)
Service quality	15%	– Availability of generation and flexibility asset portfolio (5%) – Customer experience, transactional NPS score (10%)
Sustainability targets	15%	ESG targets with a focus on: – Increasing safety at work (10%) – Implementation of inclusive recruitment program, 2026 (5%)

STI payments overview

In the table on the right, we illustrate the STI variable remuneration information for 2021–2025.

The parent company Management Board's STI payments, EUR

		2025		2024		2023		2022		2021	
		Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes
STI ¹	Darius Maikštėnas	42,581	25,313	41,564	24,715	25,231	14,925	22,427	13,273	22,005	13,046
	Jonas Rimavičius ²	31,658	18,702	31,770	18,680	18,777	11,026	7,809	4,525	-	-
	Dr. Živilė Skibarkienė	30,879	18,242	33,155	19,600	21,000	12,329	18,666	10,971	18,315	10,826
	Vidmantas Salietis	30,879	18,681	33,155	20,059	21,000	12,705	18,666	11,293	18,315	11,081
	Mantas Mikalajūnas ²	29,588	17,388	31,770	18,672	19,027	11,174	16,846	9,798	-	-
	Darius Kašauskas ³	-	-	-	-	-	-	113,265 ³	65,121	18,315	10,762
	Dominykas Tučkus ⁴	-	-	-	-	-	-	-	-	26,184 ⁴	15,046

¹ STI are paid in Q2 for the previous calendar year's results (e.g., STI for 2022 was paid in Q2 2023, thus STI payment in 2023 reflects the achievement of 2022 targets. For further details, see diagram 'Remuneration payment timeline for a fiscal year' above).

² Jonas Rimavičius and Mantas Mikalajūnas were elected as members of the Management Board on 18 February 2022, causing comparison discrepancies. Since the amounts of STIs are indicated for the entire calendar year, it must be noted that EUR 16,192 out of total STIs paid in 2023 to Jonas Rimavičius and Mantas Mikalajūnas (each) were paid for their 2022 performance as Management Board members, while the amounts paid to them in 2022 are related to their performance in 2021, a time when they did not hold the Management Board member positions.

³ The term of office of Darius Kašauskas as a Management Board Member ended on 18 February 2022 (the job agreement was terminated on 28 February 2022) causing comparison discrepancies.

Accordingly, the STI payment in 2022 includes 9 average monthly payments as a severance payment of EUR 94,599 (before taxes).

⁴ On 25 June 2021, Dominykas Tučkus resigned from the position of a Member of the Management Board causing comparison discrepancies. Accordingly, the STI payment to Dominykas Tučkus in 2021 includes the STI for 2021 results. There was no severance payment.

Long-Term Incentive (LTI) Performance Objectives

2022–2025 LTI Performance Objectives and their achievement overview

Long-term objectives of the key executives are based on the Group's strategic plan and are aligned with the objectives of the parent company set out in the Strategic Plan 2022–2025. The objectives are approved, and their achievement is assessed by the Group's Supervisory Board and are available in the table on the right. In the event of below-access threshold achievement, the performance objective is considered as not achieved and payment for the objective is not awarded.

LTI performance objectives for the previous and upcoming periods (2020–2023, 2021–2024, 2023–2026, 2024–2027, 2025–2028) are made publicly available on our [website](#), [Nasdaq Vilnius](#), [London](#) and [Luxembourg](#) stock exchanges or both, thus ensuring information transparency and accessibility for our shareholders. New LTI performance objectives for the 2026–2029 period will be published once they are approved as well.

The criteria applicable to the LTI of the key executives of the Group for 2022–2025 are available in the table on the right and on our [website](#).

The parent company's long-term incentive performance model and incentives objectives achievement calculations for the 2022–2025 period were reviewed by independent advisor Ernst & Young Baltic UAB.

Key executives' 2022–2025 LTI Performance Objectives and their achievement

Performance criteria	Weight	Performance objective	Access threshold (70%)	Target and maximum (100%)	Actual result	Achieved performance	Achieved payout
Performance	40%	TSR TSR of Ignitis Group vs. average TSR of EURO STOXX® Utilities Index ¹	≥70% ²	≥100% ²	49%	0%	0.0%
Returns	20%	Average adjusted ROCE³ over the four years 2022–2025	5.5% ²	6.5% ²	9.3%	100%	20.0%
Growing renewables	20%	Green generation installed capacity⁴ , GW	2.0 ²	2.2 ²	2.1	85%	17.0%
Increasing efficiency in Networks	5%	Increasing efficiency in regulated-monopolistic activities: – Average electricity SAIFI ⁵ over the four years 2022–2025 (per annum)	≤1.10 (2022–2025)	≤1.10 (2022–2025) and ≤0.99 (in 2025)	1.10 (2022–2025) and 1.02 (in 2025) ⁶	70%	3.5%
	5%	– Networks OPEX reduction ⁷ in real terms over four years (2022–2025)	Stable OPEX level in real terms	OPEX reduction in real terms	OPEX reduction in real terms ⁸	100%	5.0%
Targeting net zero emissions	10%	GHG emissions reduction vs. 2020 ⁹	-16% ²	-23% ²	-31% ¹⁰	100%	10.0%
LTI, %							56%
LTI, % of FBS (the maximum LTI level is capped at 40% of average annual FBS paid during the strategic period)							22.4%

¹ TSR (Total Shareholders Return) is calculated as the ratio of the difference between the average share price at the end of the period and the beginning of the period and adding the amount of dividends per share over performance period to the share price at the beginning of the performance period. The average TSR (Total Shareholders Return) of Ignitis Group and EURO STOXX® Utilities Index is calculated in the two-month period (Nov and Dec accordingly) preceding the beginning and the end of the performance period (January 1, 2022–December 31, 2025), in order to neutralize any possible volatility on the market. TSR of Ignitis Group is calculated with the assumption that dividends are reinvested as well as EURO STOXX® Utilities Index used for benchmarking (based on gross return index type and EUR currency). Change in the value of the Ignitis Group shares between the beginning and the end of the reference period calculated as a weighted average of the IGN1L (Nasdaq Baltic) and IGN GDR (London Stock Exchange) prices based on volume traded. ² Target will be measured according to the achievement scale with linear interpolation between the entry (70%) and target (100%) thresholds. ³ ROCE is calculated by dividing Ignitis Group adjusted earnings before interest and tax (adjusted EBIT) by its capital employed (average net debt at the beginning and end of the reporting period + average book value of equity at the beginning and end of the reporting period). ⁴ Gross installed capacity (COD reached), 2025. ⁵ Electricity SAIFI (System Average Interruption Frequency Index) is calculated based on the National Energy Regulatory Council methodology, excluding (1) interruptions due to natural phenomena corresponding to the values of natural, catastrophic meteorological and hydrological phenomena indicators; (2) interruptions due to failures in the network of the transmission system operator. Target objective is defined based on the decision of the National Energy Regulatory Council on January 26 of 2022 no. O3E-79. ⁶ Interruptions per customer is calculated in accordance with the methodology and principles applied in the period of setting the performance objectives excluding interruptions due to natural phenomena corresponding to the values of natural, catastrophic meteorological and hydrological phenomena indicators when wind speed is ≥28 m/s and applied country level. ⁷ Cost inflation (For the specified type of expenditure, considering the economic development scenario, eliminating one-off costs) minus 1-1.5 pp according to the National Energy Regulatory Council methodology. ⁸ Networks OPEX reduction in real terms of 8.6 EURm over the four years 2022–2025 is calculated by eliminating the following one-offs according to the National Energy Regulatory Council methodology and additional exception for Donation to Ukraine (125.3 EURm over the period): (1) One-offs according to the National Energy Regulatory Council methodology: (1.1) All one-offs submitted to and accepted by NERC are eliminated (84% of all one-offs, or 104.9 EURm). (1.2) All NERC one-offs submitted and awaiting verification are eliminated (15% of all one-offs, or 19.1 EURm), based on historical precedent of approval for similar expenditure categories. Verification is scheduled for 2026–10–15. (2) Donation to Ukraine (1% of all one-offs, or 1.3 EURm). ⁹ Based on the Ignitis Group GHG emissions level in 2020: 5.37m t CO₂-eq. ¹⁰ Achievement of target is assessed according to the methodology used to set the 2020 base for SBTi targets and the results concerning the Group's CO₂ emissions in 2025 has been adjusted to take into account the material effects that were not in the control of the Group: (1) The effects of electricity emission factors changes (2025 vs. 2020) are eliminated (emission factors used at the level of 2020); (2) GHG emissions related to Vilnius CHP are eliminated, as it was not fully operational in 2020 (also eliminated from 2020 base); (3) GHG emissions accounting improvement adopted post 2020 are eliminated; (4) Regulatory related material one-offs (TSO initiated must-run operations) are eliminated.

LTI payments overview

In the table on the right, we illustrate the LTI variable remuneration information for 2024 and 2025.

Further information on contractual terms and remuneration of the members of the parent company’s Management Board

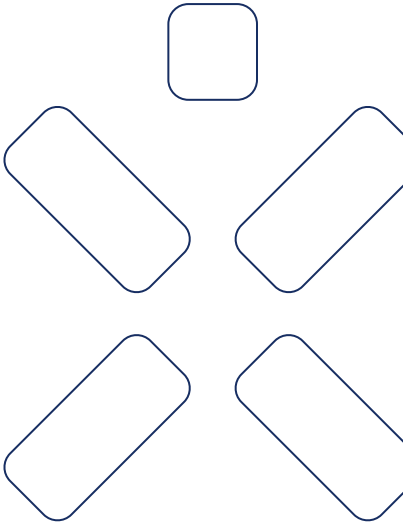
Severance payments

Members of the parent company’s Management Board (who are also employees of the parent company) are entitled to the severance payments, in accordance with the Labour Code, upon termination of their contractual relationship. According to the Remuneration Policy, severance payments higher than provided for in the Labour Code could only be awarded to the Management Board members by the decision of the parent company’s Supervisory Board. The amount of a severance payment cannot be higher for a Management Board member than his/her 12 (twelve) average monthly salaries.

There were no severance payments to key executives in 2025.

The parent company Management Board's LTI payments, EUR

		2025		2024	
		Before taxes	After taxes	Before taxes	After taxes
LTI ¹	Darius Maikštėnas	59,336	35,271	54,540	32,431
	Jonas Rimavičius	34,383	20,312	21,154	12,438
	Dr. Živilė Skibarkienė	47,207	27,888	43,949	25,982
	Vidmantas Salietis	47,207	28,560	43,949	26,589
	Mantas Mikalajūnas	34,095	20,037	21,156	12,434



Handling STIs and LTIs in the event of termination

In the event of termination of the employment relationship, 'good leaver' and 'bad leaver' conditions are applied when paying STIs and LTIs. The payment of STIs and LTIs is reduced proportionately according to the time worked in the position during the implementation period of these objectives.

An additional condition for paying for the achievement of STI objectives, in the event of termination of the employment relationship before the end of the reporting period, specifies that intermediate STI results must be approved by the appointing body. If the achievement of STI objectives cannot be assessed because the deadline for their implementation has not yet expired, the most recent percentage of the achievement of the objectives, which has been approved or presented to the appointing body, is taken into account in order to assess the achievement of the above-mentioned objective or, in the absence of such a percentage, the achievement of the objective is considered to be 0 percent.

Overview of non-compete arrangements

Non-compete agreements with members of the Management Board were concluded in 2023 together with an overall Non-Compete Policy overview of the Group. According to the Remuneration Policy, non-compete terms and conditions for the CEO and the members of the Management Board of the parent company shall be determined by the Supervisory Board. The Group's Non-Compete Policy stipulates the following standard non-compete agreement terms and conditions applicable to the Group employees:

- 70% of the FBS as a monthly non-compete compensation;
- 9-month non-competition period;
- non-compete conditions other than those specified above are determined by a decision of the parent company's Management Board (except for the parent company's CEO and members of the Management Board, for whom all non-compete conditions are determined by the Supervisory Board).

There were no non-compete payments made to key executives in 2025.

Overview of the CEO's contractual terms

Employment agreement is concluded between the CEO and the parent company in accordance with the Law on Companies. The CEO may resign by a written notice addressed to the Management Board that elected him. The Management Board that elected the CEO decides on the removal of the CEO within 15 days from the date of the receipt of the resignation letter. Also, according to the Law on Companies, the CEO may be removed from office by the Management Board, taking into consideration the opinion of the Supervisory Board, without prior notice. A separate written non-compete agreement was concluded with the current CEO in accordance with the provisions of the Labour Code on 1 March 2022. Non-compete agreement conditions correspond to the Group's general and the best market practices.

Other information

1. The parent company's Management Board members may own shares of the parent company, but shares are not granted as part of remuneration by the Group. For further details and the details on the trading guidelines for the parent company's executives and persons closely associated with them, see section '4 Governance' of this report.
2. None of the Management Board members perform external consultancy work for the Group.
3. There are no agreements concluded between the parent company and the members of the Management Board that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in control of the parent company.
4. The remuneration of the members of the parent company's Management Board for participating in the activities of the committees or collegial bodies of the Group companies is included in their remuneration for their activities in the Management Board. The parent company's Management Board does not receive any remuneration (e.g., board fees or similar) from Group or associated companies in the Group.
5. No special benefits or payments that are not required by the Labour Code or not mentioned in remuneration structure (under 'additional benefits' part) are provided to the members of the Management Board of the parent company.

5.3 Remuneration of the Supervisory Board and committees

Overview

The remuneration principles for members of the Supervisory Board and committees of the parent company are established under the Guidelines for the Corporate Governance of a State-Owned Energy Group, the Description of the Procedure for the Payment of Remuneration to Members of the Collegial Bodies of State Owned Enterprises and Municipal-Owned Enterprises, as approved by Resolution No 794 of the Government of the Republic of Lithuania of 3 August 2022 (link in [Lithuanian](#)), and [Remuneration Policy](#). Following the recommendations of the Governance Coordination Centre and the best market practices, the principles of remuneration for the members of the collegial bodies of the parent company and the Group companies were adjusted in 2025 by starting to pay the remuneration for participation in the committees. This principle came into force after the General Meeting [approval](#) of the amended Remuneration Policy on 7 May 2025. We expect this change to improve the remuneration transparency, clarity and competitiveness.

- Key principles of the remuneration of the Supervisory Board and committees of the parent company**
- The monthly remuneration paid for the activities in the Supervisory Board and committees was set according to the Guidelines for the Corporate Governance of a State-Owned Energy Group and best market practices. The Group has also set other remuneration principles, including the following:
- remuneration for the activities in the Supervisory Board and committees does not depend on the performance of the parent company or the Group companies;
 - remuneration for the activities in the Supervisory Board and committees is fixed for the full term and can be reviewed once during the entire term of office but not earlier than in the mid-term of a collegial body, during the Annual General Meeting of Shareholders of the parent company;
 - remuneration of the members of the parent company's Supervisory Board for participating in the activities of committees is paid additionally;
 - members of the Supervisory Board and committees are not entitled to severance payments upon termination of their contractual relationship.

Remuneration of members of the parent company's collegial bodies	
Position in a collegial body	Monthly remuneration, EUR (before taxes)
	Remuneration for activities in Supervisory Board
Independent Chair of the Supervisory Board	6,780
Independent member of the Supervisory Board	4,070
Civil servant holding the position of a member of the Supervisory Board	3,390
	Additional remuneration for activities in Supervisory Board Committees
Chair of the Supervisory Board committee	1,000
Member of the committees	500

More information about the remuneration of collegial bodies of the Group companies is available in our [Remuneration Policy](#).

Remuneration structure

The remuneration principles for the members of the parent company's Supervisory Board and committees were established on 7 May 2025. The remuneration of the members of the Supervisory Board, set during the parent company's General Meeting of Shareholders on 7 May 2025, is provided in the table above.

Remuneration of the members of the Supervisory Board and committees

In 2025, the term of office of the former Supervisory Board has ended. As a result, on 24 October 2025 the General Meeting of Shareholders elected a new Supervisory Board for a four-year term. For further details about the election process of collegial bodies as well as information about the members, see section '4 Governance' of this report. As a result of these changes, the table below provides information on the development of remuneration paid to current and former members of the Supervisory Board and committees.

Further information on contractual terms and remuneration of the members of the parent company's Supervisory Board and committees

1. Under the regulation of state-owned enterprises in Lithuania, members of the Supervisory Board and committees may not own shares in the parent company. Also, shares may not be granted as part of remuneration by the Group to any members of collegial bodies.
2. Members of the Supervisory Board and committees do not receive any remuneration (e.g., board fees or similar) from associated companies in the Group.
3. None of the members of the Supervisory Board and committees perform consultancy work for the Group.
4. There are no agreements concluded between the parent company and Supervisory Board, committees that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in control of the parent company.
5. No special benefits or payments that are not required by the Labour Code are provided to the members of the Supervisory Board and committees of the parent company.



Ignitis Group employees

Development of awarded remuneration for the activities in the parent company's current Supervisory Board and committees, EUR (before taxes)

Name (position)	2025		2024		2023		2022 ¹		2021 ²	
	Supervisory Board	Committees ³	Supervisory Board	Committees ³	Supervisory Board	Committees ³	Supervisory Board	Committees ³	Supervisory Board	Committees ³
Alfonso Faubel (Chair of the Supervisory Board, Member of the Audit and Risk Management Committee)	59,900	1,081	54,066	-	50,160	-	35,940	-	5,645	-
Aušra Vičkačkienė (Member of the Supervisory Board, Member of the Nomination and Remuneration Committee)	24,321	1,081	20,307	-	18,840	-	4,710	-	- ⁴	-
Ingrida Muckutė (Member of the Supervisory Board, Member of the Audit and Risk Management Committee)	24,321	1,081	20,307	-	18,840	-	4,710	-	- ⁴	-
Judith Buss (Member of the Supervisory Board, Chair of the Audit and Risk Management Committee)	42,786	2,161	40,614	-	37,680	-	27,420	-	14,512	-
Jutta Maria Hildegard Disen ⁵ (Member of the Supervisory Board, Member of the Sustainability Committee and Member of the Nomination and Remuneration Committee)	8,797	2,161	-	-	-	-	-	-	-	-
Lina Liubauskaitė ⁵ (Member of the Supervisory Board, Member of the Sustainability Committee)	7,326	1,081	-	-	-	-	-	-	-	-
Lorraine Wrafter (Member of the Supervisory Board, Chair of the Nomination and Remuneration Committee)	42,786	2,161	40,614	-	37,680	-	27,420	-	4,387	-
Sian Lloyd Rees ⁶ (Member of the Supervisory Board, Member of the Audit and Risk Committee)	42,786	1,081	12,709	-	-	-	-	-	-	-
Tim Brooks (Member of the Supervisory Board, Chair of the Sustainability Committee)	42,785	2,161	40,614	-	37,680	-	27,420	-	4,387	-

¹ The remuneration of the members of the parent company's Supervisory Board was changed in accordance with the Government of the Republic of Lithuania Resolution No 794 of 3 August 2022 On the Approval of the Description of the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned Enterprises and Municipal-Owned Enterprises, which lays down the procedure for the payment of remuneration to members of a collegial body elected by the General Meeting of a state-owned enterprise and its subsidiaries which are important to national security. The terms of the valid contracts for the members of the Supervisory Board were changed on 1 October 2022.

² On 27 September 2021, the principles of remuneration were changed, including the change from an hourly rate to a monthly salary. The new remuneration approach was applied with the new terms of collegial bodies, and it was not applicable to the former members of the Supervisory Board, its committees or the Audit Committee causing comparison discrepancies.

³ The remuneration of the members of the parent company's Supervisory Board for participating in the activities of the committees is included in their remuneration for their activities in the Supervisory Board, and they do not receive additional remuneration for the activities in the committees. This rule has changed for new term of Supervisory Board as of 27 October, 2025.

⁴ Members of the Supervisory Board and its committees who were delegated by the Majority Shareholder were not entitled to receive remuneration from the parent company for their activities in the Supervisory Board or its committees. This clause was changed in the General Meeting held on 29 September 2022.

⁵ Jutta Maria Hildegard Disen and Lina Liubauskaitė joined the Supervisory Board on 27 October 2025, causing comparison discrepancies.

⁶ Sian Lloyd Rees joined the Supervisory Board and the Nomination and Remuneration Committee on 11 September 2024, causing comparison discrepancies.

Development of awarded remuneration for the activities in the parent company's previous Supervisory Board and committees, EUR (before taxes)

Name (position)	2025		2024		2023		2022 ¹		2021 ²	
	Supervisory Board	Committees	Supervisory Board	Committees	Supervisory Board	Committees	Supervisory Board	Committees	Supervisory Board	Committees
Ana Riva³ (Member of the Risk Management and Sustainability Committee)	-	19,485	-	23,283	-	16,200	-	-	-	-
Andrius Pranckevičius (Member of the Supervisory Board, Chair of the Risk Management and Business Ethics)	-	-	-	-	-	-	-	-	23,881	-
Bent Christensen⁴ (Member of the Supervisory Board, Member of the Nomination and Remuneration Committee)	-	-	428	-	37,680	-	27,420	-	15,112	-
Danielius Merkinas (Member of the Audit committee)	-	-	-	-	-	-	-	-	-	10,763
Darius Daubaras (Chair of the Supervisory Board, Member of the Risk Management and Business Ethics Supervision Committee)	-	-	-	-	-	-	-	-	14,850	-
Daiva Lubinskaitė-Trainauskienė (Member of the Supervisory Board, Chair of the Nomination and Remuneration Committee)	-	-	-	-	-	-	-	-	6,750	-
Irena Petruškevičienė (Chair of the Audit Committee)	-	19,872	-	25,872	-	24,000	-	24,000	-	20,700
Lėda Turai – Petrauskienė (Member of the Nomination and Remuneration Committee)	-	-	-	-	-	-	-	-	-	7,650
Marius Pulkauninkas (Member of the Audit Committee)	-	17,883	-	23,283	-	21,600	-	21,600	-	5,400
Saulius Bakas (Member of the Audit Committee)	-	17,883	-	23,283	-	21,600	-	21,600	-	5,400
Šarūnas Radavičius (Member of the Audit Committee)	-	-	-	-	-	-	-	-	-	9,787
Šarūnas Rameikis⁵ (Member of the Risk Management and Sustainability Committee)	-	-	-	-	-	-	-	750	-	-
Wolf Willems⁶ (Member of the Risk Management and Sustainability Committee)	-	19,485	-	-	-	16,200	-	-	-	-

¹ The remuneration of the members of the parent company's Supervisory Board was changed in accordance with the Government of the Republic of Lithuania Resolution No 794 of 3 August 2022 On the Approval of the Description of the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned Enterprises and Municipal-Owned Enterprises, which lays down the procedure for the payment of remuneration to members of a collegial body elected by the General Meeting of a state-owned enterprise and its subsidiaries which are important to national security. The terms of the valid contracts for the members of the Supervisory Board were changed on 1 October 2022.

² On 27 September 2021, the principles of remuneration were changed, including the change from an hourly rate to a monthly salary. The new remuneration approach was applied with the new terms of collegial bodies, and it was not applicable to the former members of the Supervisory Board, its committees or the Audit Committee causing comparison discrepancies.

The remuneration of the members of the parent company's Supervisory Board for participating in the activities of the committees is included in their remuneration for their activities in the Supervisory Board, and they do not receive additional remuneration for the activities in the committees. This rule has changed for new term of Supervisory Board as of 27 October 2025.

³ Ana Riva joined the Risk Management and Sustainability Committee on 1 April 2023, causing comparison discrepancies.

⁴ On 4 January 2024, Bent Christensen resigned from the position of a Member of the Supervisory Board and Member of the Nomination and Remuneration Committee causing comparison discrepancies.

⁵ Šarūnas Rameikis was elected as a member of the Risk Management and Business Ethics Supervision Committee on 20 April 2018 and his term of office ended on 19 April 2022. Due to the fact that the monthly remuneration approach delineated in the new version of the Remuneration Policy and is applicable only to the collegial body members who were elected for a new term, the remuneration of Šarūnas Rameikis remains based on hourly terms and the remuneration awarded to him is reflected in the table below 'Development of awarded remuneration for activities in the parent company's former Supervisory Board, its committees and the Audit Committee'.

⁶ Wolf Willems joined the Risk Management and Sustainability Committee on 1 April 2023, causing comparison discrepancies.

5.4 Additional information on remuneration of the Group employees

The parent company's salary fund in 2025 amounted to EUR 6.6 million (EUR 5.3 million in 2024) and the Group's salary fund in 2025 was EUR 187.6 million (EUR 163.1million in 2024).

As the company's performance strengthened over time, administrative expenses grew in parallel driven by an increase in headcount and rising salaries (for more detail, please refer to '8 Consolidated financial statements' under note '7 Expenses', and the table on the right). This reflects the company's commitment to expanding its workforce and enhancing talent to support its operational and financial success.

Average monthly salaries (FBS and STI) for the period of 2021–2025 are provided in the tables on the right. This information excludes the salaries of the parent company's Management Board (according to the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania). For further information on the parent company's remuneration, please refer to section '5.3 Remuneration of the parent company's Management Board'.

There are no agreements concluded between the parent company, the members of the management and supervisory bodies or employees that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in the control of the parent company.

Average monthly remuneration and the number of the parent company's employees, EUR (before taxes)

Position category	2025		2024		2023		2022		2021	
	Number of employees	Average salary	Number of employees	Average salary	Number of employees	Average salary	Number of employees ¹	Average salary	Number of employees ¹	Average salary
Managers	19	9,518	16	8,678	14	7,821	15	7,453	22	6,531
Experts / Specialists	43	5,198	41	4,588	34	4,042	29	3,853	47	3,750
Blue-collar employees	-	-	-	-	-	-	-	-	-	-
Total	62	6,448	57	5,802	48	5,208	44	4,991	69	4,697

¹ Due to the Management Board's decision to keep only the strategic positions in the parent company, other positions were moved to other Group companies, thus reducing the number of employees.

Average monthly remuneration and the number of Group employees^{1,2} EUR (before taxes)

Position category	2025		2024		2023		2022		2021	
	Number of employees	Average salary	Number of employees	Average salary	Number of employees	Average salary	Number of employees	Average salary	Number of employees	Average salary
Managers	527	6,450	493	5,877	457	5,268	431	4,780	415	4,404
Experts/Specialists	3445	3,513	3,330	3,185	3,120	2,806	2,948	2,507	2,728	2,247
Blue - collar employees	823	2,583	821	2,390	799	2,183	769	1,990	733	1,758
Total	4,795	3,676	4,644	3,330	4,376	2,946	4,148	2,654	3,875	2,391

¹ The average salary of the employees of the Group companies operating in Poland is calculated using the official EUR/PLN exchange rate on the last day of each month during which the salary was paid.

² Excluding trainees.

Disclosure in accordance with the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania

The parent company's average monthly salaries (FBS and STI) and profitability metrics, including changes over the 2021–2025 period, are presented in the table on the right in accordance with the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Employee composition

At the Group, we recognise that our employees are the cornerstone of our success. Understanding the diverse composition of our workforce is crucial for fostering an inclusive and equitable workplace where everyone has the opportunity to thrive. This section provides an overview of our workforce demographics, including age, education, gender, and seniority.

By sharing this data, we aim to demonstrate our commitment to transparency and accountability while highlighting the diversity that strengthens our organisation. We believe that a well-balanced and diverse team drives innovation, collaboration, and sustainable growth, aligning with our core values and strategic goals. On the right side, we provide a detailed breakdown of our employee composition, offering a snapshot of the people who drive our success.

Average monthly remuneration and profitability metrics over 2021–2025

		2025	Δ, %	2024	Δ, %	2023	Δ, %	2022	Δ, %	2021
Average monthly remuneration of the parent company ¹	EUR	6,448	11.1%	5,802	11.4%	5,208	4.3%	4,991	6.3%	4,697
Adjusted EBITDA of the Group	EURm	546.1	3.4%	527.9	8.9%	484.7	3.3%	469.3	41.1%	332.7
Adjusted Net Profit of the Group	EURm	225.7	(18.7%)	277.5	(3.2%)	286.6	12.0%	256.0	57.2%	162.8
Net profit of the parent company	EURm	221.5	(0.8%)	223.3	(14.1%)	259.9	153.6%	102.5	(55.7%)	231.6

¹ Information excludes the salaries of the parent company's Management Board and CEO (according to the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania).

Gender distribution across organisational levels over 2024–2025

	2025		2024	
	Female	Male	Female	Male
Managers	33.5%	66.6%	31.2%	68.8%
Experts/specialists	39.5%	60.5%	39.4%	60.6%
Blue-collar employees	1.0%	99.0%	0.7%	99.3%
Total	32.1%	67.9%	31.6%	68.4%

Employee distribution by age over 2024–2025

Age group	2025	2024
57–76	18.7%	18.8%
37–56	52.3%	50.6%
25–36	26.6%	27.9%
17–24	2.4%	2.7%

Employee distribution by education across organisational levels over 2024–2025

	2025				2024			
	Higher university	Higher college	Secondary and vocational	Other / Not disclosed	Higher university	Higher college	Secondary and vocational	Other / Not disclosed
Managers	84.1%	9.8%	1.5%	4.7%	83.2%	10.0%	1.5%	5.3%
Experts/specialists	66.4%	20.1%	10.0%	3.2%	65.8%	20.8%	10.2%	3.2%
Blue-collar employees	5.2%	23.2%	67.6%	2.1%	5.5%	23.1%	67.1%	4.3%
Total	57.7%	19.4%	19.2%	3.2%	57.0%	19.9%	19.5%	3.6%

Gender pay gap and pay ratio

Gender pay gap

In 2025, the overall gender pay gap within the organisation was insignificant. These results underscore our ongoing efforts to promote equity and fairness in remuneration practices, ensuring alignment with our organisational values.

However, larger discrepancies are observed when analysing the pay gap across different employee categories. The gender pay gap is influenced by several factors, including the distribution of roles by gender, differences in years of experience, and the dominance of men or women in certain sectors. The largest pay gaps are observed at senior executive and workers levels. We are committed to reducing this gap by promoting gender equality within the organisation, investing in talent management processes, and implementing equal opportunity principles at every stage of decision-making.

Average gap in pay was calculated based on the average fixed and total remuneration using the following formula:

$$\frac{\text{Average gross monthly fixed/total remuneration of male employees} - \text{average gross monthly fixed/total remuneration of female employees}}{\text{average gross monthly fixed/total remuneration of female employees}} \times 100$$

$$\frac{\text{Average gross monthly fixed}}{\text{total remuneration of male employees}}$$

Pay ratio

In line with our commitment to transparency and fair remuneration practices, we disclose the pay ratio between the total remuneration of the highest paid employee in the Group and the median annual compensation of all other employees. As part of our broader ESG strategy, we strive to maintain a reasonable and justifiable pay ratio. Our aim is to ensure that compensation aligns with company performance while prioritizing fair wages and benefits for all employees.

The total remuneration ratio was calculated using the following formula:

$$\frac{\text{Annual total remuneration of the highest paid employee}}{\text{Median employee annual total remuneration (excluding the highest paid employee)}}$$

The total remuneration (fixed remuneration, variable remuneration and additional financial incentives) does not include non-cash remuneration, such as accidental injury insurance and health insurance or contributions to a private pension fund and other benefits, as all fringe benefits are provided equally to all Group employees, without distinction as to position or time in the Group.

Average gap in pay between Group female and male employees over 2024–2025

	2025		2024	
	Fixed remuneration	Total remuneration	Fixed remuneration	Total remuneration
Managers	(3.1%)	3.8%	(1.4%)	(0.1%)
Experts/specialists	0.5%	8.8%	7.3%	7.3%
Blue-collar employees	0.5%	20.7%	22.6%	20.8%
Total pay ratio	(10.6%)	0.9%	0.2%	0.2%

Ratio of the total remuneration of the parent company CEO to the median total cash remuneration of Group employees over 2024–2025

	2025	2024
Total remuneration ratio	10.3	11.0

The pay ratio has stayed at the same level as last year. Based on publicly available information (such as companies' annual reports and proxy statements), this ratio is typical in the market for small-sized organizations.

Sustainability statement

6.1	ESRS 2: General information	160
6.2	Environment	185
6.3	Social	235
6.4	Governance	274
6.5	Other information	282



Sustainability overview

Sustainability performance in 2025

Greener and more efficient energy

Green Share of Generation amounted to 70.2% (11.3 pp lower YoY).	GHG emissions increased by 54.7% in Scope 1 and decreased by 4.0% in Scope 2 compared to 2024.	Carbon intensity of our Scope 1 & 2 GHG emissions increases by 24.5% YoY to 248 g CO ₂ eq/kWh due to a higher electricity generation in Elektrėnai complex.	The total number of installed smart meters exceeded 1.3 million. We have achieved our goal of installing over 1.2 million smart meters by 2026 and are continuing with the programme	At the end of 2025, a total of 1,799 EV charging points were installed (+708 YoY).

Safer and more pleasant working environment

Safety: Employee TRIR – 0.72 (1.12 in 2024). Contractors TRIR – 0.72 (0.84 in 2024).	The Group continues to implement the Safety Program "Is it Safe?", focusing on employee education and training. Also, the Safety Training Program "10 Life Saving Rules" was presented, enabling employees to understand the most significant hazards within the Group's companies.	Employee satisfaction (eNPS) remained high – 65.6 in 2025 (65.2 in 2024).	For the fifth year in a row, the Group was awarded the international Top Employer 2026 Lithuania Certificate for applying the highest HR management standards (after the reporting period).	Well-being mentors presented teams with a package of resilience-building activities. These activities help to better understand mutual interaction, refine team operating principles, foster community, and strengthen trust. They encourage the team to talk openly, agree on rules for cooperation, and create a healthier, resilience-supporting work culture.

Emphasis on equality and today's and future employees

As of 31 December 2025, the main governing bodies of the Group were represented by 57% female, 43% male, 43% of whom are international members.	29.4% women in top management positions (27.7% in 2024). 32.1% of employees in the Group are women (31.6% in 2024).	18.8 hours per employee was devoted to training in 2025 (21.3 hours per employee in 2024).	Awarded 107 scholarships for students in energy-related programs (100 in 2024).	Almost 10,000 school children participated in presentation about energy led by the Group's employees (10,500 in 2024).

Recognitions and awards for sustainability excellence

Maintained the ESG ratings of 'AA' (Leader) from MSCI, and 'B-' (Prime) from ISS ESG, and a score of 24.2 (Medium risk) from Sustainalytics. We were included in the CDP Climate A List, among the top 4% of scored companies globally. With a score of 77 (Silver) the Group falls among the top 15% of all companies assessed by EcoVadis.	The Group received an ISO 20400 Sustainable Procurement certificate. It covers procurement and supply chain management across all Group companies, confirming that the Group's procurement processes meet internationally recognised sustainability guidelines.	100% of the Group's public and 90% of commercial procurements ¹ were green (100% of total completed procurements ¹ in 2025). 43% of the Group's public and 71% of commercial procurements ¹ were socially responsible (46% of total completed procurements ¹ in 2025 were socially responsible procurements).	The Group received 'A' governance score in Lithuania in the SOEs Good Corporate Governance Index. Sustainability part scoring the highest 'A+'.	For the fourth year in a row, the Group was named as a leader in the field of equal opportunity reporting. The Lithuanian Diversity Charter conducted an annual survey assessing how well the 20 largest companies in Lithuania are prepared to ensure equal opportunities. First place went to Ignitis (Customers & Solutions).

¹ Percentages refer to the value of completed procurements.

6.1 ESRS 2: General information

The Sustainability statement offers a comprehensive overview of the Group's commitment to environmental performance, social responsibility, and governance practices. In the following statement, disclosures are based on material impacts, risks and opportunities identified during the double materiality assessment. The statement is organised into five sections:

- general information (ESRS 2);
- environmental information (E1, E4, E5);
- social information (S1, S2, S3 and S4);
- governance information (G1);
- other information.

BP-1 General basis for preparation of sustainability statements

The Sustainability statement is prepared in accordance with the European Sustainability Reporting Standards (ESRS), which were transposed into the law of the Republic of Lithuania on 1 July 2024 and supplement the Corporate Sustainability Reporting Directive (CSRD). All the disclosures included in the E, S, and G sections have either been assessed as material according to our double materiality assessment (DMA) or are mandatory according to the ESRS.

This Sustainability statement has been prepared on a consolidated basis while aligning with the scope of the financial statements for 2025 and ensuring consistency and comprehensive coverage of our operations and activities.

All subsidiaries of the Group are included in this consolidated Sustainability statement and are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU.

The Sustainability statement covers the Group's own operations as well as both upstream and downstream aspects of its value chain, including suppliers, distribution, product use, and end-of-life considerations, where possible.

No information corresponding to intellectual property, know-how or the results of innovation has been omitted from the Sustainability statement. Also, the exemption allowing the omission of disclosure related to impending developments or matters under negotiation has not been applied.

BP-2 Disclosures in relation to specific circumstances

No material changes were made in the preparation and presentation of the Group's sustainability information compared to the previous reporting period. Contextual changes or updates are disclosed thematically and specified in section '7.3 Notes on restated figures'. No material errors were identified in the previous reporting period.

The Sustainability statement follows the categorisation of short-, medium- and long-term time horizons depending on a particular matter (for more, see IRO-1 of time horizons used in the double materiality assessment and MDR-A for time horizons used for actions). No data has been estimated using indirect sources in metrics that include value chain, unless otherwise stated in the accounting policy for that data (e.g., for GHG emissions). If new data has been introduced to the disclosures based on ESRS requirements, the comparative information is not provided for

such data point unless this data was previously reported and comparative information is available or can be easily accessed. Additionally, no quantitative metric or monetary amount provided has been identified that would be subject to a high level of measurement uncertainty, unless otherwise stated in the accounting policies or alongside relevant disclosure points, where these estimates are described (e.g. reporting year OPEX for Green Capacities expansion projects in paragraph 'E1-3 Actions and resources in relation to climate change policies').

No external body, other than the assurance provider, was involved in validating the measurement of any metrics in the Sustainability statement.

The Sustainability statement does not include additional information required by other legislation or sustainability reporting standards. Cross-referencing within Sustainability statement and incorporation by reference within the management report is used to avoid duplication of information.

GOV-1 The role of the administrative, management and supervisory bodies and GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

In 2025, the Group redesigned its sustainability governance to drive performance and maximise value. The resulting framework is designed to embed sustainability leadership across all levels, clarify executive accountability for results, and ensure rigorous management of our material impacts, risks, and strategic opportunities.

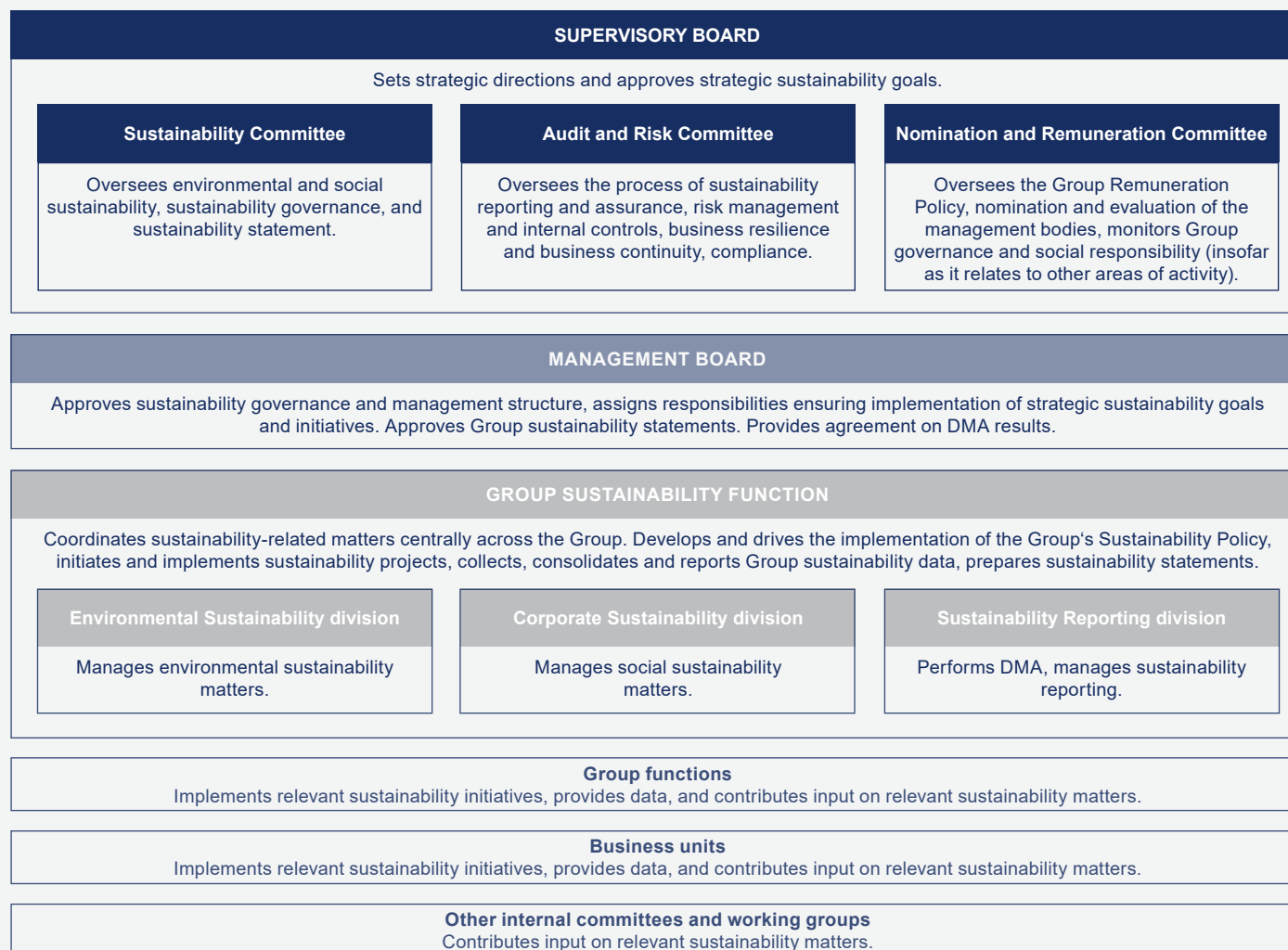
The Group's sustainability governance structure is largely based on the Group's overall governance framework. The supervisory and management bodies steer sustainability topics within their scope of influence.

The Group's sustainability governance structure is provided alongside the text.

More information related to ESRS 2 GOV-1 and ESRS 2 GOV-2 are presented in '4 Governance'.

GOV-3 Integration of sustainability-related performance in incentive schemes

Disclosure requirements related to ESRS 2 GOV-3 are presented in '5 Remuneration'.



GOV-4 Statement on due diligence**Core elements of due diligence****a) Embedding due diligence in governance, strategy and business model**

Our due diligence is managed by senior leadership and supported by different functions. Read more:

People and environment · pages 90, 148, 180, 274
 People · pages 235, 241, 245, 250, 255, 259, 263
 Environment · pages 186, 220

b) Engaging with affected stakeholders in all key steps of the due diligence

We maintain continuous dialogue and collaboration with key groups of stakeholders. Read more:

People and environment · pages 90, 165, 168, 275-277
 People · pages 235, 236, 241-242, 245-246, 250, 255-256, 260-261, 264, 270-271
 Environment · pages 189-190, 221-222, 230

c) Identifying and assessing adverse impacts

Our double materiality assessment (DMA) identifies material impacts in our own operations and value chain. In addition, risk screenings and the assessments of the Supplier Code of Ethics in our value chain. Read more:

People and environment · pages 168, 178
 People · pages 235, 241, 245, 250, 255
 Environment · pages 186, 220

d) Taking actions to address those adverse impacts

We take specific action to address material impacts identified during DMA. Read more:

People and environment · pages 274, 278 - 279
 People · pages 237, 242, 246, 251
 Environment · pages 185, 190, 220, 222, 231

e) Tracking effectiveness of these efforts and communicating

We report regularly on strategic KPIs and constantly work to enhance our supply chain traceability. Read more:

People and environment · pages 280 - 281
 People · pages 238, 240, 243 - 244, 247 - 249, 252 - 254, 258
 Environment · pages 195, 197 - 198, 225, 227, 232 - 233

GOV-5 Risk management and internal control over sustainability reporting

The Group Sustainability function is tasked with leading the development of comprehensive Group reports on sustainability issues and Environment, Social and Corporate Governance (ESG) metrics. The Group Sustainability function works closely with the Group Finance, Group People and Culture, Group Health & Safety and Environment, and other functions to organise and lead essential activities for sustainability, including the consolidated DMA, evaluating climate risks, and managing data collection and conversion processes for sustainability reporting.

The gathering of relevant data and information for the Sustainability statement is a continuous effort. The primary risks in creating unified sustainability disclosures across multiple companies include human errors and data misalignment. To minimise reporting errors, the Group Sustainability function oversees a unified sustainability-related data framework for the entire Group and follows a systematic risk prioritisation methodology. This standardises definitions, calculations, and critical metrics, such as the emission factors in compliance with the GHG Protocol.

The Head of Group Sustainability regularly informs the CEO and CFO about the progress of the preparation of Sustainability statement.

After the first reporting cycle in 2024, we continued to enhance our reporting structure by walking through existing processes, implementing additional controls, if necessary, strengthening internal sustainability team expertise and implementing digitalisation solutions to make reporting process standardised and convenient. The Group is continuing its work on building Sustainability DataHub to have consolidated sustainability data in a central data platform. A separate Sustainability Reporting division that is responsible for preparing sustainability disclosures under the CSRD has been established in 2025.

All sustainability data is now based on the principles outlined by the ESRS.

SBM-1 Strategy, business model and value chain

Sustainability is an integral part of the Group's strategy and, to achieve the goal to create a 100% green and secure energy ecosystem for current and future generations, clear purpose-driven priorities were set in the Group's strategy.

For more information on the Group's strategy and business model, see section '2.2 Strategy and targets'.

Five strategic sustainability priorities with ESG targets were set in our [Strategic Plan 2025–2028](#), focusing on: decarbonisation, safety, employee experience, diversity, and sustainable value creation. Together, these five areas respond to the Group's material sustainability impacts, risks, and opportunities.

The Group creates value by developing green generation and green flexibility projects, generating energy from renewable and non-renewable energy sources, distributing energy and ensuring reliable energy supply throughout Lithuania and offering sustainable products to our customers. There are four strategic business segments in the Group – Green Capacities, Networks, Customers & Solutions, Reserve Capacities. Each of them is essential to the business model of the Group and create value to the Group and its stakeholders.

Key inputs and our approach

Materials

The Group depends on natural resources, like wind, sun and water, to produce green energy, as well as other critical resources (natural gas, copper) to produce energy from non-renewable sources, and to distribute and supply energy.

Human capital and financial resources

Human capital is essential for the operations of the Group. Every day, the employees of the Group apply their skills and expertise to build long-term value, guided by the principles of the Group. Financial resources are essential to the business model of the Group, enabling continuous investment and improvement across the activities of the Group.

Stakeholder relationships

The Group's success relies on active dialogue with its stakeholders, including government bodies, environmental organisations, shareholders and suppliers. The dialogue is essential as, without it, the Group would not be able to carry out its operations.

Key outputs and created benefits

Customers

The Group delivers reliable energy access and offers sustainable solutions to its customers. By supporting businesses in meeting their energy needs responsibly, the Group enables them to adopt choices that are both efficient and environmentally sustainable.

Communities

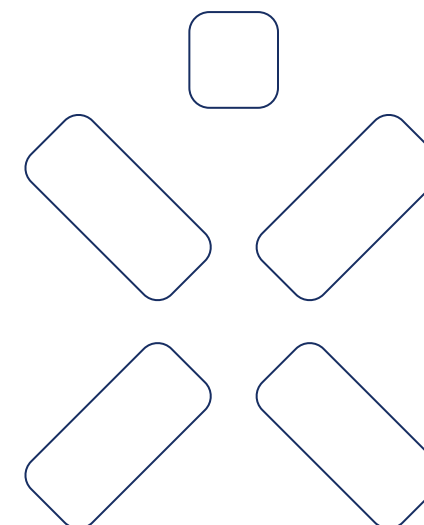
We create value for the communities where Green Capacities' projects are developed by maintaining open communication and ongoing dialogue. The Group works to ensure that local residents benefit from these initiatives and creates lasting positive outcomes that support the communities.

Shareholders

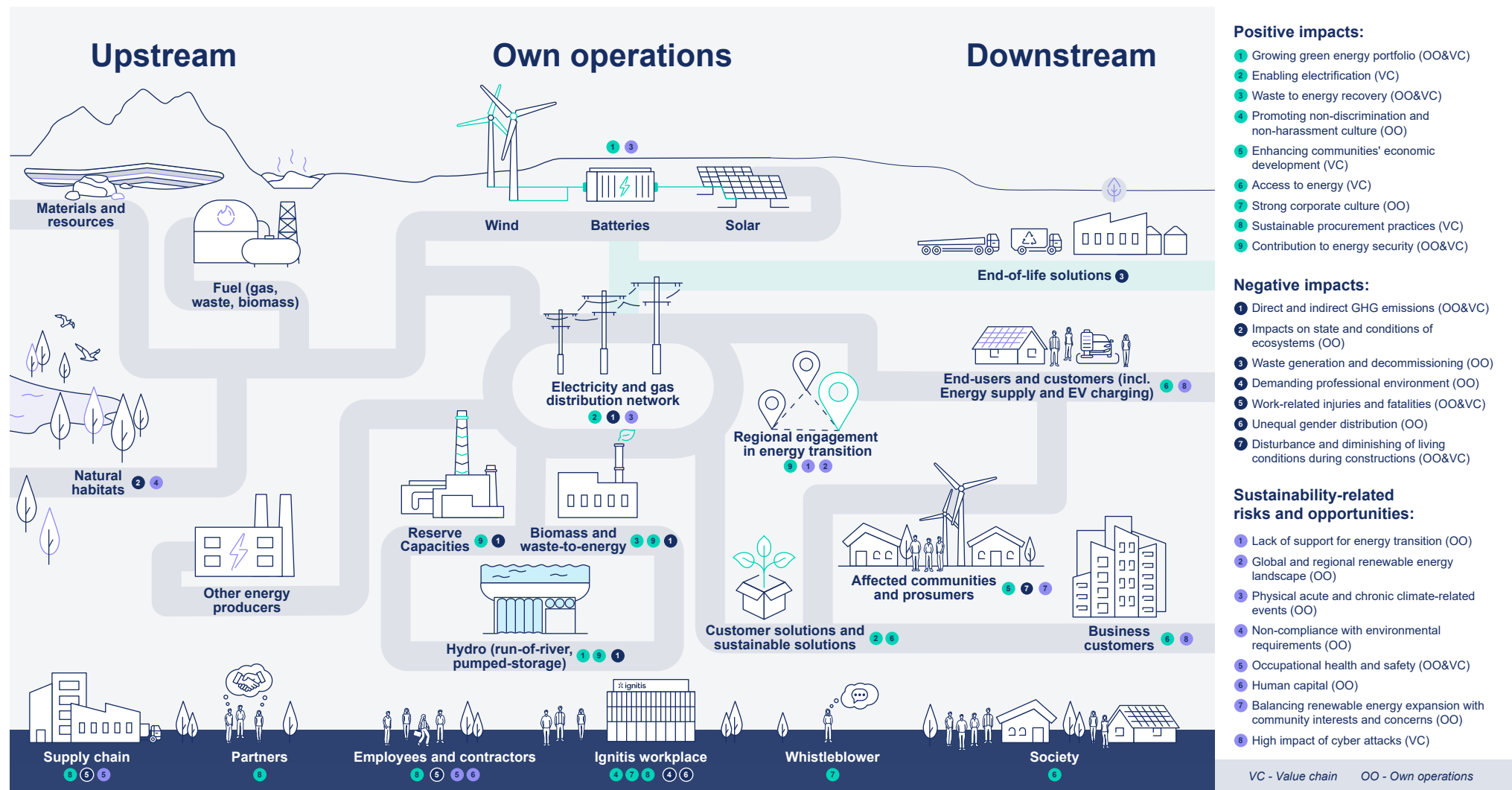
The Group offers an attractive blend of growth and yield driven by an integrated business model and financial discipline. This approach has enabled Adjusted EBITDA to more than double and dividends to grow steadily, both since the IPO in 2020, supporting continued value creation for shareholders.

Employees

We create safe and inclusive work environment while providing our employees with opportunities for career development and growth.



Value chain of the Group



Total revenue of the Group is presented in section '8.1 Consolidated statement of profit or loss'. Information on revenue by business segments is disclosed in note '5 Business segments'. Revenue by services and markets is presented in '6.1 Revenue by type' and '6.2 Revenue by geographic segment' under note '6 Revenue'. All mentioned information can be found under section '8 Consolidated financial statements'. Headcount of employees by geographic areas can be found in 'S1-6 Characteristics of the undertaking's employees' of section '6.3 Social'.

The Group does not operate in the coal or oil sectors. Revenue from natural gas is presented in line 'Natural gas related revenue' under note '6 Revenue' of section '8 Consolidated financial statements'. The Group did not recognise any Taxonomy-aligned revenues from activities in connection with fossil gas for 2025 and 2024.

The information prescribed by ESRs 2 SBM-1 paragraph 40(b) (breakdown of total revenue by significant ESRs sector) and 40(c) (list of additional significant ESRs sectors) is in a phase-in period, pending on the adoption of a Commission Delegated Act pursuant to article 29b(1) third subparagraph, point (ii), of Directive 2013/34/EU.

SBM-2 Interests and views of stakeholders

Active engagement of stakeholders is a fundamental aspect of our sustainability agenda. The Group's stakeholder engagement guidelines in our double materiality assessment feature our commitment to actively listen to and engage with stakeholders. Through ongoing dialogue, the Group strives to understand their views, concerns, and expectations. This continuous dialogue guides the sustainability efforts, projects, and processes, allowing us to align with the interests and views expressed by our stakeholders.

The table below showcases the Group's most significant stakeholders, methods of stakeholder engagement, as well as the objectives and applications of such interactions. Stakeholder perspectives are essential features of our materiality assessment and due diligence efforts.

The perspectives of key stakeholder groups inform the Group in the following ways:

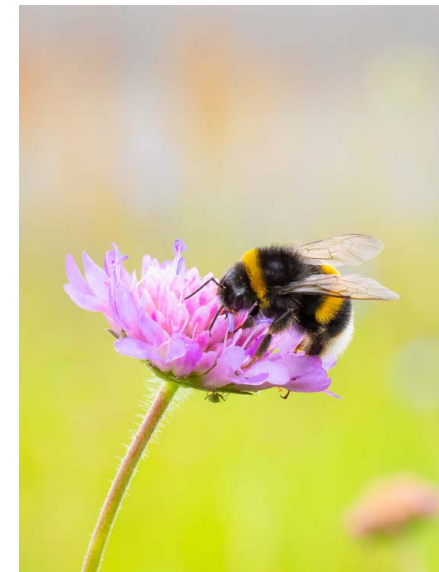
- regular employee engagement is the cornerstone of the Group's people and culture strategy and informs sustainability initiatives related with own workforce. The Group actively incorporates the insights gained from the employee engagement surveys into human resources (HR) practices and sustainability decision-making processes;

- the Group's supplier engagement practices allows to collect the views of workers in the value chain;
- regular consultations and feedback mechanisms with local communities ensures that their thoughts and concerns are considered even at the early stage of project development. This enables us to build Green Capacities that meet community needs and enhance the local area;
- regular engagement with consumers and end-users plays a vital role in shaping the Group's product and service development. Our dedicated teams review and consider insights gained from regular customer and user engagement;
- involvement of other groups of stakeholders, e.g. environmental experts, in the dialogue to better assess our environmental impacts or look for suitable solutions, expands our own understanding of impacts and how can we manage them.

We will continue our engagement practices with different stakeholders to gather their views on various sustainability-related topics.

For more on stakeholder engagement regarding specific topical matters, see our topical standards.

For more information on the Group's strategy and business model, see section '2.2 Strategy and targets'.



Biodiversity in Group's wind and solar farms

Stakeholder	Key expectations for the Group's sustainability (according to the materiality assessment)	How the Group engages stakeholders	Key actions and engagement results in 2025
Employees	– Work-related injuries and fatalities of the Group employees. – Energy security. – Growing green energy portfolio. – Work-related injuries and fatalities of the Group partners' employees.	– The Group shares information about its activities, news and initiatives on the intranet, through newsletters and during management presentations. – The Group conducts regular surveys on various employee wellbeing issues and a quarterly employee Net Promoter Score (eNPS) survey. – The Group maintains dialogue with representatives of work councils and trade unions. – The Group has assigned a People and Culture function partner to each Group company – this is the primary contact for managers and employees on all issues related to workplace processes.	– Collection of insights on material impacts during DMA dialogue. – Various initiatives and campaigns, e.g. for employees' resilience and well-being.
Local communities	– Waste generation and decommissioning. – Waste to energy recovery. – Impacts on state and conditions of ecosystems. – Enhancing communities' economic development.	– The Group follows the Group Community Engagement and Relations Management Guidelines. – Communities near wind and solar farms and around Kaunas CHP (both Green Capacities) and Elektrėnai Complex (Reserve Capacities) can request financial support for community projects. – Periodically, employees of the Group meet with community representatives, participate in celebrations and events organized by them, and include communities in Group's events and initiatives. – The Group provides feedback and/or proposal forms to people who engage in all public presentations to consider their views in upcoming presentations or projects.	– Collection of insights on material impacts during DMA dialogue. – Financial support for community projects and initiatives provided. – Introduced additional formats for communication and ways to share experience. – The Group organised a community gathering.
Investors, shareholders	– Energy security. – Strong corporate culture. – Enabling electrification. – Work-related injuries and fatalities of the Group employees.	– The Group publishes annual reports featuring CSRD-aligned disclosures to the market. – The Group organizes earnings calls, meetings with investors, general meetings of shareholders. – The Group provides ESG data to investor, ESG data platforms, ratings and publish additional information on the Group's website.	– Collection of insights on material impacts during DMA dialogue. – Responded to investor queries. – Enhanced shareholder engagement by expanding analyst coverage, with the initial coverage initiation report providing a dedicated chapter on sustainability.
Government and municipal institutions	– Energy security. – Impacts on state and conditions of ecosystems. – Energy generation from waste. – Growing green energy portfolio.	– The Group maintains contact with various institutions, monitors relevant regulatory changes, and Group experts participate in various working groups. – The Group participates in public consultations and submission of proposals.	– Collection of insights on material impacts during DMA dialogue. – Provided comments on a wide range of legal acts and has adapted its activities to the new regulations and requirements, thereby creating value and managing risks.

Private customers	– Access to energy. – Waste to energy recovery. – Impacts on state and conditions of ecosystems. – Enhancing communities' economic development.	– The Group prepares articles, newsletters, organize events, communicates on social networks. – The Group conducts regular customer surveys. – Self-service platforms and call centres of ESO (Networks) and Ignitis (Customers & Solutions) make it easier for customers to access their services. – There are 6 Ignitis (Customers & Solutions) customer service centres in major cities of Lithuania.	– Collection of insights on material impacts during DMA dialogue. – Live meetings in the regions held to share information and consultations.
Business customers	– Sustainable procurement practices. – Waste to energy recovery. – Access to energy. – Enhancing communities' economic development.	– The Group prepares articles, newsletters, organize events, communicate on social networks. – The Group conducts regular customer surveys. – Self-service platforms and call centres of ESO (Networks) and Ignitis (Customers & Solutions) make it easier for customers to access their services. – Ignitis (Customer & Solutions) has a quality management certificate for activities related to the provision of services to business customers.	– Collection of insights on material impacts during DMA dialogue.
Suppliers and contractors	– Work-related injuries and fatalities of the Group employees. – Work-related injuries and fatalities of the Group partners' employees. – Energy security. – Enabling electrification.	– The Group discloses information on public procurement and procurement policy. – The Group cooperates with contractors to strengthen their sustainability practices: OHS and other aspects, as defined in the Supplier Code of Ethics (SCE).	– Collection of insights on material impacts during DMA dialogue. – After the assessment of compliance with the SCE, introduced improvement plans for suppliers to close the gaps. – Launched basic GHG <u>trainings</u> for suppliers.
Media	– Growing green energy portfolio. – Impacts on state and conditions of ecosystems. – Enhancing communities' economic development. – Strong corporate culture. – Energy security.	– The Group discloses information publicly, through media channels. – The Group carries out media monitoring in order to identify topics that may be of relevance.	– Collection of insights on material impacts during DMA dialogue.
Partners	– Waste generation and decommissioning. – Work-related injuries and fatalities of the Group employees. – Enabling electrification. – Waste to energy recovery.	– The Group is part of #EnergySmartSTART programme, which offers educational resources, scholarships, and career opportunities to help anyone connect with the energy sector. – The Group enters into partnerships with non-governmental organizations (NGO's) and universities.	– Collection of insights on material impacts during DMA dialogue. – New cooperation agreements with educational institutions. – Increased the budget for the scholarships provided for students. – Entered the Lithuanian consortium for engagement with MIT - a strategic relationship established between the Lithuanian science and business, the MIT Center for International Studies, and MIT Science and Technology Initiatives (MISTI).

IRO-1 Materiality assessment process

The Group recognises the importance of aligning its business operations with the expectations of its stakeholders and the broader environmental and social landscape. Using the concept of materiality, the Group can identify, prioritise, and then manage the key topics of sustainability.

Following the implementation of CSRD and ESRS, the Group is using DMA's approach to see both the extent to which the sustainability topics impact the Group and the Group's impact on these topics.

The Group conducted its first DMA in 2024, while applying the guidance available from the European Financial Reporting Advisory Group (EFRAG) combined with its experts' interpretation of the standards, and developed a step-by-step process, scoring methodologies, and a model for aggregation and prioritisation. In 2025, the Group repeated the DMA exercise to update and improve its processes and evaluate the results.

To conduct the DMA, the Group has built on its previous experience of assessing the materiality of sustainability-related matters. The starting point was updating the value chain maps for all four business segments and later following with an impact assessment (inside-out) to gauge what impacts on the environment and the society the Group has. In parallel, the Group has also conducted a financial assessment (outside-in) of the sustainability-related risks and opportunities the Group is exposed to. Where possible, the Group quantified the effects of sustainability-related risks and opportunities and supplemented them with qualitative assessments. For DMA, the Group used previously conducted climate change scenario analysis, asset-level climate-

related risks assessments, consulted with external environmental groups, conducted an internal human rights impact assessment and used other internal analysis / materials of different topics. Then, following the internal assessment, conducted by internal experts, including but not limited to risk management, finance, sustainability, HR, HSE and other professionals, the Group defined the list of material IROs. The list of material impacts was validated by internal and external stakeholders, risks and opportunities were validated internally and, later, the full list of material IROs received an official agreement from the parent company's Management Board.

For more information on how sustainability risks are integrated into the overall risk management process of the Group, see section '4.7 Risk management'.

Although the Group is confident in the validity of its findings, it must be acknowledged that the methodology may not be without limitations. Consequently, the Group will be further developing and strengthening its DMA process while corresponding to the simplification of ESRS and making further updates.

Double materiality assessment methodology (incl. process steps for both impact and financial materiality)

The Group has developed methodologies with reference to the principles stated in the Annex I of Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 and in the ESRS implementation guidance of double materiality by EFRAG.

Methodologies and assumptions

Scope

The Group has identified and assessed the impacts of its own operations on the people and the environment as well as the potential business risks and opportunities. Furthermore, the Group assessed the IROs in its value chain in most topics, focusing on what has arisen during value chain mapping for different business segments. The value chain assessments were based on our internal knowledge and mainly focused on the first-tier suppliers, while incorporating a comprehensive coverage of the second tier, where possible.

During the impact assessment, the Group considered both positive and negative impacts as well as actual and potential impacts related to sustainability matters. This year we were concentrating more on the negative impacts as recommended after the first cycle of DMA disclosures. During the financial assessment, the Group assessed potential sustainability-related risks that could trigger a significant negative financial effect on its businesses. In the same way, the Group assessed opportunities that could trigger a significant positive financial effect. The opportunities identified in this process were directly connected to the Group's strategy.

The Group developed a consolidated DMA process that applies to the whole Group and is conducted annually.

Stakeholder engagement

Internal subject-matter experts from the Group companies and the Group functions were involved in the DMA, and a dedicated team was established to coordinate the process with sub-teams deployed to assess the impact and financials.

As mentioned above, direct dialogue with the affected stakeholders about the impacts the Group may have or has through its business activities has been included in the DMA, with some in identification stage and with all as a form of validation of internal results. The results of the assessment of material IROs present a consolidated view of what the Group has assessed internally and how these results were validated by the stakeholders. The parent company's Management Board has been informed of the results of the dialogue with stakeholders and their views on material impacts.

Time horizons

In its double materiality assessment, the Group follows the categorisation of short-, medium- and long-term time horizons as defined in [ESRS 1\(6.4.\)](#) and according to the Group's Strategic Plan, corresponding to:

- short-term – up to 1 year (corresponding to 2025);
- medium-term – 2 to 4 years (corresponding to 2026–2028);
- long-term – 5 years and more (corresponding to 2029 and further).

Corresponding years have not changed since last year as they are now aligned with the Group's Strategic Plan.

Scoring of impacts

As per the ESRS guidance, impact materiality is calculated by multiplying the severity of impacts by their likelihood. The average of the parameters of scale, scope, and irremediable character have been used when scoring the severity of impacts. Scorecards were developed based on the following methods of calculating different parameters of impact:

- when scoring scale, the Group assessed how grave or beneficial the impact is or could be for the environment or society;
- when scoring scope, the Group assessed how widespread the impact is or could be;
- when scoring irremediable character, the Group assessed how hard it is to counteract or remedy the resulting harm;
- when scoring likelihood, the Group assessed the chance of the potential impact happening, and for actual impact the maximum score was given.

For negative impacts specific scorecards have been developed to prioritize them.

Scoring of risks and opportunities

Same as with impact materiality, following the ESRS guidance, the financial materiality of risks and opportunities was calculated by multiplying the likelihood of occurrence by the financial effect. When assessing the potential financial effect, both quantitative and qualitative approaches were used. The quantitative approach used profitability (Adjusted EBITDA, net profit) as the key financial parameter. Additionally, the qualitative approach was used where effects could not be reliably measured in financial terms or additional effects had to be assessed, and the scoring was based on expert judgement.

Thresholds

For both impact materiality and financial materiality, the same quantitative threshold was used as in the Group Risk Management Framework.

Process

The Group has defined process phases for conducting the DMA for impact materiality and financial materiality, respectively. The impact assessment was the starting point, followed by the financial assessment. The process focused on the Group's business segments and IROs found in their value chains. No exclusion or heightening of specific activities, geographies or business relationships used. The Group followed the six key phases presented below:

- engaging stakeholders;
- mapping detailed value chains;
- listing and grouping IROs;
- impact and financial assessments;
- validating material IROs;
- determining final material IROs.

Process phases

Impact materiality

The work on mapping sustainability-related impacts draws on our previous experience, along with the latest studies, dialogue and internal projects.

1. *Engaging stakeholders*

After ten topical ESRS were analysed, subject-matter experts within the Group's companies and Group functions who have knowledge in these areas and a strong understanding of a day-to-day work of the Group were identified. Through several onboarding sessions, the Group developed a shared understanding of the new regulation, the objectives of the double materiality assessment, and stages that would follow to conduct the assessment. The map of internal stakeholders to be involved in the DMA has been developed.

2. *Mapping value chains*

Internal subject-matter experts within the Group's companies were engaged to update the value chain maps of business segments. This stage included understanding how diverse value chains look like in different business segments, what impacts they have in different parts of the value chain.

3. *Listing and grouping impacts*

After value chains were mapped, the extensive lists of identified actual and potential impacts were prepared. These impacts were grouped as per ESRS and merged in cases of recurrence; thus, the list of the Group's impacts was prepared.

4. *Impact assessment*

The Group conducted several impact materiality assessment workshops to assess the summarized list of impacts. Participants adjusted the pre-defined impacts where relevant and added additional impacts, then scored all impacts within the Group's own operations and the value chain according to the developed impact scoring methodology and scorecards. Scoring assumptions were documented, and relevant reference documents were captured. All input from workshops was transferred to a DMA tool to aggregate scores and calculate the materiality level.

5. *Validating material impacts*

The list of material impacts that passed the materiality level threshold was presented and discussed with stakeholders via dialogue, where the Group asked to rate how important the Group's impact (including through business relationships) on the environment and/or people is to them in relation to the sustainability themes. In addition, this year stakeholders were asked to identify, which of the impacts they perceive themselves.

6. *Determining final material impacts*

The consolidation of internal impact assessment and validation results allowed us to finalize the list of material impacts. The finalised list of material impacts was presented to the Supervisory Board and later agreed upon by the parent company's Management Board.

Financial materiality

Financial materiality assessment focused on potential sustainability-related risks and potential sustainability-related opportunities. Note that the Group considers only financially material sustainability risks that are incorporated and disclosed along with enterprise Top risks covered in the '4.7 Risk management' section.

1. *Engaging stakeholders*

The Group analysed the ten topical ESRS and identified subject-matter experts within the Group companies and Group functions who have knowledge and a strong understanding of the Group's day-to-day work. The Group also engaged relevant stakeholders to ensure appropriate consideration of sustainability-related risks. These included internal subject-matter experts in the fields of risk management, finance and sustainability, and other experts when needed. A dedicated team to conduct financial materiality assessment was established with an oversight from the CFO.

2. *Mapping value chains*

Internal subject-matter experts within the Group's companies were engaged to update the value chain maps of core business segments. This stage included understanding how different business segments value chains look like and what risks and opportunities may arise in different parts of the value chain.

3. *Listing and grouping risks and opportunities*

After the value chains were mapped, an extensive list of identified risks and opportunities was prepared. This process reflects our approach last year, when a broad assessment was conducted to capture a wide range of potential risks and opportunities. They were grouped according to the ESRS and merged in cases of recurrence, resulting

in a consolidated list of the Group's risks and opportunities. Where possible, the risks were also matched with the risks already identified by the Group or its companies. This year, our approach was more focused: the process was built upon the previously developed and analysed list, which was refined to reflect the most recent updates and developments. This allowed for a more targeted and efficient identification of relevant risks and opportunities, ensuring continuity while integrating new insights.

4. *Financial assessment*

The dedicated team assessed the financial materiality of the risks and opportunities based on an established financial methodology and scorecards. This year, its methodology was further refined – especially the qualitative part. Overall, the assessment became less reliant on expert judgement and incorporated a more structured reasoning and documented justification. The team engaged extensively with the Group companies through workshops, etc., to gather the necessary information for consolidation of the information.

5. *Validating material risks and opportunities*

The list of material risks and opportunities that passed the materiality threshold was presented and discussed with the parent company's Management Board.

6. *Determining final material risks and opportunities*

The internal financial materiality assessment was enhanced with inputs received during validation session, which allowed us to finalise the list of material risks and opportunities. The finalised list of material risks and opportunities was presented to the Supervisory Board and later agreed upon by the parent company's Management Board.

IRO-2 Disclosure requirements in ESRS covered by the company’s Sustainability statement

Content index of ESRS disclosure requirements

ESRS 2 - General Disclosures

- BP-1**
General basis for preparation of the sustainability statement
p. 160
- BP-2**
Disclosures in relation to specific circumstances
p. 160
- GOV-1**
The role of the administrative, management and supervisory bodies
p. 161
- GOV-2**
Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies
p. 161

- GOV-3**
Integration of sustainability-related performance in incentive schemes
p. 161
- GOV-4**
Statement on due diligence
p. 162
- GOV-5**
Risk management and internal controls over sustainability reporting
p. 162
- SBM-1**
Strategy, business model and value chain
p. 163

- SBM-2**
Interests and views of stakeholders
p. 165
- SBM-3**
Material impacts, risks and opportunities and their interaction with strategy and business model
p. 178
- IRO-1**
Description of the processes to identify and assess material impacts, risks and opportunities
p. 168
- IRO-2**
Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement
p. 171

E1 - Climate change

- ESRS 2 GOV-3-E1**
Integration of sustainability-related performance in incentive schemes
p. 185
- E1-1**
Transition plan for climate change mitigation
p. 185
- ESRS 2 SBM-3-E1**
Material impacts, risks and opportunities and their interaction with strategy and business model
p. 186
- ESRS 2 IRO-1-E1**
Description of the processes to identify and assess material climate-related impacts, risks and opportunities
p. 185
- E1-2**
Policies related to climate change mitigation and adaptation
p. 189
- E1-3**
Actions and resources in relation to climate change policies
p. 190
- E1-4**
Targets related to climate change mitigation and adaptation
p. 195
- E1-5**
Energy consumption and mix
p. 197
- E1-6**
Gross Scopes 1, 2, 3 and Total GHG emissions
p. 198
- E1-7**
GHG removals and GHG mitigation projects financed through carbon credits
p. 200
- E1-8**
Internal carbon pricing
p. 200
- E1-9**
Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
p. 200

E4- Biodiversity and ecosystems**E4-1**

Transition plan and consideration of biodiversity and ecosystems in strategy and business model
p. 220

ESRS 2 SBM-3-E4

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 220

ESRS 2 IRO-1-E4

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks dependencies and opportunities
p. 221

E4-2

Policies related to biodiversity and ecosystems
p. 222

E4-3

Actions and resources related to biodiversity and ecosystems
p. 222

E4-4

Targets related to biodiversity and ecosystems
p. 225

E4-5

Impact metrics related to biodiversity and ecosystems change
p. 226

E4-6

Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities
p. 228

E5- Resource use and circular economy**ESRS 2 IRO-1-E5**

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities
p. 229

E5-1

Policies related to source use and circular economy
p. 229

E5-2

Actions and resources related to resource use and circular economy
p. 231

E5-3

Targets related to resource use and circular economy
p. 232

E5-5

Resource outflows
p. 233

E5-6

Anticipated financial effects from material resource use and circular economy-related impacts, risks and opportunities
p. 234

S1- Own workforce**ESRS 2 SBM-2-S1**

Interests and views of stakeholders
p. 235

ESRS 2 SBM-3-S1

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 235

S1-1

Policies related to own workforce
p. 235

S1-2

Processes for engaging with own workforce and workers' representatives about impacts
p. 235

S1-3

Processes to remediate negative impacts and channels for own workforce to raise concerns
p. 237

S1-4

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
p. 237

S1-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
p. 238

S1-6

Characteristics of the undertaking's employees
p. 239

S1-7

Characteristics of non-employees in the undertaking's own workforce
p. 240

S1-8

Collective bargaining coverage and social dialogue
p. 243

S1-9

Diversity metrics
p. 248

S1-10

Adequate wages
p. 243

S1-11

Social protection
p. 244

S1-12

Persons with disabilities
p. 249

S1-13

Training and skills development metrics
p. 253

S1-14

Health and safety metrics
p. 240

S1-15

Work-life balance metrics
p. 249

S1-16

Remuneration metrics (pay gap and total remuneration)
p. 244

S1-17

Incidents, complaints and severe human rights impacts
p. 254

S2- Workers in the value chain

ESRS 2 SBM-2-S2

Interests and views of stakeholders
p. 255

ESRS 2 SBM-3-S2

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 255

S2-1

Policies related to value chain workers
p. 255

S2-2

Processes for engaging with value chain workers about impacts
p. 255

S2-3

Processes to remediate negative impacts and channels for value chain workers to raise concerns
p. 256

S2-4

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
p. 257

S2-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
p. 258

S3- Affected communities

ESRS 2 SBM-2-S3

Interests and views of stakeholders
p. 259

ESRS 2 SBM-3-S3

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 259

S3-1

Policies related to affected communities
p. 259

S3-2

Processes for engaging with affected communities about impacts
p. 261

S3-3

Processes to remediate negative impacts and channels for affected communities to raise concerns
p. 261

S3-4

Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
p. 261

S3-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
p. 262

S4- Consumers and End-users

ESRS 2 SBM-2-S4

Interests and views of stakeholders
p. 263

ESRS 2 SBM-3-S4

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 263

S4-1

Policies related to consumers and end-users
p. 263, 270

S4-2

Processes for engaging with consumers and end-users about impacts
p. 264, 271

S4-3

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
p. 266, 271

S4-4

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
p. 267, 272

S4-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
p. 269, 273

G1 - Business Conduct

ESRS 2 SBM-3-G1

Material impacts, risks and opportunities and their interaction with strategy and business model
p. 274

ESRS 2 GOV-1-G1

The role of the administrative, management and supervisory bodies
p. 93

ESRS 2 IRO-1-G1

Description of the processes to identify and assess material impacts, risks and opportunities
p. 274

G1-1

Business conduct policies and corporate culture
p. 274

G1-2

Management of relationships with suppliers
p. 278

G1-3

Prevention and detection of corruption and bribery
p. 279

G1-4

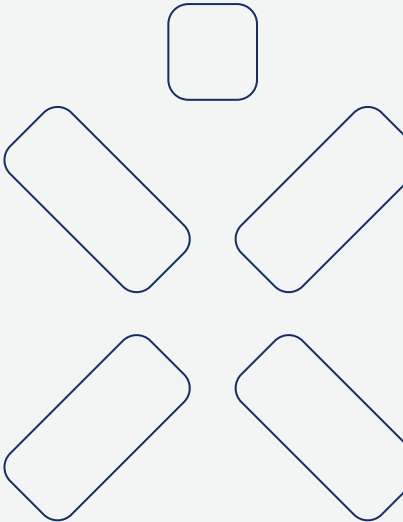
Incidents of corruption or bribery
p. 280

G1-5

Political influence and lobbying activities
p. 280

G1-6

Payment practices
p. 281



ESRS 2 IRO-2 EU Datapoint List

Disclosure Requirement		Data point	Legislation	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	SFDR/BRR	16, 159
	21 (e)	Percentage of board members who are independent	BRR	94
ESRS 2 GOV-4	30	Statement on due diligence	SFDR	162
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	SFDR/P3/BRR	PH
	40 (d) ii	Involvement in activities related to chemical production	SFDR/BRR	NM
	40 (d) iii	Involvement in activities related to controversial weapons	SFDR/BRR	NM
	40 (d) iv	Involvement in activities related to cultivation and production of tobacco	BRR	NM
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	EUCL	185
	16 (g)	Undertakings excluded from Paris-aligned Benchmarks	P3/BRR	NM
ESRS E1-4	34	GHG emission reduction targets	SFDR/P3/BRR	195
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	197
	37	Energy consumption and mix	SFDR	197
	40 - 43	Energy intensity associated with activities in high climate impact	SFDR	197
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	SFDR/P3/BRR	198
	53 - 55	Gross GHG emissions intensity	SFDR/P3/BRR	200
ESRS E1-7	56	GHG removals and carbon credits	EUCL	200
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	BRR	PH
	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	P3	PH
	66 (c)	Location of significant assets at material physical risk	P3	PH
	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph	P3	PH
	69	Degree of exposure of the portfolio to climate-related opportunities	BRR	PH
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	SFDR	NM
ESRS E3-1	9	Water and marine resources	SFDR	NM
	13	Dedicated policy	SFDR	NM
	14	Sustainable oceans and seas	SFDR	NM

Disclosure Requirement		Data point	Legislation	Page
ESRS E3-4	28 (c)	Total water recycled and reused	SFDR	NM
	29	Total water consumption in m ³ per net revenue on own operations	SFDR	NM
ESRS 2- SBM-3 - E4	16 (a) i	Activities negatively affecting biodiversity-sensitive areas	SFDR	220
	16 (b)	Land degradation, desertification, or soil sealing	SFDR	220
	16 (c)	Threatened species	SFDR	220
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	SFDR	NM
	24 (c)	Sustainable oceans / seas practices or policies	SFDR	221
	24 (d)	Policies to address deforestation	SFDR	221
ESRS E5-5	37 (d)	Non-recycled waste paragraph	SFDR	233
	39	Hazardous waste and radioactive waste	SFDR	233
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labor	SFDR	NR
	14 (g)	Risk of incidents of child labor	SFDR	NR
ESRS S1-1	20	Human rights policy commitments	SFDR	236, 241, 245, 250
	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	BRR	241
	22	Processes and measures for preventing trafficking in human beings	SFDR	236, 241, 245
	23	Workplace accident prevention policy or management system	SFDR	236
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	SFDR	236-237, 242, 246, 251
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	SFDR/BRR	240
	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	SFDR	PH
ESRS S1-16	97 (a)	Unadjusted gender pay gap	SFDR/BRR	157, 244
	97 (b)	Excessive CEO pay ratio	SFDR	157
ESRS S1-17	103 (a)	Incidents of discrimination	SFDR	254
	104 (a)	Nonrespect of UNGPs on Business and Human Rights and OECD Guidelines	SFDR/BRR	254
ESRS 2- SBM-3 – S2	11 (b)	Significant risk of child labor or forced labor in the value chain	SFDR	NR

Disclosure Requirement		Data point	Legislation	Page
ESRS S2-1	17	Human rights policy commitments	SFDR	256
	18	Policies related to value chain workers	SFDR	256
	19	Nonrespect of UNGPs on Business and Human Rights principles and OECD guidelines	SFDR/BRR	256
	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	BRR	256
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	257
ESRS S3-1	16	Human rights policy commitments	SFDR	260
	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR/BRR	260
ESRS S3-4	36	Human rights issues and incidents	SFDR	261
ESRS S4-1	16	Policies related to consumers and end-users	SFDR	264, 270
	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR/BRR	264, 270
ESRS S4-4	35	Human rights issues and incidents	SFDR	267-268, 272
ESRS G1-1	10 (b)	United Nations Convention against Corruption	SFDR	274
	10 (d)	Protection of whistle-blowers	SFDR	276
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	SFDR/BRR	280
	24 (b)	Standards of anti-corruption and anti- bribery	SFDR	275

Legislation

SFDR Sustainable Finance Disclosure Regulation

P3 Pillar 3 disclosure requirements

BRR Climate Benchmark Standards Regulation

EUCL EU Climate Law

Other short forms

NR Not relevant

NM Not material

PH Phase-in approach taken

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

The Group has identified its impacts on the environment and society (impact materiality assessment) and the sustainability-related risks and opportunities it faces (financial materiality assessment).

The results were grouped by ESRS topical standards, showing that E1, E4, S1, S2, S3 and S4 are material sustainability matters from both impact and financial perspectives. The environmental IROs the Group has within E1 and E4 are closely linked to its strategic goals to deliver a build-out of green generation and green flexibility technologies, while noting the importance of the Networks segment in the energy transition. The deployment of green capacities mitigates climate impacts but also requires significant amounts of natural resources with indirect negative impacts on the climate and the environment. All the activities of the Group also affect people and societies around it, which is reflected in the impacts and risks the Group has within S1, S2, S3 and S4. The Group focuses its efforts on leading the energy transition in a just and inclusive way, including for people working across its supply chains, and in a way that brings benefits to local communities.

E5 and G1 are also material sustainability matters from an impact perspective.

The main changes in material topics since last year were the following: E4 became material from both impact and financial perspective (previously only impact material), and E5 from double

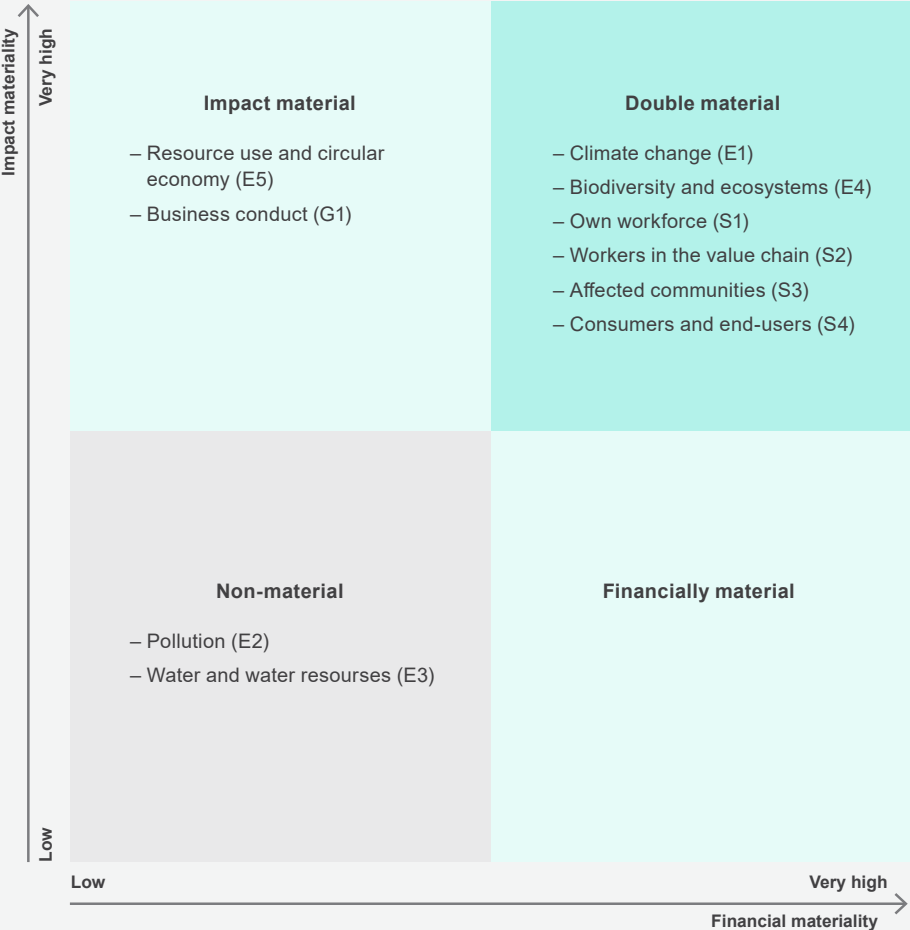
material became only material from an impact perspective.

Last year, the two standards, E2 and E3, were assessed and concluded as not material to the Group, they have remained non-material in 2025.

E2: Pollution is an important topic to the Group as its operations have a negative impact on the air from non-GHG emissions (as SOx, NOx and particulate matter). However, this impact is strictly regulated in all our assets, and the Group takes all necessary actions and remain below the established limits. The Group companies which operate generation assets consistently ensure full alignment with the applicable Best Available Techniques requirements by regularly updating and revising their Integrated Pollution Prevention and Control Permit conditions. As required by legislation, these permit conditions are reviewed or updated whenever operational changes occur, thus confirming continuous and compliant implementation thereof. The impact of pollution of soil and water is also considered, regularly monitored, and managed with precautionary actions. However, these impacts are not considered material in any given reporting year. Pollution related KPI and metrics can be found on page 287.

E3: Water and marine resources is also considered in the Group's DMA process as an important topic, considering that the Group owns and operates hydropower plants and use water withdrawals in other assets. All water withdrawals and discharges used in electricity and heating operations are regularly monitored and reported. While water remains an important topic for the Group, it is not considered material for this

DMA matrix



moment. Water related KPI and metrics can be found on page 287.

By being embedded into the Group's strategy and one of the core drivers, sustainability strengthens our resilience to material impacts and risks while opening new opportunities in a changing world. For more information on the Group's strategy and business model, see section '2.2 Strategy and targets'.

The Group does not consider that the risks and opportunities identified during the double materiality assessment's process have a material financial impact on the financial position, financial performance and cash flows of the Group in the current reporting period. In addition, none of the identified material risks and opportunities are expected to result in material adjustments to the carrying amounts of assets and liabilities reported in the consolidated financial statements within the next year. For future periods, the Group has opted to exercise the phase-in allowance to omit the anticipated financial effects of material risks and opportunities on its financial position, financial performance, and cash flows over short, medium and long term.

Material sustainability related IROs

The following tables list the sustainability related IROs the Group has identified and assessed as material as a result of its double materiality assessment.

Each material ESRS topic is presented in the following tables, with specified sub-topics that the identified material impacts, risks or opportunities relate to, e.g. climate change mitigation and climate change adaptation.

In addition, it is indicated in the tables whether the impacts and risks are in the Group's own operations (OO) or in its value chain (VC), actual or potential. The Group also discloses whether its impacts are positive or negative.

More information on each IRO is included in the topical sections. The management of their impacts is also presented there. More information on risks, including their management, is presented in section '4.7 Risk management'.

The list of material IROs has been updated since last year, with the main changes being:

- new risk of 'Non-compliance with environmental requirements' (E4) was determined as material;
- risk of 'Materials and components shortage' (reported last year under E5) was determined as not material this year and is therefore not disclosed;
- new subtopic was identified in E5 after internal analysis and consultation; thus, disclosures were prepared under sub-topic 'Waste';
- new negative impact of 'Demanding working environment' (S1) was identified and determined as material;
- positive impact of 'Ensuring fair working environment and remuneration' (reported last year under S1) was eliminated from the impacts lists and is not disclosed;
- positive impact of 'Promoting gender balance' (reported last year under S1) was converted to the cause of this impact and became negative impact of 'Unequal gender distribution' (S1);
- new negative impact of 'Disturbance and diminishing of living conditions during constructions' (S3) was determined as material;
- other targeted changes were made to the IROs or other technical details of value chain.

E1 CLIMATE CHANGE

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Climate change mitigation					
Direct and indirect GHG emissions	Negative impact	Short-term	Actual	OO & VC	All
Growing green energy portfolio	Positive impact	Short-term	Actual	OO & VC	Green Capacities
Enabling electrification	Positive impact	Medium-term	Actual	VC	Networks, Customers & Solutions
Lack of support for energy transition	Risk	Long-term	-	OO	Green Capacities
Global and regional renewable energy landscape	Opportunity	Medium-term	-	OO	Green Capacities
Sub-topic: Climate change adaptation					
Physical acute and chronic climate-related events	Risk	Long-term	-	OO	Green Capacities, Networks

E4 BIODIVERSITY AND ECOSYSTEMS

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Direct impact drivers of biodiversity loss					
State and conditions of ecosystems	Negative impact	Short-term	Actual	OO	Green Capacities, Networks
Sub-topic: Impacts on the state of species					
Non-compliance with environmental requirements	Risk	Short-term	-	OO	Green Capacities, Networks

E5 RESOURCE USE AND CIRCULAR ECONOMY

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Waste					
Waste to energy recovery	Positive impact	Short-term	Actual	OO & VC	Green Capacities
Waste generation and decommissioning	Negative impact	Short-term	Actual	OO	All

S1 OWN WORKFORCE

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Working conditions					
Work-related injuries and fatalities	Negative impact	Short-term	Actual	OO	All
Demanding professional environment	Negative impact	Short-term	Potential	OO	All
Occupational health & safety	Risk	Short-term	-	OO	All
Sub-topic: Equal treatment and opportunities for all					
Promoting non-discrimination and non-harassment culture	Positive impact	Short-term	Actual	OO	All
Unequal gender distribution	Negative impact	Short-term	Actual	OO	All
Human capital	Risk	Long-term	-	OO	All

S2 WORKERS IN THE VALUE CHAIN

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Working conditions					
Work-related injuries and fatalities	Negative impact	Short-term	Actual	VC	All
Occupational health & safety	Risk	Short-term	-	VC	All

S3 AFFECTED COMMUNITIES

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Communities' economic, social, and cultural rights					
Disturbance and diminishing of living conditions during constructions	Negative impact	Short-term	Actual	OO & VC	Green Capacities
Enhancing communities' economic development	Positive impact	Short-term	Actual	OO	Green Capacities
Balancing renewable energy expansion with community interests and concerns	Risk	Long-term	-	OO	Green Capacities

S4 CONSUMERS AND END-USERS

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Social inclusion of consumers and/or end-users					
Access to energy	Positive impact	Short-term	Actual	VC	Networks, Customers & Solutions
Sub-topic: Information-related impacts on consumers and/or end-users					
Cybersecurity	Risk	Short-term	-	VC	All

G1 BUSINESS CONDUCT

Material IROs	Type	Time Horizon	Actual / Potential	Own operation / Value chain	Business segment
Sub-topic: Corporate culture					
Strong corporate culture	Positive impact	Short-term	Actual	OO	All
Sub-topic: Management of relationships with suppliers, including payment practices					
Sustainable procurement practices	Positive impact	Short-term	Actual	VC	All
Company specific sub-topic: Contribution to national energy strategy					
Energy security	Positive impact	Short-term	Actual	OO & VC	All

MDR-P Policies adopted to manage material sustainability matters

All information about the management of material sustainability matters is disclosed in topical standards to which the matter is relevant.

Title	Implemented by	Approved by	Applicable to standards
The Group Environmental Policy Applies to all Group	Head of Group Health, Safety and Environmental	The Group Management Board	E1, E4, E5, S3
The Group Sustainability Policy Applies to all Group	Head of Group Sustainability	The Group Management Board	E1, E5, S3, G1
The Group Supplier Code of Ethics (SCE) Applies to all Group	Head of Group Procurement	The Group Management Board	E5, S2, S3
The Group People and Culture Policy Applies to all Group	Head of Group People and Culture	The Group Management Board	S1
The Group Equal Opportunity and Diversity Policy Applies to all Group	Head of People Well-being, Diversity and Inclusion	The Group Management Board	S1
The Group Abuse and Harassment Prevention Policy¹ Applies to all Group	Head of People Well-being, Diversity and Inclusion	The Group Management Board	S1
The Group Remuneration Policy² Applies to all Group	Head of Group People and Culture	General Meeting of Shareholders	S1
The Group Code of Ethics Applies to all Group	Managers of various levels that work in the Group, Group Sustainability, Group Business Resilience	The Group Management Board	S1, S3, S4, G1
The Group Occupational Health and Safety Policy Applies to all Group	Head of Group Health, Safety and Environmental	The Group Management Board	S1, S2
The Group Financial Support and Humanitarian Aid Policy³ Applies to Ignitis Renewables, Vilnius CHP and Kaunas CHP (all Green Capacities), Ignitis Gamyba (Green Capacities and Reserve Capacities)	Head of Group Communications	The Group Management Board	S3
The Group Information Security Policy Applies to all Group	Head of Group IT	The Group Management Board	S4
The Group Personal Data Protection Policy Applies to all Group	Head of Group Legal and Compliance	The Group Management Board	S4

Title	Implemented by	Approved by	Applicable to standards
The Group Anti-Corruption Policy Applies to all employees of the Group, as well as to members of the collegial bodies and committees of the Group companies and other people acting on behalf of entities that belong to the Group, irrespective of the form of the relationship and the nature of the remuneration (Principle of Universal Obligation)	Head of Group Business Resilience	The Group Management Board	G1
The Group Public Procurement Policy⁴ Applies to all Group	Head of Group Procurement	The Group Management Board	G1
The Group Commercial or Regulated Procurement Policy⁵ Applies to all Group	Head of Group Procurement	The Group Management Board	G1
The Group Policy on the Use of Collateral and Assessment of the Financial Condition of Suppliers Applies to all Group	Head of Group Treasury	The Group Management Board	G1

¹ The policy was updated in August 2025 to ensure alignment with the Description of Preventive Measures Against Violence and Harassment at Work, as approved by the Chief State Labour Inspector of the Republic of Lithuania. Key amendments introduce HR Business Partners as the first point of consultation and support, guiding employees on how to report abuse or harassment. Clear deadlines for mandatory training have been established, with delivery overseen by the Group Diversity, Inclusion & Well-being function. Reporting is now centralised through the Trust Line, and investigations are carried out by a Commission appointed by the Head of Group Diversity, Inclusion & Well-being in line with the Commission Rules of Procedure.

² The company received a proposal from the Ministry of Finance of the Republic of Lithuania, which exercises the property and non-property rights of the state holding 74.99% of the company's shares, regarding the determination of remuneration for the members of AB "Ignitis Group" supervisory board and committees for their new term. In light of this, and because the term of the company's supervisory board expires on October 25, 2025, the remuneration policy of the AB "Ignitis Group" has been updated in October 2025.

³ In July 2025, the policy was updated to ensure that all communities within the operating territory can receive financial support and humanitarian aid. Key amendments include the introduction of Ignitis Gamyba (Green Generation and Reserve Capacities) as an additional company, whose operating territory is now eligible for financial support and humanitarian aid.

⁴ The policy has been updated in December 2025. The document has been simplified, removing provisions that can be determined at the functional level.

⁵ The updated policy from December 2025 is simplified, focusing on essential principles while moving detailed rules to Procurement Function documents. It introduces a EUR 15,000 threshold to distinguish between low- and high-value purchases. The governance principles emphasize efficiency, sustainability, security, and stakeholder expectations. A decentralized Commercial procurement management model is outlined, defining the responsibilities of the Companies, the GSC, and the Procurement Function.

MDR-A Actions and resources in relation to material sustainability matters

Actions taken and/or planned to be taken to prevent, mitigate and remediate actual and potential impacts, and to address risks and opportunities are presented in each topical standard. If the action is disclosed in more than one standard, then it is explained in more detail and assessed from a financial perspective in the standard where the action is internally estimated

to be more significant. In addition, only the main financial resources, which can be directly linked to the action, were assessed. Where the implementation of actions or action plan for separate topical standard does not require significant operating and/or capital expenditure at the Group level, no additional disclosures were made within each standard. An action plan is only presented in the 'E1 Climate change' topical standard as the Group's transition plan. Other standards present actions taken within the

reporting year. While the following time horizons were used for the action plan in order to link it with the Group's Strategic Plan:

- short- / medium-term – 2025–2028;
- long-term – 2029 and onwards.

6.2 Environment

E1 Climate change

ESRS 2 GOV-3 Sustainability-related performance in incentive schemes

The effectiveness of the parent company's Management Board in managing sustainability topics is measured based on the achievement of short-term and long-term objectives. The remuneration of top-level executives is directly linked to the achievement of pre-set sustainability targets (as part of their variable remuneration). For more information on the parent company's Management Board and for details on climate change-related performance in incentive schemes, see the '5 Remuneration'.

ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

For details on the Group's materiality assessment and the processes to identify and assess material climate related IROs, see section 'ESRS 2: IRO - 1 Materiality assessment process'. Regarding climate change, the Group has used climate-related scenario analysis (CSA), including a range of climate scenarios, to inform the identification and assessment of physical risks and transition risks and opportunities over the short-, medium- and long-term by incorporating physical and transition risks as well as opportunities as a source of information for the long-list of topics at the commencement of the double materiality assessment. The DMA furthermore utilised assumptions used in the CSA.

More information on scenario analysis is available in the paragraph 'E1 ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model'.

E1-1 Transition plan for climate change mitigation

The Group's purpose is to create a 100% green and secure energy ecosystem for current and future generations. The Group's [Strategic Plan 2025–2028](#) places the growth of green energy capacity at the centre of our long-term vision. We recognise that our activities and operations contribute to global emissions and are committed to reducing our impact, with a target to reach net-zero emissions by 2040–2050.

The Group's climate transition is managed through a set of processes that together function as a climate transition plan. These include SBTi-validated targets, a GHG accounting and forecasting system, annual and multi-year decarbonisation planning cycles, integration of climate criteria into investment decisions, and the monitoring of progress at Group and subsidiary level. To strengthen transparency and consolidate these elements, the Group is working to prepare a standalone climate transition plan document, aligned with ESRS E1 requirements and the Group's strategy.

Climate change mitigation and advancing the energy transition are integral to our strategy. They



We target net zero emissions by 2040–2050

priority #1

Scope 1 and 2

Growing installed green generation and green flexibility capacity, and increasing the share of green electricity used for own operations

priority #2

Scope 3 Electricity supply

Providing alternatives to our customers to use green electricity and expanding green electricity supply portfolio within our home markets we are active in

priority #3

Scope 3 Natural gas supply

Providing alternatives to enable the transition away from fossil fuels

underpin long-term value creation and address the impacts we have committed to manage. Our integrated business model supports the delivery of our climate transition through green energy generation, system flexibility, and electrification across the value chain.

In alignment with the Paris Agreement and the EU climate goals, we aim to advance decarbonisation and energy security delivering 4–5 GW of installed Green Capacities by 2030 and achieving net-zero emissions by 2040–2050. These objectives are underpinned by our ambitious Scope 1, 2, and 3 targets, which were validated by the Science Based Targets initiative (hereinafter – SBTi) to ensure alignment with the 1.5°C pathway. Detailed information on these targets can be found in 'E1-4 Targets related to climate change mitigation and/or adaptation'.

To support these targets, we continue to implement an emissions reduction targets, a comprehensive roadmap built on the following three priorities:

- reducing carbon intensity of Scope 1 & 2 GHG emissions;
- growing green electricity supplied;
- growing biomethane supplied.

More information on our priorities is shown in the illustration alongside.

For more information on our actions towards reduction targets and decarbonisation levers, see paragraph 'E1-3 Actions and resources in relation to climate change policies'.

The Group's progress towards the expansion of Green Capacities, achievement of GHG reduction

targets, and other key performance indicators of our climate change transition (as established in the [Group's Strategic Plan 2025–2028](#)) are reported in section '2.2 Strategy and targets'.

As part of the climate transition planning process, the GHG reduction measures we implemented in 2025 to decrease natural gas and electricity losses and promote the consumption of green energy, contributed to a decrease in Scope 2 emissions and helped us limit the growth of Scope 1 and Scope 3 emissions, resulting from new services provided by Elektrėnai Complex. For more information on GHG results, see the section 'E1-6 Gross Scopes 1, 2, 3 and total GHG emissions'.

Locked-in emissions in the Group primarily stem from natural gas-fired energy generation assets and waste incineration activities, as well as downstream emissions from natural gas sold to customers (use of sold products). These emissions are accounted for in the Group's total emissions and are incorporated into our GHG emission reduction targets. Looking ahead, the Group plans to conduct a more detailed analysis of locked-in emissions across its assets and other relevant sources to further inform Group's transition planning.

To further support all climate mitigation and adaptation actions, all new employees undergo training on energy conservation and climate action, with further communication thereon provided afterwards.

The Group's climate change transition planning is fully integrated into the Group's strategy, annual planning and monitoring, and day-to-

day operations. In line with the Group Strategic Planning Policy, the Sustainability function prepares guidelines for Group companies on long-term and annual sustainability plans, including setting GHG emissions levels, which are approved by the parent company's Management Board. Subsidiaries' plans are approved by their respective collegial bodies, while the Group's consolidated sustainability plan is approved by the parent company's Management Board and aligned with the Supervisory Board. The Group's transition plan, including its targets, required investments, key risk management plan, and executive remuneration incentives, is embedded in the [Group's Strategic Plan 2025–2028](#) and is, therefore, approved by the Supervisory Board. The Group is not excluded from the EU Paris-Aligned Benchmarks.

The Group has allocated significant capital expenditure (Investments) and operational expenditure (OPEX) to support the implementation of the decarbonisation measures described in more detail in paragraph 'E1-3 Actions and resources in relation to climate change policies'. The relation between these Investments and Taxonomy CAPEX and/or Taxonomy CAPEX plan under EU Commission Delegated Regulation 2021/2178 (hereinafter - Taxonomy Disclosures Delegated Act) is explained in the same paragraph.

The Group plans to continue to align its activities with the EU Taxonomy (Commission Delegated Regulation (EU) 2021/2139) criteria. The [Group's Strategic Plan 2025–2028](#) specifies that ≥85–90% of Investments are to be directed to the expansion or maintenance of the EU Taxonomy-aligned activities.

For more details on the objectives set out in the Group's strategy and business model for strengthening resilience to climate change, see paragraph 'E1-3 Actions and resources in relation to climate change policies'.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In the table below are descriptions of our material IROs related to climate change mitigation and adaptation. These IROs are closely linked to the Group's strategy and business model and occur within our own operations as well as through our relations with value chain.

As an integrated utility focused on renewables, we aim to develop a secure, green energy ecosystem and support electrification, while also mitigating the negative impacts and risks of our activities. The Group's priorities include reducing our greenhouse gas emissions and strengthening the resilience of our operations and assets against climate change.

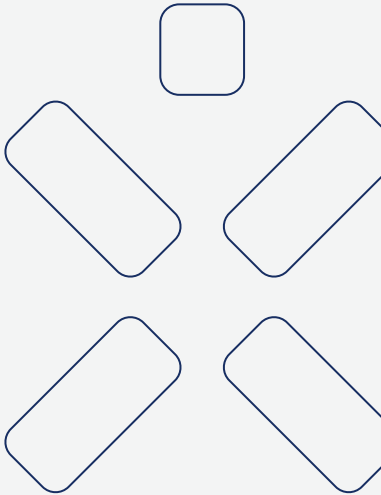
As set out in the [Group's Strategic Plan 2025–2028](#), we monitor climate-related developments across our products and services. This helps us align our strategy with material impacts, risks and opportunities, as well as positions the Group to benefit from the energy transition and contribute to the objectives of the Paris Agreement and EU climate goals. Integrating climate-related matters into our corporate and strategic processes also strengthens our internal controls and risk management.

Sub-topic: Climate change mitigation

Material IROs	Description
Direct and indirect GHG emissions Type: negative impact Place in value chain: OO & VC Business segment: All Changes compared to 2024: none	The GHG emissions through energy production (e.g., emissions from incineration process), energy use (e.g., purchased electricity for own operations), energy supply (e.g., electricity retail) and other business activities negatively contribute to climate change.
Growing green energy portfolio Type: positive impact Place in value chain: OO & VC Business segment: Green Capacities Changes compared to 2024: none	The expansion of Green Capacities with a focus on onshore and offshore wind, also development of green flexibility technologies such as battery energy storage system (BESS), hydro pumped-storage and power-to-x technologies are carried out to ensure the green transition and decarbonisation.
Enabling electrification Type: positive impact Place in value chain: VC Business segment: Networks, Customers & Solutions Changes compared to 2024: none	Electrification is a key part of energy transition, where the development of a resilient and efficient network allows to meet the needs arising during the electrification process. Additionally, the Group works on scaling the EV charging network, thus enabling electrification.
Lack of support for energy transition Type: risk Place in value chain: OO Business segment: Green Capacities Changes compared to 2024: none	The continued expansion of green generation and green flexibility technologies may be hindered by both policy uncertainties and lack of political support, triggering slower Green Capacities expansion and encumbering climate change mitigation efforts.
Global and regional renewable energy landscape Type: opportunity Place in value chain: OO Business segment: Green Capacities Changes compared to 2024: none	The Paris Agreement and the EU Green Deal are driving a rapid shift towards renewable energy. This presents an opportunity to invest in sustainable solutions and reduce GHG emissions.

Sub-topic: Climate change adaptation

Material IROs	Description
Physical acute and chronic climate-related events Type: risk Place in value chain: OO Business segment: Green Capacities, Networks Changes compared to 2024: none	Chronic climate events may lead to uncertainty in production estimates due to renewable energy generation's dependency on natural resources, such as wind patterns. Acute climate events may result in a disruption of construction or work on different assets, and an increase in repair needs, especially for overhead power lines.



Identifying climate-related impacts, risks and opportunities

Identifying and managing our climate-related impacts, risks and opportunities is central to both mitigating operational risk and to achieving our strategic goals. The Group periodically tests the resilience of its strategy and business model against climate-related impacts, risks and opportunities, drawing on multiple inputs, including the climate scenario analysis (CSA) conducted in 2023, the DMA in 2025, and climate-related risk management processes. For additional information, see 'ESRS 2 IRO-1 Materiality assessment process'.

Use of climate scenario analysis

The CSA conducted in 2023 identified the following physical and transitional climate-related risks and opportunities that could arise under a high climate-impact (4°C warming) pathway and a net-zero (<1.5°C warming) pathway in the medium-term (2030) and long-term (2050):

- **physical risks and opportunities:** associated with extreme weather events (acute) and long-term climate changes (chronic);
- **transitional risks and opportunities:** associated with transitioning into low-carbon economy. There are five categories of transitional risks: policy, legal, market, technology and reputational risks.

According to Intergovernmental Panel on Climate Change (IPCC) [data](#) carbon prices are expected to increase by ~1.7x by 2030 and 3x by 2050 under the 1.5°C scenario. This could lead to the Group facing a risk of increasing costs for energy and heat generated by the Elektrėnai Complex, Kaunas CHP and Vilnius CHP plants.

The assessment was conducted in four stages, involving a broad group of internal stakeholders across all business segments, and was overseen by the parent company's Management Board:

Stage 1: Interviews with representatives from different activities were conducted to review the existing climate-related risks, discuss other potential climate-related risks and assess opportunities. The results of this stage were a long list of all possible climate-related, both physical and transitional, risks and opportunities.

Stage 2: This longlist was narrowed down by selecting the climate-related risks and opportunities that are/could be the most material to the Group. The final list was discussed and approved by the parent company's Management Board.

Stage 3: Modelling of the selected risks and opportunities was conducted based on different climate change scenarios.

Stage 4: Results were evaluated, and future plans were set. All assumptions and outcomes are disclosed in table on the side.

Climate scenarios, assumptions and outcomes

Physical risks and opportunities	High physical impact (4°C warming) or no mitigation scenario based on the Shared Socioeconomic Pathway 5-8.5 of the 6th IPCC (Intergovernmental Panel on Climate Change) Assessment report.
	This scenario represents the most 'unprecedented' or 'worst-case' scenario from a physical climate change perspective, assuming a future with limited mitigation measures, ongoing emissions growth at current rates and a global average temperature increase of 4°C by the end of the century compared to pre-industrial levels.
	Future climate-related hazards and risks include: – rising temperatures; – changing rainfall patterns; – increased frequency and intensity of extreme weather.
Transitional risks and opportunities	The assessment scope: almost 300 sites, including Kaunas HPP; Kruonis PSHP; Elektrėnai Complex; Vilnius and Kaunas CHPs; solar and onshore wind farms; individual wind turbines.
	Rapid transition (<1.5°C warming) or high-mitigation scenario: net-zero scenario of the International Energy Agency was used where available; for some risks and opportunities the analysis also drew on other net-zero aligned sources to complement the findings, where additional data was needed.
	This scenario presents a pathway to effective climate mitigation, which sees global energy sector GHG emissions reach net zero by 2050, while also taking into consideration other sustainable development goals, such as universal access to energy and air quality improvements. Future risks and opportunities include: – more stringent climate policies and carbon pricing; – technology innovation to support the low-carbon transition; – changing consumer market demands.
	The assessment scope: all four business segments of the Group and all scopes (total) GHG emissions of the Group.

The 2023 CSA identified:

- **three** physical climate risks and **one** physical climate-related opportunity;
- **two** transitional climate-related risks and **two** transitional climate-related opportunities.

In the 2025 DMA only one physical climate risk (**acute and chronic climate-related events**), one transitional climate risk (**lack of support for energy transition**) and one transitional climate opportunity (**global and regional renewable energy landscape**) were identified as financially material. More details on the CSA, including its results, can be found in the [Integrated Annual Report 2024](#).

Business resilience in relation to climate change

Resilience to climate change impacts, risks and opportunities is achieved through the Group's overarching corporate strategy, risk management processes, and decarbonisation measures. Climate-related opportunities are captured through the [Group's Strategic Plan 2025-2028](#), which prioritises growth in green generation and green flexibility capacity and positions the Group to capture value from the energy transition. Resilience to climate-related impacts is supported by our investments and activities to reduce emissions across our operations and value chain. For additional information see paragraph 'E1-3 Actions and resources in relation to climate change policies'.

Material climate-related risks are integrated into the processes of the Group Risk Management, ensuring ESG factors are subject to the same identification, assessment, and management processes as other business risks. In 2025, the Group introduced a dedicated tool to enhance asset-level climate risk assessment and support EU Taxonomy reporting. The tool monitors assets reported under the EU Taxonomy and screens them against climate- and nature-related risks, providing granular, location-specific projections. Projections for physical risks are based on three IPCC scenarios (SSP1-2.6, SSP2-4.5, SSP5-8.5) across baseline, 2030, and 2050 time horizons. The outputs also support double materiality assessment and enhance sustainability disclosures, ensuring that climate-related considerations are embedded into strategic priorities, investment decisions, and operational planning.

The Group's material risk relating to extreme weather events is addressed through more broad measures to mitigate energy infrastructure failure. For more information, see section '4.7 Risk management'. Reports on risks and risk management suggestions are shared with relevant employees, including Risk management and Finance functions. The financial statements are prepared in line with the climate scenarios – this is detailed in note '4 Significant accounting estimates and judgments used in the preparation of the financial statements' of section '8 Consolidated financial statements'.

The Group retains a high degree of flexibility in order to adapt its strategy and business model to climate-related developments in the short-, medium-, and long-term. The Group ensures continued access to affordable financing by aligning with the EU Taxonomy and embedding climate considerations into its investment cases. This capacity to adapt, combined with a strong customer base and a clear decarbonisation pathway, supports the Group's positioning to manage risks, capture opportunities, and continue to deliver on its purpose to create a 100% green and secure energy ecosystem for current and future generations.

E1-2 Policies related to climate change mitigation and adaptation

The Group's climate change mitigation and adaptation efforts are guided by a set of policies that establish principles, responsibilities and governance mechanisms for managing climate-related impacts, risks and opportunities. In the table below are descriptions of the main policies, guidelines and frameworks that govern our material IROs.

Corporate policies, implementation guidelines, frameworks and other documents

Title	Description	Applies to
The Group Environmental Policy (available on our website)	The policy guides efforts to reduce environmental impacts, improve energy efficiency, strengthen network resilience and promote low-carbon solutions.	All Group
Climate Management Guidelines (not publicly available)	The guidelines specify the Group's commitment to align with limiting global warming to 1.5°C by implementing its climate transition actions and decarbonisation levers, including achieving net-zero GHG emissions by 2040–2050, phasing out fossil-fuel activities and engaging the value chain in climate and energy plans. To deliver these commitments, the Group integrates climate considerations into its strategy. The guidelines are an annex to the Group Environmental Policy, which defines and details Group's approach to environmental protection including climate mitigation and adaptation.	All Group
The Group Sustainability Policy (available on our website)	Climate change mitigation and adaptation efforts are reinforced through the following principles: – the Group is committed to reaching net-zero emissions in line with the European Green Deal and the Paris Agreement; – the policy encourages rational and sustainable resource management, responsible and efficient energy consumption and participation in initiatives that increase energy efficiency and contribute to Lithuania's energy savings goals.	All Group

E1-3 Actions and resources in relation to climate change policies

The Group's actions support its climate transition and strategic ambitions to advance the green energy ecosystem. To execute our climate transition goals, including management and mitigation of our material impacts, risks and opportunities, we have tailored our emissions reduction efforts to the specific profiles of different business segments:

- Green Capacities: committed to increasing installed green generation and green flexibility capacities to 4–5 GW by 2030. This is expected to significantly reduce GHG emission intensity from power generation;
- Networks: working to improve the efficiency of electricity distribution networks, which is expected to reduce energy losses and emissions, as well as investing in new technologies, such as smart grids, to enable demand-side management and reduce peak load;
- Customers & Solutions: offering customers a range of low-carbon energy products (EV charging network, biomethane, remote solar farms, use of green electricity) and services (smart energy consultations) and developing energy efficiency measures (solutions based on smart meter data);
- Reserve Capacities: maintaining and prolonging the lifecycle of Reserve Capacities to keep up with legal and energy security requirements.

The Group requires all Group companies to adhere to the principles stated in the climate-related policies and carries out periodic monitoring and oversight.

Each Group company conducts an annual review of its decarbonisation measures and reports to the Group on its progress and efficiency. Implementation decisions are made during annual

and four-year strategic planning cycles, as well as ad hoc by decision-making bodies.

At the operational level, subsidiaries adjust their climate-related actions and monitor their progress and effectiveness on a rolling basis, while ensuring that the new initiatives are introduced as opportunities emerge. Some actions may remain preliminary and are evaluated for potential adoption in future years, allowing the Group to adapt quickly to changing climate, market, and regulatory conditions.

The Group is currently prioritising direct emissions reduction measures through engineering and technological solutions. While it has not yet developed any carbon removal initiatives, including nature-based solutions, these solutions may be considered in the future.

Key decarbonisation levers, objectives and actions taken by the Group

To take advantage of material opportunities and address material impacts and risks, the Group employs the following key decarbonisation levers to support the achievement of its targets:

- deploying green energy and green flexibility technologies;
- promoting energy efficiency and reducing consumption;
- using green energy;
- substituting products;
- promoting electrification;
- switching fuel;
- avoiding GHG emissions.

All climate change mitigation and adaptation actions aimed at managing or adapting to physical climate change risks are provided in the table below 'Key decarbonisation actions, targets and progress in 2025'.

Key decarbonisation actions, targets and progress in 2025

Emissions scope	Segment	Timeframe	Action	Description	KPIs and targets	Progress in 2025	Achieved or expected GHG reductions
Scope 1 & 3	Green Capacities	Short- / medium-term, long-term	Deploying green generation and green flexibility technologies	The Group continued to install and operate onshore wind, solar, BESS, pumped-storage hydro and CHP capacities to increase its green generation and green flexibility capacities. The Green Capacities projects under construction are discussed in further detail in section '2.3 Investment program'.	Delivering 2.6–3.0 GW of installed green generation and green flexibility capacity by 2028 and 4–5 GW by 2030.	In total, Electricity Generated (net) in the Green Capacities segment reached 2.79 TWh (+0.5 TWh compared to 2024). The Green Share of Generation amounted to 70.2 % (81.5 % in 2024). In 2025, Heat Generated (net) amounted to 1.87 TWh and increased by 0.21 TWh (12.4%) YoY due to higher generation at the Vilnius CHP biomass unit.	If the emissions from the same amount of generated electricity would be accounted for using residual mix, it would cause 1,585 thousand t CO ₂ -eq of GHG emissions.
Scope 1	Networks	Short- / medium-term, long-term	Reducing natural gas network losses	The Group maintains, repairs and reconstructs the natural gas distribution network on a regular basis to reduce the natural gas losses through evaporation.	Reducing the total natural gas distribution technological losses and undertaking to limit them to 2.2% under all circumstances.	In Lithuania, the distributed natural gas volume increased by 0.01 TWh (0.2%), amounting to 6.92 TWh. The technological losses related to the release of natural gas into the atmosphere were 1.4% (1.5% in 2024).	GHG emissions from the losses were 61.2 thousand t CO ₂ -eq (71.1 thousand t CO ₂ -eq in 2024), i.e., 8% of the Group's total Scope 1 emissions (15% in 2024).
Scope 1	Green capacities, Networks	Short- / medium-term, long-term	Minimising SF6 leakages and use	The Group continuously manages sulphur hexafluoride (SF6, one of the most potent greenhouse gases) emissions. In Green Capacities, SF6 is used in substations and in switchgear of onshore wind farms, and in Networks, SF6 is used in the distribution equipment, substations with gas isolation and gas circuit breakers. The Group adheres to the established procedures for SF6 gas monitoring and data reporting during its activities. The Group intends to prepare an action plan to comply with the requirements of the EU Regulation 2024/573 regarding the phase-out of the equipment containing SF6.	0 g of SF6 leaked.	In 2025, the total amount of SF6 that leaked was 0 g, compared to 100 g in 2024.	0 t CO ₂ -eq emitted.

Emissions scope	Segment	Timeframe	Action	Description	KPIs and targets	Progress in 2025	Achieved or expected GHG reductions
Scope 1	Networks	Short- / medium-term	Fleet electrification	The Group is electrifying its own vehicle fleet and encouraging ecological driving by organising regular training sessions, for example, the economic driving competition, and offering other incentives.	The Group companies whose combined vehicle fleets comprise 92% of the entire fleet are required to reduce their GHG emissions from polluting fuel by 42% by 2030 (vs 2020). The Group also has a target to use electric common-purpose vehicles in at least 50% of all business travel.	In 2025, 400 new C1-class electric vehicles were acquired (24 in 2024). In total, 47% of the entire fleet is EVs.	-
Scope 2	Networks	Short- / medium-term, long-term	Reducing electricity distribution network losses and strengthening grid resilience	The Group maintains and expands electricity distribution networks on a regular basis to reduce electricity distribution grid losses, improve their energy efficiency and strengthen the resilience of the energy supply network in response to increasing climate-related risks. To address this, 10 kV power lines in forested and storm-prone areas are being replaced with underground cables. The effect of cabling on biodiversity is described in section 'E4 – Biodiversity and ecosystems'. The effect of cabling on grid reliability is described in section 'S4 – Consumers and end-users'.	≤5.0% technological losses over the 2024–2027 period (yearly average).	The total volume of electricity distributed in 2025 amounted to 10.34 TWh (10.07 TWh in 2024). The technological losses of distributed electricity were 4.8% (5.0% in 2024).	GHG emissions from technological losses amounted to 96 thousand t CO ₂ -eq (101 thousand t CO ₂ -eq in 2024), i.e., 84.4% of the Group's total Scope 2 emissions (86% in 2024).
Scope 2	Green Capacities	Short- / medium-term, long-term	Using green energy for own operations	The Group aims to increase the share of green electricity consumed in its operations. Kruonis PSHP, one of the Group's hydropower plants, consumes the most energy out of the Group's assets and has an objective to keep its consumption of 100% green energy.		In 2025, 100% of electricity consumed by Kruonis PSHP was covered by green certificates (91.7% in 2024).	Green certificates covering the electricity consumption of Kruonis PSHP allowed us to avoid approximately 134 thousand t CO ₂ -eq of GHG emissions (137 thousand t CO ₂ -eq in 2024).
Scope 3	Networks	Short- / medium-term, long-term	Providing tools for energy efficiency improvement	The Group is implementing a smart metering programme to enable a more efficient energy consumption and make metering easier.	To complete 1.2 million mass smart meter roll-out by 2026 and continue further installations.	In 2025, we successfully completed the mass smart meter roll-out, installing around 270 thousand smart meters during the year and bringing the total to 1.3 million, thereby achieving our original target of installing over 1.2 million smart meters by 2026 ahead of schedule.	-

Emissions scope	Segment	Timeframe	Action	Description	KPIs and targets	Progress in 2025	Achieved or expected GHG reductions
Scope 3	Customers & Solutions	Short- / medium-term, long-term	Promoting behavioural changes	The Group promotes and contributes to the behavioural change in consumers by: – continuously enhancing the Ignitis EnergySmart app; – offering an electricity supply plan based on 15 minute market prices, thus enabling customers to take advantage of flexible energy consumption; – offering consultations on GHG emissions assessment to companies.	Increase the number of unique digital customers (app + self-service), with a primary focus on sustainable growth and delivering added value to customers through digital channels.	The latest update allowed EV owners to charge their vehicles based on power market prices, thus optimising their charging costs.	-
Scope 3	Customers & Solutions	Short- / medium-term, long-term	Promoting use of green electricity	The Group actively promotes green electricity consumption (using guarantees of origin) and supplies it to customers, allowing them to reduce their GHG footprint while reducing the Group's downstream emissions.	Growing green electricity supplied to ~3.0–4.0 TWh by 2028. The Group's progress towards the expansion of Green Capacities, are reported in section '2.2 Strategy and targets'.	3.25 TWh of green electricity supplied (1.9 TWh in 2024).	The guarantees of origin sold in 2025 allowed our customers to avoid approximately 1,926 thousand t CO ₂ -eq of GHG emissions (1,118 thousand t CO ₂ -eq in 2024).
Scope 3	Customers & Solutions	Short- / medium-term, long-term	Providing biomethane as alternative to natural gas	The Group offers biomethane for business to business (B2B) customers as an alternative to natural gas, mainly for the transport sector, enabling its decarbonisation and reducing the Group's Scope 3 emissions.	Growing biomethane supplied to ~0.5–1.0 TWh in 2028.	The amount of biomethane sold in 2025 was 0.11 TWh (0.05 TWh in 2024).	The biomethane sold in 2025 resulted in at least 181 thousand t CO ₂ -eq of avoided GHG emissions, which would have otherwise been emitted if natural gas had been sold instead.
Scope 3	Networks, Customers & Solutions	Short- / medium-term, long-term	Implementing legal provisions on energy efficiency ¹	The Group continues to implement its obligations set out in the Republic of Lithuania Law on Increasing Energy Efficiency (Articles 7 and 8).	By 2030, we aim to have saved 177.8 GWh through energy- saving measures. The 2025 target for the energy savings after the implementation of consumer education programmes is 182.8 GWh.	The estimated cumulative effect of the implemented energy saving measures by 2030 reached almost 526.6 GWh in 2025 (432.2 GWh in 2024). According to the reports submitted to the Ministry of Energy and Lithuanian Energy Agency, the energy savings after the implementation of consumer education programmes are almost 127.6 GWh.	-

Emissions scope	Segment	Timeframe	Action	Description	KPIs and targets	Progress in 2025	Achieved or expected GHG reductions
Scope 3	Customers & Solutions	Short- / medium-term, long-term	Green mobility infrastructure	Ignitis ON is focused on promoting zero and low-emission mobility by expanding its publicly accessible EV charging network across the Baltic countries, which is the largest fast-charging network in Lithuania. The network, powered entirely by green energy, is growing rapidly, and the number of charging stations that operate 24/7 is increasing. It facilitates the transition from internal combustion engine to electric vehicles by providing charging stations with a capacity of 150 kW or higher, thereby reducing EV charging times. The network supports environmentally conscious consumers by using 100% green electricity. Information on Ignitis ON effect towards customers provided in section 'S4 – Consumers and end-users'	The Ignitis ON public charging network aims to expand the green mobility infrastructure.	The Ignitis ON charging network reached 1,799 charging points, of which 1,413 are DC/HPC. In 2025 delivered approximately 10.9 GWh of green electricity.	The Ignitis ON charging network contributed to a 6,480 t CO ₂ -eq reduction in the transport sector.

¹ The figures reported as 2025 progress for the 'Implementing legal provisions on energy efficiency' action are preliminary and had not been confirmed by the Lithuanian Energy Agency at the time this statement was published.

In 2025, the Group made the following significant Investments to implement the actions above: EUR 285.9 million for expansion projects of the Green Capacities segment and EUR 82.8 million for electricity and natural gas network maintenance in the Networks segment. Additionally, significant OPEX of EUR 43.5 million for repairs & maintenance was recorded in the Networks segment and EUR 35.6 million for expansion projects of the Green Capacities segment. Due to the limitations in the accounting systems, the OPEX related to the Green Capacities segment has been calculated based on the estimates.

These Investments and OPEX comprise a part of the total Investments and OPEX, which can be found in note '5 Business segments' and '7 Expenses' of section '8 Consolidated financial statements'. The total Investments during the 2025–2028 period in the actions described above are estimated to be in the range of EUR 2,300–3,000 million, while long-term Investments and future OPEX are not disclosed as currently the Group cannot ensure the accuracy of this information. The Group will evaluate disclosure options in future periods. A part of the OPEX and Investments associated with the actions described

above are also reflected under Taxonomy-aligned OPEX, Taxonomy-aligned CAPEX and Taxonomy CAPEX plan, which can be found in section 'Disclosures under the EU Taxonomy Regulation'. It should be noted that there are differences in methodologies used to calculate Investments and Taxonomy CAPEX as well as OPEX and Taxonomy OPEX (for detailed definition of formulas, see section '7.2 Alternative Performance Measures').

E1-4 Targets related to climate change mitigation and/or adaptation

As a member of the United Nations' Business Ambition for 1.5 °C campaign, that ran from June 2019 to October 2021, the Group has committed to support global efforts to achieve net-zero emissions worldwide by 2050.

In line with this commitment, the Group has set its own target to reduce total absolute GHG emissions to achieve net-zero emissions by 2040–2050.

To strengthen its commitment the Group has set its science based targets that were validated by SBTi in 2021. In 2025, its near-term greenhouse gas emission reduction targets were updated and new long-term (net-zero) emission reduction targets were validated and published. The Group is pursuing net-zero GHG emissions across its value chain by 2040.

The SBTi's Target Validation Team has classified the Group's Scope 1 and 2 near-term target ambition and has determined that it is in line with the 1.5°C pathway. The Target Validation Team has also evaluated the Group's Scope 1, 2, and 3 long-term target ambition, and determined that the long-term targets are aligned with the SBTi's 1.5° C mitigation pathways for reaching net-zero by 2050 or sooner.

More information is available on the [SBTi website](#) and on the [Group's website](#).

As part of our science-based decarbonisation pathway, which includes both direct and indirect GHG emissions from the Group's operations, the Group is dedicated to the following SBTi-validated targets:

Overall net-zero target (Validated by SBTi): the Group is dedicated to pursuing net-zero greenhouse gas emissions across its value chain by 2040.

Near-term targets (2030):

- reducing Scope 1 GHG emissions from electricity and heat generation by 86.6% per kWh by 2030 from the 2023 base year¹;
- reducing Scope 1 and 3 GHG emissions from fuel and energy related activities covering all electricity sold by 79.9% per kWh within the same timeframe¹;
- reducing all remaining absolute Scope 1 GHG emissions and absolute Scope 2 GHG emissions by 42% within the same timeframe;
- reducing absolute Scope 3 GHG emissions from use of sold products for sold and distributed fossil fuels by 42% within the same timeframe;
- reducing absolute Scope 3 GHG emissions from purchased goods and services and all remaining emissions from fuel-and energy-related activities by 42% within the same timeframe¹.

Long-term targets (2040):

- reducing Scope 1 GHG emissions from electricity and heat generation by 91.5% per kWh by 2040 from the 2023 base year¹;
- reducing Scope 1 and 3 GHG emissions from fuel and energy related activities covering all electricity sold by 94.5% per kWh within the same timeframe¹;
- reducing all remaining absolute Scope 1 GHG emissions and absolute Scope 2 GHG emissions by 90% within the same timeframe¹;
- reducing absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 90% within the same timeframe¹;
- reducing absolute Scope 3 GHG emissions from purchased goods and services and all remaining emissions from fuel- and energy-related activities by 90% within the same timeframe¹.

Accounting policies

All targets and the progress are tracked periodically. Strategic targets tracked each quarter and all others at least yearly.

The target boundary revalidated in 2025 includes biogenic emissions and covers at least 95% of the Scope 1 and Scope 2 emissions (market-based), whereas Scope 3 targets include at least two-thirds of all Scope 3 emissions as defined by the SBTi criteria.

As per current SBTi guidelines, the Group does not use carbon credits and does not currently plan to rely on carbon credits to reach the above-stated targets. Unless explicitly stated otherwise, the targets and the GHG emissions progress reported in section 'E1-6 Gross Scopes 1, 2, 3 and total GHG emissions' refer to gross emissions. The Group has not yet developed an approach to residual emissions/neutralisation of remaining emissions in the net-zero scenario.

The Group is not aware of any quantified external factors (such as temperature anomalies) that might influence the comparability of the baseline value against which the progress toward the target is measured. Therefore, the Group uses the 2023 baseline value as this was the baseline revalidated by the SBTi. The 2020 baseline still used for long-term targets set for 2025–2026. There were no significant changes in the target boundary in the reporting year. The GHG emissions methodology was not significantly changed since the update in 2024. For more on the methodology update see section 'E1-6 Gross Scopes 1, 2, 3 and total GHG emissions'. The range of climate scenarios that were considered and the decarbonisation levers chosen for target achievement are discussed in detail in section 'E1-3 Actions and resources in relation to climate change policies'.

External stakeholders were not involved in the emission target-setting process.

¹ The target boundary includes land-related emissions and removals from bioenergy feedstocks.

SBTi validated targets¹

Target scope	Emissions scope	Unit	2023 (baseline)	2024	2025	2030 target and ambition to target vs. 2023 (%)	2040 target and ambition to target vs. 2023 (%)	Change in 2025 vs. 2023
GHG emissions intensity from power generation	Scope 1 (stationary combustion) + biogenic emissions	g CO ₂ e/kWh	107	83	108	15 (86.3%)	9 (91.5%)	0.9%
GHG emissions intensity from power generation and sold electricity	Scope 1 (stationary combustion) + Scope 3 (sold electricity)	g CO ₂ e/kWh	167	155	167	34 (79.6%)	9 (94.5%)	0.5%
GHG emissions not related to power generation	Scope 1 + Scope 2	Thousand t CO ₂ -eq	260	196	181	151 (42.0%)	26 (90.0%)	(30.4%)
GHG emissions from use of sold products	Scope 3 (use of natural gas sold to end-users)	Thousand t CO ₂ -eq	1,802	1,619	1,703	1,045 (42.0%)	162 (90.0%)	(5.5%)
GHG emissions from use purchased goods and services and all remaining emissions from fuel-and energy-related activities	Scope 3	Thousand t CO ₂ -eq	434	423	432	252 (42.0%)	42 (90.0%)	(0.6%)

In addition, the Group has set the following targets for the 2025–2028 strategic cycle:

Target scope	Emissions scope	Unit	2024	2025	2028 target	Change in 2025 vs. 2024
Reduce carbon intensity	Scope 1 & 2 (market-based)	g CO ₂ -eq/kWh	199	248	190	25.0%
Green electricity supply portfolio	Scope 3	TWh	1.9	3.26	3.0-4.0	73.4%
Grow biomethane supply	Scope 3	TWh	0.05	0.11	0.5-1.0	100.6%

More on Group strategic targets see section '2.2 Strategy and targets'.

¹ As the Group's targets were revalidated with the SBTi in 2025 using relevant methodologies and a new baseline year (2023 instead of 2020), progress against these targets is not directly comparable with results presented in previous reports.

E1-5 Energy consumption and mix

Energy consumption and mix	Unit	2025	2024	Δ
Total energy consumption from non-renewable sources:	MWh	3,243,926	1,959,439 ¹	65.6%
Fuel consumption from coal and coal products	MWh	n/a	n/a	n/a
Fuel consumption from crude oil and petroleum products	MWh	n/a	n/a	n/a
Fuel consumption from natural gas	MWh	2,603,618	1,163,461	123.8%
Fuel consumption from non-biologic origin waste	MWh	584,705	675,425	(13.4%)
Fuel consumption from other fossil sources	MWh	21,490	22,572	(4.8%)
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	MWh	34,114	97,981	(65.2%)
Total energy consumption from nuclear sources	MWh	n/a	n/a	n/a
Total energy consumption from renewable sources:	MWh	2,753,316	2,582,440	6.6%
Fuel consumption from biomass	MWh	1,452,952	1,319,245	10.1%
Fuel consumption from biologic origin waste	MWh	637,062	538,275	18.4%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	659,548	720,693	(8.5%)
Consumption of self-generated non-fuel renewable energy	MWh	3,754	4,226	(11.2%)
Total energy consumption, from which:	MWh	5,997,242	4,541,878 ¹	32.0%
Share of non-renewable energy consumption	%	54.1	43.1	10.95 pp
Share of nuclear energy consumption	%	0.0	0.0	- pp
Share of renewable energy consumption	%	45.9	56.9	(10.95 pp)
Energy generation				
Total energy generation of the Group, from which:	MWh	6,185,516	4,812,729	28.5%
Non-renewable energy generation	MWh	2,468,547	1,765,759	39.8%
Renewable energy generation	MWh	3,716,970	3,046,970	22.0%
Share of non-renewable energy generation	%	39.9	36.7	3.2 pp
Share of renewable energy generation	%	60.1	63.3	(3.2 pp)

¹ These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Total energy consumption from non-renewable sources – 1,284,014 MWh; Total energy consumption – 3,859,071 MWh.). For more information, see Note 2 on section '7.3 Notes on restated figures' of this report.

Energy intensity per net revenue		2025	2024	Δ
Energy intensity (total energy consumption per net revenue)	MWh / EURm	2,425.0	1,978.5 ²	22.6%

² This figure has been restated compared to the Integrated Annual Report 2024 (number previously reported: 1.7 MWh / EURm). For more information, see Note 3 on section '7.3 Notes on restated figures' of this report.

Accounting policies

The data on energy consumption is sourced from our internal data collection system. Each power plant enters its operational data monthly, and the consolidated numbers are reported annually.

Direct energy consumption

Direct energy consumption encompasses all forms of energy usage, including those that contribute to Scope 1 GHG emissions. This includes all fuels used at Elektrėnai Complex (Reserve Capacities), Vilnius CHP and Kaunas CHP (both Green Capacities) as well as other forms of energy, such as petrol and diesel.

Indirect energy consumption

Heat and electricity purchased and consumed by the Group are reported for all plants, other facilities, and administrative buildings. This excludes the consumption of electricity and heat generated by our own plants. For purchased energy, we calculate direct consumption based on invoices.

Energy intensity

All business segments of the Group fall under high climate impact sectors. Accordingly, the net revenue from high climate impact sectors can be found under line 'Total revenue from contracts with customers' in note '6 Revenue' of section '8 Consolidated financial statements'. The energy intensity ratio is calculated using the following formula: Total energy consumption from activities in high climate impacts sectors (MWh) / Net revenue from activities in high climate impact sectors (EURm).

E1-6 Gross Scopes 1, 2, 3 and total GHG emissions

Scope 1 emissions increased by 55% due to additional services at the Elektrėnai Complex, which raised natural gas consumption.

Scope 2 emissions decreased by 4%, driven mainly by lower electricity-loss emissions.

Scope 3 emissions increased by 4% due to higher natural gas use at the Elektrėnai Complex and a higher share of natural gas attributed to Networks for distribution-related emissions.

GHG emissions	Unit	2025	2024	Δ
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	thousand t CO ₂ eq	736	476	54.7%
% of Scope 1 GHG emissions from regulated emission trading schemes	%	83.4%	73.8%	9.6 pp
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	thousand t CO ₂ eq	50	80	(37.1%)
Gross market-based Scope 2 GHG emissions	thousand t CO ₂ eq	113	118	(4.0%)
Scope 3 GHG emissions				
Gross Scope 3 emissions	thousand t CO ₂ eq	3,638	3,484	4.4%
Significant Scope 3 GHG emissions				
Purchased goods and services	thousand t CO ₂ eq	294	305	(3.5%)
Capital goods	thousand t CO ₂ eq	327	311 ¹	5.4%
Fuel and energy-related activities	thousand t CO ₂ eq	1,250	1,192	4.9%
Waste generated in operations	thousand t CO ₂ eq	59	53 ²	10.9%
Business travelling	thousand t CO ₂ eq	1	1	(7.1%)
Employee commuting	thousand t CO ₂ eq	3	2	30.0%
Use of sold products	thousand t CO ₂ eq	1,703	1,619	5.2%
Downstream leased assets	thousand t CO ₂ eq	0	0	(38.3%)
Total GHG emissions (location-based)	thousand t CO ₂ eq	4,424	4,039	9.5%
Total GHG emissions (market-based)	thousand t CO ₂ eq	4,487	4,077	10.1%
GHG emissions outside of Scope 1-3	thousand t CO ₂ eq	115	105	9.2%

¹ This figure has been restated compared to the Integrated Annual Report 2024 (number previously reported: 258 thousand t CO₂ eq). For more information, see Note 3 on section '7.3 Notes on restated figures' of this report.

² This figure has been restated compared to the Integrated Annual Report 2024 (number previously reported: 76 thousand t CO₂ eq). For more information, see Note 6 on section '7.3 Notes on restated figures' of this report.

Accounting policies

The Group's carbon footprint calculations are based on the Greenhouse Gas (GHG) Protocol and aligned with the ESRS requirements. Specifically, the calculations follow the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Emissions are calculated throughout the value chain as per the standard. Emission factors for calculations have been used from research-based Life-Cycle Analyses (LCAs) sourced from ecoinvent v3.11, the UK Department for Environment, Food & Rural Affairs (DEFRA), and other known and qualified emission factor databases.

All Group companies and activities are included in the calculations. The Group uses the operational control approach for organisational boundary setting. The Group's GHG inventory includes Scope 1, Scope 2, and all relevant Scope 3 categories.

Direct GHG emissions (Scope 1)

Scope 1 emissions cover all direct emissions of greenhouse gases from the Group. The direct emissions from the combustion in heat and power plants are determined based on the fuel quantities used in accordance with the EU Emissions Trading System. Other direct emissions (mobile combustion, natural gas transmission losses, cooling agents) are primarily calculated as operational data multiplied by emission factors.

Indirect GHG emissions (Scope 2)

Scope 2 emissions include indirect GHG emissions from the generation of power, heat, and steam purchased and consumed by the Group. Scope 2 emissions are primarily calculated as the power volumes purchased multiplied by specific emission factors. Location-based emissions are calculated based on average country-specific emission factors. Calculations using market-based emission factors consider renewable power purchased and assume that regular power is delivered as residual power. Contractual Instruments such as Power Purchase Agreements and Guarantees of Origin are used in market-based calculations and covers 96% of total energy purchased and 86% of Scope 2 emissions.

Indirect GHG emissions (Scope 3)

Scope 3 emissions inventory is split into 15 subcategories (C1-C15):

- C1 and C2 are categorised spend data multiplied by relevant spend-category-specific emission factors;
- C3 is calculated based on actual fuel consumption and power sales to end customers multiplied by relevant emission factors;
- C4 includes waste transport to CHP plants;

- C5 is calculated based on actual waste data multiplied by relevant emission factors;
- C6 is calculated based on mileage allowances for employee travel;
- C7 is calculated based on estimates of the distance travelled and travel type (e.g. car or train);
- C8 is included in Scope 1 and Scope 2 emissions;
- C11 is calculated based on actual sales of natural gas to both end customers and wholesalers. The different types of natural gas sold have specific upstream and downstream emission factors;
- C13 is calculated to cover energy use in buildings rented out by the Group;
- The subcategories C9, C10, C12 and C14-C15 are not relevant for the Group.

Due to recent expansion of Scope 3 emission calculations, the disclosure of the percentage of GHG emissions calculated using primary data may be unreliable at this stage, as it is challenging to determine.

GHG emission totals are calculated as the sum of Scope 1, Scope 2 (market-based) and Scope 3 emissions. The Group has chosen the market-based approach as the main approach, in

alignment with the GHG Protocol's guidance and the Group's strategy.

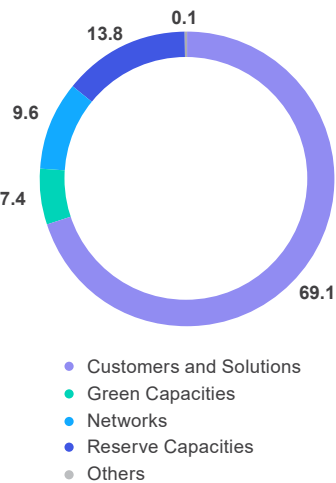
Out-of-scope (biogenic) emissions are reported separately and not included in total GHG emissions (according to ESRS requirements).

Updates in GHG accounting methodology

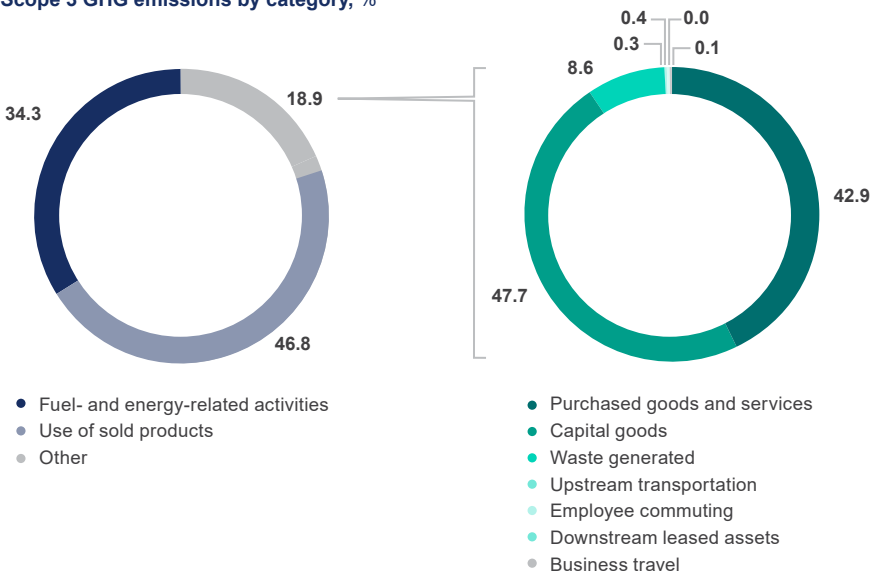
No GHG accounting methodology changes were made in 2025.

During the reporting period no significant events and changes in circumstances (relevant to its GHG emissions) have occurred in the Group's value chain.

Share of GHG emissions by segment, %



Scope 3 GHG emissions by category, %



Accounting policies

The total GHG emissions (location-based) intensity based on net revenue is calculated using the following formula: The total GHG emissions (location-based) (t CO₂eq)/ Net revenue (EURm). The total GHG emissions (market-based) intensity based on net revenue is calculated using the following formula: The total GHG emissions (market-based) (t CO₂eq)/ Net revenue (EURm).

Net revenue can be found under the line 'Total revenue' in note '6 Revenue' of section '8 Consolidated financial statements'.

GHG intensity		2025	2024 ¹	Δ
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/EURm	1,771.2	1,750.7	1.2%
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/EURm	1,796.6	1,767.4	1.7%

¹ These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Total GHG emissions (location-based) per net revenue – 1.7 t CO₂ eq/EURm; Total GHG emissions (market-based) per net revenue – 1.8 t CO₂ eq/EURm). For more information, see Note 3 on section '7.3 Notes on restated figures' of this report.

GHG intensity increased by 1.7% in 2025 compared to 2024. The increase of emissions mainly comes from natural gas consumption in Elektrėnai Complex (Reserve Capacities).

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

The Group did not engage in carbon removal or storage during the reporting year, and it did not finance any GHG mitigation projects through carbon credits. As stated in section E1-4 on targets, the Group has not yet developed an approach to residual emissions / neutralisation of remaining emissions in the net- zero scenario.

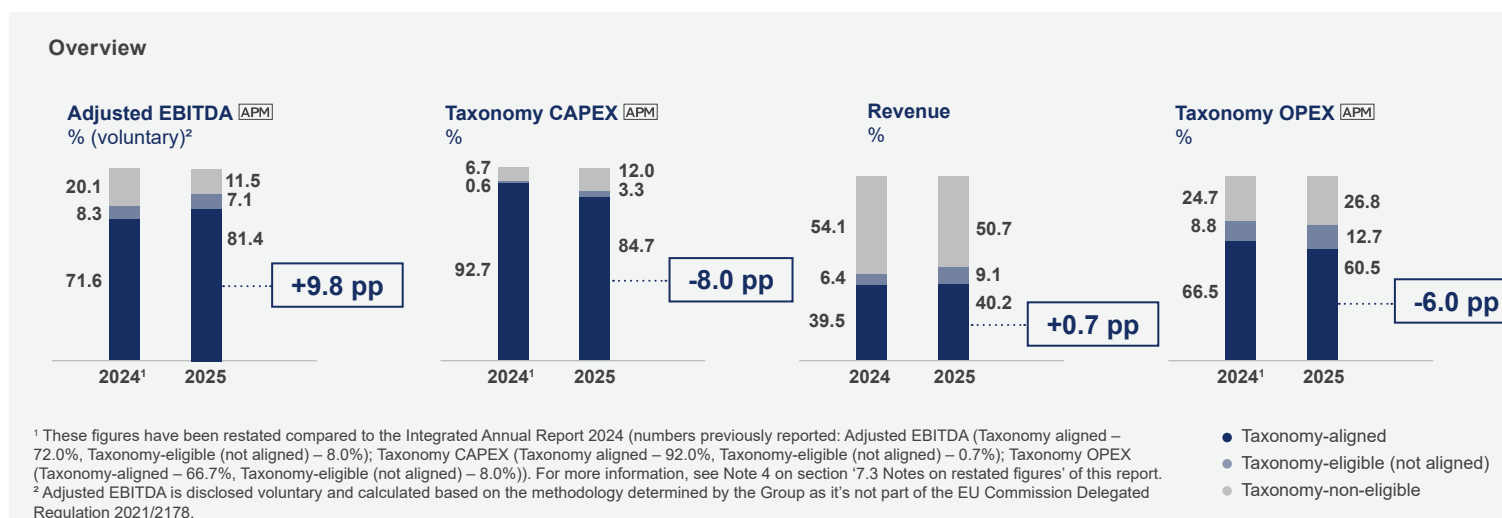
E1-8 Internal carbon pricing

At present, the Group has not implemented internal carbon pricing schemes. The Group is exploring the application of internal carbon pricing options by assessing life-cycle emissions of its new investment projects.

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The Group has opted to exercise the phase-in allowance to omit the financial effects.

Disclosures under the EU Taxonomy Regulation



Regulatory overview

The Taxonomy Regulation (EU) 2020/852 (hereinafter – Taxonomy Regulation) establishes a common classification system for sustainable economic activities and provides common language to describe what an environmentally sustainable activity is. The key role of this regulation is to help scale the sustainable investments, provide companies, investors, and policymakers with appropriate definitions for economic activities which can be considered as environmentally sustainable. The Group supports the need to direct investments towards sustainable projects and activities to reach the objectives of the European Green Deal.

The Group has been applying the provisions of Taxonomy Regulation since 2021, by disclosing

status of Taxonomy-aligned activities and their share of required KPIs: capital expenditures (Taxonomy CAPEX), operating expenses (Taxonomy OPEX) and revenue. In addition, the Group voluntarily discloses its Adjusted EBITDA.

Eligibility assessment

The Group has identified Taxonomy-eligible activities by screening the economic activities in the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486), and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485).

After careful screening of all Delegated Acts, the Group has concluded that it operates the following activities from Climate Delegated Acts. No corresponding activities in the Environmental Delegated Act has been detected.

No changes to the list of Taxonomy-eligible/aligned activities have been made since the previous reporting period.

Taxonomy-non-eligible activities of the Group include supply of electricity and natural gas, distribution of natural gas, cogeneration of heat/cool and power from waste and other non-significant activities on the Group level.

Taxonomy-eligible and -aligned activities of the Group in 2025 include:

Taxonomy-eligible	Corresponding activity in the Group	Business segments	Taxonomy-aligned with mitigation objective
4.1 Electricity generation using solar photovoltaic technology	Construction and electricity generation of solar farms	Green Capacities	Aligned
4.3 Electricity generation from wind power	Construction and electricity generation wind farms	Green Capacities	Aligned
4.5 Electricity generation from hydropower	Electricity generation in Kaunas HPP	Green Capacities	Aligned
4.9 Transmission and distribution of electricity (including Smart metering)	Electricity distribution	Networks	Aligned
4.10 Storage of electricity	Storage of electricity in Kruonis PSHP and BESS	Green Capacities	Aligned
4.20 Cogeneration of heat/cool and power from bioenergy	Cogeneration of heat and electricity in Vilnius CHP biomass	Green Capacities	Aligned
4.24 Production of heat/cool from bioenergy	Production of heat in Elektrėnai biomass unit	Reserve Capacities	Aligned
4.29 Electricity generation from fossil gaseous fuels	Electricity generation in Elektrėnai Complex 7, 8 units and CCGT	Reserve Capacities	Not aligned
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Purchase, renting, leasing and operation of vehicles	Networks and Other activities	Partially aligned
6.15. Infrastructure enabling low-carbon road transport and public transport	EV charging stations network	Customers & Solutions	Aligned
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	EV installation	Customers & Solutions	Aligned
7.6 Installation, maintenance and repair of renewable energy technologies	PV installation and maintenance	Customers & Solutions, Green Capacities	Aligned
7.7 Acquisition and ownership of buildings	Rental of buildings	Reserve Capacities and Other	Not aligned

Alignment assessment

All Taxonomy-eligible activities of the Group identified in the EU Taxonomy Delegated Acts were analysed in determining substantial contribution and do no significant harm (DNSH) technical screening criteria (TSC). After screening of Taxonomy-eligible activities, it was

noticed that most of the Group's activities share the same description in Annex I and II of the Climate Delegated Acts, meaning that they can be eligible for both mitigation and adaptation objectives. The Group only assesses the climate change mitigation objective as it is more relevant for its activities at this moment.

Substantial contribution to climate change mitigation

Activities 4.1, 4.3, 4.10, 7.3 (d), 7.4, 7.6 (a) automatically fulfil the substantial contribution criteria to climate change mitigation as the Group operates them in the manner requested by the criteria. Activity 4.5 meets substantial

contribution criteria as the life-cycle GHG emissions from the generation of electricity from hydropower are lower than 100g CO₂e/kWh. Activity 4.9 is part of the interconnected European system, i.e., the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems, meaning this activity of the Group meets

substantial contribution criteria. In addition, 4.9 (f) is applicable to the Group, as it is installing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944. Activities 4.20 and 4.24 use biomass compliant with criteria laid down in Article 29, paragraphs 2-7 of Directive (EU) 2018/2001 and complies with the GHG emission savings criteria. Activity 6.15 is dedicated to the operation of vehicles with zero tailpipe CO₂ emissions, creating a network of electric charging points, thus meet substantial contribution criteria as well. Part of the 6.5 activity includes low- and zero-emission light-duty vehicles.

Activities 4.29, 7.7 and the rest of 6.5 do not meet substantial contribution criteria and are not assessed for DNSH further, thus reported under not aligned. Activity 7.7 does not include operational and administrative buildings that are directly related to the operation of other Taxonomy-eligible activities.

Do no significant harm

We have assessed and documented compliance with DNSH technical screening criteria laid down for the climate change mitigation objective. This assessment was conducted for all activities that meet substantial contribution criteria for mitigation.

Climate change adaptation

In accordance with section I of Appendix A included in the Climate Delegated Act, the Group has performed a vulnerability assessment to assess the physical climate risks for its Taxonomy-eligible activities. The Group has fully integrated climate-related risks into its overall risk management process. This includes identifying climate risks, developing risk management

strategies and measures, and selecting key risk indicators.

The vulnerability assessment has revealed that none of the Taxonomy-eligible activities are subject to higher than a medium physical climate risk. Mitigation measures to minimise physical risks have been applied.

For more on ESG risks, see section '4.7 Risk management', and for more on climate change adaptation, see section 'E1: Climate change'.

Sustainable use and protection of water and marine resources

In all activities that we are legally required to conduct Environmental Impact Assessments (EIAs) or screening of Environmental Impact Assessment (EIA screening) to ensure that potential impacts on water resources are avoided, mitigated, and addressed appropriately, the activities meet the criteria. Therefore, additional legal requirements are followed in terms of hydropower and storage of electricity activities and their impact to water resources.

Transition to a circular economy

Where it is feasible, we prioritize selecting highly durable materials, embracing re-use and recycling when possible. We promote the rational and sustainable use of resources and materials. Also, we have internal waste management processes in place, and we constantly seek to improve our waste management practices.

For more on resource use and circular economy, see section 'E5: Resource use and circular economy'.

Pollution prevention and control

In all activities that we are legally required to conduct EIAs or EIA screening to guarantee that potential pollution impacts are avoided, mitigated, and addressed appropriately, pollution requirements are integrated into their pollution permit conditions. Based on them and all additional air pollution monitoring we exercise – the activities meet this criterion.

The Group has also screened the requirements related to substances of concerns and concluded compliance with related regulations.

Protection and restoration of biodiversity and ecosystems

In all activities that we are legally required to conduct EIAs or EIA screening we ensure that potential impact on biodiversity and ecosystems is avoided, mitigated, and addressed appropriately.

For more on biodiversity and ecosystems, see section 'E4 Biodiversity'.

Minimum social safeguards

The Group conducts activities by ensuring the alignment with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Group respects human rights and has established both the Group Code of Ethics and the Group Supplier Code of Ethics. Under the Code of Ethics, the Group is committed to respect and protect human rights and freedoms, recognised in national and international legislation, disseminate and foster democratic values in accordance

with the guidelines set forth in the Universal Declaration of Human Rights and International Labour Organization Conventions (including conventions on the worst forms of child labour, maternity protection, etc.). The Group Supplier Code of Ethics sets out the minimum standards of business conduct that we expect all our suppliers to adhere to and, where possible, exceed. We request our suppliers to carry out their activities under the Group Supplier Code of Ethics, including the suppliers respecting and protecting the human rights and freedoms.

In addition to that, the Group People and Culture Policy, Equal Opportunities and Diversity Policy, Occupational Health and Safety Policy, Anti-Corruption Policy, Market Abuse Prevention Policy and Information Security Policy cover different aspects of human rights or other aspects of social safeguards that are at the highest importance to the Group. Please find the list of Group's public policies available [here](#).

Alongside the best market practices that are aligned with the governance and policies mentioned above, the Group implements ongoing systematic due diligence approach, encompassing identification, prevention, mitigation and accountability steps to ensure that we have robust minimum safeguards in place on human rights, anti-corruption, taxation, and fair competition.

The Group is actively working to enhance its human rights due diligence process, not only to ensure the compliance with minimum social safeguards, but also to begin the preparation for the upcoming new regulations. The Group has prepared a roadmap for the implementation of the Corporate Sustainability Due Diligence Directive and will work on its actions.

Additional information regarding ancillary and balancing services

Elektrėnai Complex (Reserve Capacities), Kruonis PSHP and Kaunas HPP (both Green Capacities), managed by Ignitis Gamyba, provide ancillary and balancing services to the transmission system operator (TSO) that are necessary to ensure the reliability of the Lithuanian electricity system and the quality of electricity.

Additional information on alignment is available in the [EU Taxonomy report 2025](#).



Biodiversity in Group's wind and solar farms

Accounting policies

Main principles

Our accounting methodology for calculating the key performance indicators required to be disclosed by the Taxonomy Regulation (KPI) is based on the Group's best interpretation of the Taxonomy Disclosures Delegated Act and the currently available guidelines from the European Commission. With regards to the limited industry specific guidance, the Group made several assumptions to practically implement the Taxonomy Regulation. With the new official guidance from the European Commission or the industry's best practices, these assumptions will be amended and disclosed accordingly, if needed.

While the Taxonomy Regulation requires to disclose the share of revenue, Taxonomy OPEX and Taxonomy CAPEX KPIs that are Taxonomy-aligned and/or Taxonomy-eligible, the Group voluntarily discloses the Adjusted EBITDA metric as it provides coherence with other KPIs and better reflects the extent to which the Group's growth is linked to Taxonomy-aligned and/or Taxonomy-eligible activities. Adjusted EBITDA is calculated based on the methodology determined by the Group as it's not part of the Taxonomy Disclosures Delegated Act.

Taxonomy-eligible/aligned KPIs are calculated as the KPIs associated to each specific Taxonomy-eligible/aligned activity divided by the Group's total KPIs. While calculating the numerators, KPIs were allocated to Taxonomy-eligible/aligned activities based on the eligibility and the

alignment assessment described in the previous paragraphs. The assumption was made that any revenue, Adjusted EBITDA, Taxonomy OPEX, or Taxonomy CAPEX that can be justifiably linked to an identified Taxonomy-eligible/aligned activity will be classified as Taxonomy-eligible/aligned accordingly. Revenue and Adjusted EBITDA KPIs are directly linked to the ratios used in the Group's Integrated Annual Report, whereas Taxonomy OPEX and Taxonomy CAPEX refer to the type of costs or additions required by the Taxonomy Regulation. In the case of consolidated EU Taxonomy figures, most consolidation adjustments are made in line with the principles used in the consolidated financial statements.

Double counting

All reported Taxonomy KPIs financial figures are allocated directly or split using proxies into the applicable Taxonomy-eligible/aligned activities ensuring there is no double counting. The Group considers that all its Taxonomy-eligible activities contribute to climate change mitigation, therefore, they are reported only under this objective.

Proxies

When financial numbers cannot be directly allocated to a specific activity, proportional accounting is applied using the most relevant proxy based on the nature of the company activities. Two distinct proxies are primarily used for the indirect costs' attribution. For energy generating companies, allocation is based on the quantities of electricity and/or heat generated from different types of activities and sources. For other Group companies, allocation is based on

employees' working time dedicated to specific activities. Planned, current, and/or historical data is used, depending on availability and reliability.

Calculation of Taxonomy-eligible/aligned revenue

As defined in the Taxonomy Disclosures Delegated Act, the share of the Group's Taxonomy-eligible/aligned revenue is calculated by dividing the revenue derived from products or services associated with Taxonomy-eligible/aligned activities by the Group's total revenue (see '8.1 Consolidated statement of profit or loss').

Revenue associated with electricity generation includes economic activities related to the electricity generation from wind power, hydropower, fossil gaseous fuels, electricity generation using solar photovoltaic technology, storage of electricity and cogeneration of heat/cool and power from bioenergy. It also includes revenue of balancing activities and/or hedging, and/or regulatory activities, where the results show figures that are not necessarily related to electricity generation (for more information on regulatory activities, see section '6.4 Governance') but are directly related to or necessary to perform Taxonomy-eligible/aligned activities.

Calculation of Taxonomy-eligible/aligned Taxonomy OPEX

As it is defined in the Taxonomy Disclosures Delegated Act, the share of the Group's Taxonomy-eligible/aligned OPEX is calculated by dividing the Taxonomy OPEX related to assets

or processes associated with Taxonomy-eligible/aligned activities by the Group's total Taxonomy OPEX.

Taxonomy OPEX numerator includes operational expenses related to repairs & maintenance and short-term lease, whereas denominator additionally includes IT maintenance costs. Currently, the scope of OPEX included in the Article 8 of the Disclosures Delegated Act is open to interpretation, and there is a lack of industry specific guidelines providing appropriate inclusions, therefore, the Group calculated Taxonomy OPEX based on the currently available information. Where the operating expenses were not material at the Group level, they may have been excluded from the numerator, while the total Taxonomy OPEX was included in the denominator. An example of such exclusion could be the Taxonomy OPEX related to administrative buildings owned and used by the Group (7.7 Acquisition and ownership of buildings) as they are often an integral part of generation units and the significance of such expenses at the Group level is low.

Due to lack of precise allocation tools within the Group's accounting systems and the uncertainties mentioned above, there are temporary limitations to the Taxonomy OPEX calculations, which include the following:

- we cannot objectively evaluate the type of IT maintenance costs that could be justifiably included; thus, we use a conservative approach and include all IT maintenance costs to the denominator but do not include any costs to the numerator;

- operational expenses related to the cost of employees and/or third-party services to ensure the continuous and effective functioning of the assets are not included in either the numerator or the denominator.

In further reporting periods, the Group is planning to continue improving current processes to ensure a more precise reflection and consistent application of Taxonomy OPEX.

It should be noted that there are differences in methodologies used to calculate OPEX and Taxonomy OPEX (see the table on the right). Total OPEX reported by the Group in 2025 was EUR 390.5 million, whereas the total Taxonomy OPEX – EUR 92.2 million. For detailed definition of Taxonomy OPEX and OPEX formulas, see section '7.2 Alternative Performance Measures'.

Calculation of Taxonomy-eligible/aligned Adjusted EBITDA

Taxonomy-eligible/aligned Adjusted EBITDA is disclosed on a voluntary basis and calculated based on the methodology determined by the Group as it is not part of the Taxonomy Disclosures Delegated Act. The share of the Group's Taxonomy-eligible/aligned Adjusted EBITDA is calculated by dividing the Adjusted EBITDA associated with Taxonomy-eligible/aligned activities by the Group's total Adjusted EBITDA (see section '3.1 Annual results', part 'EBITDA', whose calculation methodology is described in the section '7.2 Alternative Performance Measures'. Inclusions and adjustments were made mostly based on the principles described in the section

above 'Calculation of Taxonomy-eligible/aligned revenue' and proxies were used, where necessary.

Calculation of Taxonomy-eligible/aligned Taxonomy CAPEX

As defined in the Taxonomy Disclosures Delegated Act, the share of the Group's Taxonomy-eligible/aligned CAPEX is calculated by dividing the CAPEX related to assets or processes associated with Taxonomy-eligible/aligned activities by the Group's total Taxonomy CAPEX. It is calculated based on IAS 16 (73: I (i) and (iii)), IAS 38 (118: (e) (i)), IAS 40 (76: (a)), and IFRS 16 (53: (h)) (see section '8 Consolidated financial statements', '11 Intangible assets' (under 'Additions' and 'Acquisition through business combination'), '12 Property, plant and equipment' (under 'Additions' and 'Acquisition through business combination'), '13 Right-of-use assets' (under 'Additions')). Goodwill acquired through business combinations was excluded from the Taxonomy CAPEX KPI.

In this report, Taxonomy CAPEX related to Taxonomy-aligned activities was disclosed as follows, based on the following circumstances:

- if the asset has become operational during the reported financial period, the Taxonomy CAPEX related to expansion was reported as Taxonomy-aligned;
- if the project was not completed in the year 2025, but the Final Investment Decision (FID) was made, and the project was a part of the Taxonomy CAPEX plan, Taxonomy CAPEX was reported as Taxonomy-aligned. In terms of the alignment with TSC on climate change

	Investments APM	Taxonomy CAPEX APM
Additions of property, plant and equipment (PPE), including acquisitions through business combinations	✓	✓
Additions of Intangible assets (IA), including acquisitions through business combinations, except goodwill and contingent considerations	✓	✓
Goodwill	✓	
Contingent considerations (business combinations)		✓
Additions of investment property, including acquisitions through business combinations	✓	✓
Additions of right-of-use assets		✓
Additions of other financial assets, including acquisitions through business combinations	✓	
Prepayments for property, plant, and equipment (PPE) and non-current assets reclassified to additions of property, plant and equipment (PPE) or intangible assets (IA)	✓	
Capital granted (related with development projects with no controlling interest by the Group)	✓	

	OPEX APM	Taxonomy OPEX APM
Salaries and related expenses	✓	
Repair and maintenance expenses	✓	✓
Other expenses	✓	Only IT maintenance and short-term lease

mitigation, actions have been already taken and differ depending on the project's development stage to ensure the alignment of each project;

- following the publication of Commission Notice C/2025/1373 on the EU Taxonomy on 5 March 2025 (Section II, point 23), all the Taxonomy CAPEX related to the projects for which the FID was not made were conservatively treated as Taxonomy-non-eligible, even if the activity was assessed as Taxonomy-aligned during the eligibility and assessment analysis. Due to uncertainty in interpreting the above-mentioned Commission Notice, these assumptions may be revised upon further clarification and, if necessary, the relevant changes will be disclosed in future reports;
- if the Taxonomy CAPEX is related to the activities where the amount of investment is small or fractional and, therefore, the timeframe to become partially/fully operational is short (e.g. electricity network expansion/maintenance, EV network expansion, investments in smart meters, etc.), it was reported as Taxonomy-aligned, assuming that 1) there is no or insignificant risk of non-completion and 2) compliance with the TSC is determined through the general assessment of the Taxonomy-eligible activities.

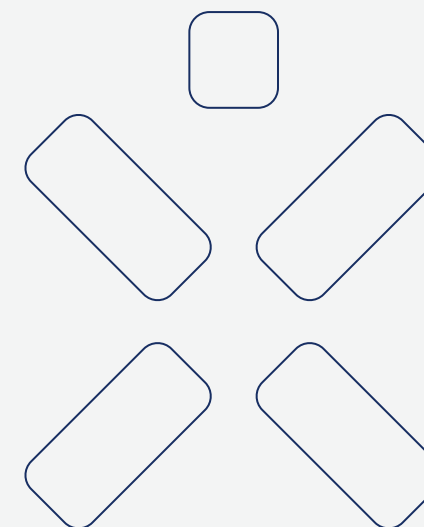
It should be noted that there are differences in methodologies used to calculate Investments and Taxonomy CAPEX (see the table on the previous page). Total Investments reported by the Group in 2025 were EUR 720.3 million, whereas total Taxonomy CAPEX – EUR 966.5 million. For detailed definition of Taxonomy CAPEX and

Investments formulas, see section '7.2 Alternative Performance Measures'.

Changes in calculations

Following the annual review, several changes were made to reflect more precise findings after thorough analysis or to correct minor technical errors. These adjustments, after recalculating the 2024 figures, allow for a more precise disclosure of the EU Taxonomy KPIs:

- due to the different nature of the Group company activities, two distinct proxies are now used primarily for the indirect costs' attribution. In 2024, the proxy primarily based on employees' working time dedicated to specific activities was used;
- transport Repairs & Maintenance costs have been included in both the numerator and denominator for the 2024 and 2025 data;
- other minor changes involve a more precise assessment of Taxonomy OPEX and Taxonomy CAPEX inclusions and other technical adjustments made to the 2024 and 2025 data, ensuring more accurate disclosure.



Contextual information about Taxonomy Regulation KPIs

Revenue KPI

Taxonomy-eligible share of revenue in 2025 was 49.3% (or EUR 1,231.6 million) and increased by 3.4 pp compared to 2024, whereas Taxonomy-aligned share of revenue was 40.2% (or EUR 1,005.0 million) and increased by 0.7 pp compared to 2024.

The key drivers behind the increase in Taxonomy-aligned share of revenue were:

- the increase in revenue of Taxonomy-aligned activities, mainly in: i) revenue of storage of electricity (EUR 56.8 million) due to new services provided, ii) revenue of electricity generation from wind power, cogeneration of heat/cool and power from bioenergy and electricity generation using solar photovoltaic technology (EUR 53.0 million) due to new assets launched;
- the increase was partly offset by electricity generation from fossil gaseous fuels (EUR -80.6 million) driven by higher volumes generated and new services provided and lower revenue of electricity generation from hydropower (EUR -29.3 million) mainly because of lower volumes generated. The impact of electricity generation from fossil gaseous fuels was also the main difference between Taxonomy-eligible and Taxonomy-aligned revenues.

Taxonomy-aligned revenue in 2025 consists only of revenue from contracts with customers. In 2025, there were no significant amounts related to Taxonomy-aligned activities pursued for the Group's own internal consumption.

Taxonomy OPEX KPI

Taxonomy-eligible share of Taxonomy OPEX in 2025 was 73.2% (or EUR 67.5 million) and decreased by 2.1 pp compared to 2024. Taxonomy-aligned share of Taxonomy OPEX in 2025 was 60.5% (or EUR 55.8 million) and decreased by 6.0 pp compared to 2024.

Taxonomy-aligned share of OPEX was mostly affected by:

- the increase in the Taxonomy-non-eligible OPEX which amounted to EUR 24.7 million and was EUR 5.4 million higher compared to 2024;
- the increase in repairs and maintenance of electricity generation from fossil gaseous fuels activity, which amounted to EUR 11.1 million and was EUR 4.9 million higher compared to 2024. The increase was primarily driven by higher LTSA costs, resulting from higher volumes generated and new services provided;
- the decrease in short-term lease expenditures associated with Taxonomy-aligned activities, which amounted to EUR 0.4 million and were EUR 0.2 million lower compared to 2024;
- the decrease was partly offset by repairs and maintenance expenses related to Taxonomy-aligned activities, which amounted to EUR 55.4 million and were EUR 3.9 million higher compared to 2024. The increase was mostly related to the new assets launched.

The difference between Taxonomy-eligible and Taxonomy-aligned OPEX was mostly due to the Taxonomy-OPEX related to electricity generation from fossil gaseous fuels, which is not Taxonomy-aligned activity.

Adjusted EBITDA KPI

Taxonomy-eligible share of Adjusted EBITDA in 2025 was 88.5% (or EUR 483.5 million) and increased by 8.6 pp compared to 2024. Taxonomy-aligned share of Adjusted EBITDA in 2025 was 81.4% (or EUR 444.6 million) and increased by 9.8 pp compared to 2024.

The increase of Taxonomy-aligned share of Adjusted EBITDA was mostly driven by:

- the increase in Adjusted EBITDA of Taxonomy-aligned activities, mainly in: i) Adjusted EBITDA of storage of electricity due to new services provided, ii) Adjusted EBITDA of transmission and distribution of electricity, mostly due to higher WACC and RAB effect iii) Adjusted EBITDA of electricity generation from wind power, cogeneration of heat/cool and power from bioenergy and electricity generation using solar photovoltaic technology due to new assets launched;
- the decrease of the share generated by Taxonomy-non-eligible activities, mostly due to the lower Customers & Solutions segment's Adjusted EBITDA in both natural gas and electricity businesses;
- the increase was partly offset by higher operating expenses of electricity generation from hydropower and electricity generation from wind power activities.

The difference between Taxonomy-eligible and Taxonomy-aligned Adjusted EBITDA was mostly due to the result of electricity generation from fossil gaseous fuels, which is not Taxonomy-aligned activity.

Taxonomy CAPEX KPI

Taxonomy-eligible share of Taxonomy CAPEX in 2025 was 88.0% (or EUR 851.0 million) and decreased by 5.3 pp compared to 2024. Taxonomy-aligned share of Taxonomy CAPEX in 2025 was 84.7% (or EUR 818.3 million) and decreased by 8.0 pp compared to 2024.

The main drivers related to the decrease in Taxonomy-aligned Taxonomy CAPEX were:

- the increase in the Taxonomy-non-eligible CAPEX which amounted to EUR 115.5 million and was EUR 55.8 million higher compared to 2024;
- the increase in additions related to property plant and equipment of Taxonomy-eligible but not aligned activities, which amounted to EUR 32.6 million and were EUR 26.6 million higher compared to 2024. The increase was mainly due to investments into electricity generation from fossil gaseous fuels and transport by motorbikes, passenger cars and light commercial vehicles activities;
- the decrease in additions of intangible assets related to Taxonomy-aligned activities, which amounted to EUR 9.7 million and were EUR 15.1 million lower compared to 2024. The decrease was mainly related to electricity generation using solar photovoltaic technology activity;
- the decrease in additions related to property plant and equipment of Taxonomy-aligned activities, which amounted to EUR 771.4 million and were EUR 8.3 million lower compared to 2024. The decrease was mostly related to the investments into electricity generation from wind power activity;

– the decrease was partly offset by higher additions related to right-of-use assets of Taxonomy-aligned activities, which accounted for EUR 37.3 million and were EUR 10.5 million higher compared to 2024. It was mainly driven by investments into transmission and distribution of electricity activity.

In 2025, Taxonomy CAPEX considered as Taxonomy-aligned in accordance with the Taxonomy CAPEX plan was 75.4 million for Electricity generation using solar photovoltaic technology (4.1CCM), and EUR 53.9 million for Storage of electricity (4.10CCM) activities. In the period 2025–2028, the Taxonomy CAPEX plan for these activities is expected to be between EUR 0.3–0.4 billion. It is worth noting that Taxonomy CAPEX plan does not include potential future Investments for the expansion of Taxonomy-aligned activities, that have not yet been started but may or may not be started in the future. Additionally, the actual Taxonomy CAPEX amount incurred might differ from the estimate

provided for future periods in the Taxonomy CAPEX plan due to external and internal factors (including but not limited to, inflation, project rescheduling, etc.). In addition, Taxonomy CAPEX related to Taxonomy-aligned activities' expansion (4.1CCM, 4.3CCM, 4.10CCM), where the projects did not have the FID made, were not included in the Taxonomy CAPEX plan and the numerator of Taxonomy CAPEX KPI, in 2025 amounted to EUR 17.0 million (EUR 23.5 million in 2024).

Throughout the reporting period, the Group has not issued new environmentally sustainable bonds or debt securities with the purpose of financing Taxonomy-aligned activities. Nevertheless, it must be noted that the Group has issued two green bonds in 2017 and 2018, where part of the funds were used to finance Taxonomy-aligned activities.

Explanation of abbreviations (notes for the tables in the following pages)

Substantial contribution criteria	Y	Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
	N	No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
	N/EL	Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
DNSH criteria and Minimum safeguards	Y	Yes
	N	No
Objective	CCM	Climate change mitigation
	CCA	Climate change adaptation

Revenue under the Taxonomy Regulation

Financial year 2025	2025			Substantial contribution criteria						DNSH criteria						Proportion of Taxonomy-aligned or eligible revenue 2024	Category enabling activity	Category transitional activity	
Economic activities under Taxonomy Regulation	Codes	Revenue	Proportion of revenue	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity				Minimum safeguards
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				Y/N
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	3.5	0.1%	Y	N¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.0%	-	-
Electricity generation from wind power	CCM 4.3 / CCA 4.3	117.2	4.7%	Y	N¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	3.4%	-	-
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	37.9	1.5%	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	-	-	Y	Y	2.9%	-	-
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	598.4	24.0%	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	25.6%	E	-
Installation of equipment such as, but not limited to future smart metering systems or those replacing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944 of the European Parliament and of the Council	CCM 4.9 (f)	-	-	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	-	E	-
Storage of electricity	CCM 4.10 / CCA 4.10	173.9	7.0%	Y	N¹	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	5.1%	E	-
Cogeneration of heat/cool and power from bioenergy	CCM 4.20 / CCA 4.20	63.3	2.5%	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	2.2%	-	-
Production of heat/cool from bioenergy	CCM 4.24 / CCA 4.24	5.2	0.2%	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	0.2%	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	-	-	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	-	Y	-	-	-
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	3.0	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	0.1%	E	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	0.0	0.0%	Y	N¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	0.0%	E	-

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.

Revenue under the Taxonomy Regulation (cont.)

Financial year 2025	2025	Substantial contribution criteria								DNSH criteria							Proportion of Taxonomy-aligned or eligible revenue 2024	Category enabling activity	Category transitional activity
Economic activities under the Taxonomy Regulation	Codes	Revenue	Proportion of revenue	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	Minimum safeguards	%	E	T
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	2.5	0.1%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	0.1%	E	-
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,005.0	40.2%														39.5%		
Of which Enabling		777.8	31.1%														30.7%	E	
Of which Transitional		-	-														-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	225.6	9.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								6.3%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	0.0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	1.0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		226.7	9.1%														6.3%		
Revenue of Taxonomy-eligible activities (A.1 + A.2)		1,231.6	49.3%														45.9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue of Taxonomy-non-eligible activities		1,266.1	50.7%																
Total (A + B)		2,497.7	100.0%																

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.

Capital expenditure (Taxonomy CAPEX ^[APM]) under the Taxonomy Regulation

Financial year 2025	2025			Substantial contribution criteria						DNSH criteria						Minimum safeguards	Proportion of Taxonomy-aligned or eligible Taxonomy CAPEX 2024 ²	Category enabling activity	Category transitional activity
Economic activities under the Taxonomy Regulation	Codes	Taxonomy CAPEX	Proportion of Taxonomy CAPEX	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity				
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	134.8	13.9%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	13.0%	-	-
Electricity generation from wind power	CCM 4.3 / CCA 4.3	223.8	23.2%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	37.3%	-	-
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	0.6	0.1%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	-	-	Y	Y	0.0%	-	-
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	337.0	34.9%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	32.6%	E	-
Installation of equipment such as, but not limited to future smart metering systems or those replacing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944 of the European Parliament and of the Council	CCM 4.9 (f)	22.7	2.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	2.8%	E	-
Storage of electricity	CCM 4.10 / CCA 4.10	57.6	6.0%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	3.1%	E	-
Cogeneration of heat/cool and power from bioenergy	CCM 4.20 / CCA 4.20	0.8	0.1%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	0.9%	-	-
Production of heat/cool from bioenergy	CCM 4.24 / CCA 4.24	-	-	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	0.0%	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	10.7	1.1%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	-	Y	0.1%	-	-
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	30.4	3.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	2.8%	E	-
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	-	-	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	0.0%	E	-

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.² These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Taxonomy-aligned CAPEX – 92.0%; Taxonomy-eligible (not aligned) CAPEX – 0.7%). For more information, see Note 4 on section '7.3 Notes on restated figures' of this report.

Capital expenditure (Taxonomy CAPEX ^[APM]) under the Taxonomy Regulation (cont.)

Financial year 2025	2025	Substantial contribution criteria								DNSH criteria						Minimum safeguards	Proportion of Taxonomy-aligned or eligible Taxonomy CAPEX 2024 ²	Category enabling activity	Category transitional activity
Economic activities under the Taxonomy Regulation	Codes	Taxonomy CAPEX	Proportion of Taxonomy CAPEX	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity				
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	-	-	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	0.0%	E	-
Taxonomy CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		818.3	84.7%														92.7%		
Of which Enabling		447.7	46.3%														41.3%	E	
Of which Transitional		-	-														-		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	24.5	2.5%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	8.1	0.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.5%		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	-	-	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Taxonomy CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		32.6	3.4%														0.6%		
Taxonomy CAPEX of Taxonomy-eligible activities (A.1 + A.2)		851.0	88.0%														93.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Taxonomy CAPEX of Taxonomy-non-eligible activities		115.5	12.0%																
Total (A + B)		966.5	100.0%																

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.² These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Taxonomy-aligned CAPEX – 92.0%; Taxonomy-eligible (not aligned) CAPEX – 0.7%). For more information, see Note 4 on section '7.3 Notes on restated figures' of this report.

Operating expenses (Taxonomy OPEX ^(APM)) under the Taxonomy Regulation

Financial year 2025	2025			Substantial contribution criteria						DNSH criteria						Minimum safeguards	Proportion of Taxonomy-aligned or eligible Taxonomy OPEX 2024 ²	Category enabling activity	Category transitional activity
Economic activities under the Taxonomy Regulation	Codes	Taxonomy OPEX	Proportion of Taxonomy OPEX	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity				
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	0.4	0.4%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.0%	-	-
Electricity generation from wind power	CCM 4.3 / CCA 4.3	9.1	9.9%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	8.9%	-	-
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	0.5	0.5%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	-	-	Y	Y	0.5%	-	-
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	39.3	42.7%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	51.2%	E	-
Installation of equipment such as, but not limited to future smart metering systems or those replacing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944 of the European Parliament and of the Council	CCM 4.9 (f)	-	-	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	Y	Y	-	E	-
Storage of electricity	CCM 4.10 / CCA 4.10	1.2	1.3%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	0.7%	E	-
Cogeneration of heat/cool and power from bioenergy	CCM 4.20 / CCA 4.20	4.8	5.2%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	4.6%	-	-
Production of heat/cool from bioenergy	CCM 4.24 / CCA 4.24	0.3	0.3%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	-	Y	Y	0.3%	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	-	-	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	Y	Y	-	Y	-	-	-
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.2	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	0.3%	E	-
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	0.0	0.0%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	-	E	-

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.² These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Taxonomy-aligned OPEX – 66.7%; Taxonomy-eligible (not aligned) OPEX – 8.0%). For more information, see Note 4 on section '7.3 Notes on restated figures' of this report.

Operating expenses (Taxonomy OPEX ^(APM)) under the Taxonomy Regulation (cont.)

Financial year 2025	2025	Substantial contribution criteria								DNSH criteria						Minimum safeguards	Proportion of Taxonomy-aligned or eligible Taxonomy OPEX 2024 ²	Category enabling activity	Category transitional activity
Economic activities under the Taxonomy Regulation	Codes	Taxonomy OPEX	Proportion of Taxonomy OPEX	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity	climate change mitigation	climate change adaptation	water	pollution	circularity	biodiversity				
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0.0	0.0%	Y	N ¹	N/EL	N/EL	N/EL	N/EL	Y	Y	-	-	-	-	Y	0.0%	E	-
Taxonomy OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		55.8	60.5%														66.5%		
Of which Enabling		40.7	44.2%														52.2%	E	
Of which Transitional		-	-														-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	11.1	12.1%	EL	EL	N/EL	N/EL	N/EL	N/EL								8.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	0.5	0.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	0.0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Taxonomy OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		11.7	12.7%														8.8%		
Taxonomy OPEX of Taxonomy-eligible activities (A.1 + A.2)		67.5	73.2%														75.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Taxonomy OPEX of Taxonomy-non-eligible activities		24.7	26.8%																
Total (A + B)		92.2	100.0%																

¹ The primary objective of our activities is to contribute to climate change mitigation, therefore they are not fully assessed for climate change adaptation and disclosed as not aligned.

² These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Taxonomy-aligned OPEX – 66.7%; Taxonomy-eligible (not aligned) OPEX – 8.0%). For more information, see Note 4 on section '7.3 Notes on restated figures' of this report.

Taxonomy tables for Nuclear and Natural Gas as referred in Complimentary Climate Delegated Act

Template 1. Nuclear and fossil gas related activities

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 4. Taxonomy-eligible but not taxonomy-aligned economic activities

Revenue – Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion					
	CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
1. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	225.6	99.5%	225.6	99.5%	-	-
5. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7. Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1.0	0.5%	1.0	0.5%	-	-
8. Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	226.7	100.0%	226.7	100.0%	-	-

Taxonomy OPEX ^{APM} – Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion					
	CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
1. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	11.1	95.2%	11.1	95.2%	-	-
5. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7. Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0.6	4.8%	0.6	4.8%	-	-
8. Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	11.7	100.0%	11.7	100.0%	-	-

Taxonomy CAPEX ^{APM} – Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion					
	CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
1. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	24.5	75.2%	24.5	75.2%	-	-
5. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6. Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7. Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	8.1	24.8%	8.1	24.8%	-	-
8. Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	32.6	100.0%	32.6	100.0%	-	-

Template 2. Eligible activities that are aligned (denominator), Template 3. Eligible activities that are aligned (numerator) and Template 5. Taxonomy-non-eligible economic activities as referred in Article 8 (6) and (7) of Complimentary Climate Delegated Act are not relevant for the Group, as it does not have any nuclear energy related activities (4.26-4.28) and fossil gas related activities (4.29-4.31) are already disclosed as Taxonomy-eligible but not aligned in template 4.

E4 Biodiversity and ecosystems

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Aligned with the Group’s strategy and objectives, the Group is currently working on its biodiversity transition plan, which will define actions and targets within a comprehensive framework to guide our approach through 2030. The plan will include KPIs to drive measurable improvements for both nature and business. It will be developed in collaboration with biodiversity experts and approved by the management to ensure alignment with corporate sustainability targets.

This year, the Group conducted a GIS-based assessment of its biodiversity footprint (not publicly disclosed). The analysis covered physical locations of our own operations, which allowed us to identify our operational sites located within or near sensitive biodiversity areas. This assessment serves as a foundation for further actions aimed at better understanding of our impact on biodiversity, evaluating the risks associated with the protection of natural ecosystems, identifying priority areas where mitigation or restoration measures need to be implemented and tracking their progress.

To manage biodiversity-related risks and impacts, the Group is taking steps to integrate biodiversity and ecosystem considerations into its planning and operational processes. The Group aims to align projects with its sustainability objectives to reduce environmental impacts and support their long-term resilience. Stakeholders are proactively engaged in planning and decision-making to promote transparency and collaboration. Using monitoring and evaluation data, the Group continuously refines its practices to minimize adverse effects. In addition, the Group seeks and

applies innovative approaches aimed at reducing its environmental footprint and strengthening the ecosystem’s resilience.

ESRS 2 SBM-3 Material impacts, risks, and opportunities and how they interact with the Group’s strategy and business model.

The table below provides descriptions of our material IROs related to biodiversity and ecosystems.

The material impact we have identified primarily originates from: land acquisition or lease and initial site preparation activities, which are essential for green project development, but can

disrupt local ecosystems; the use of Kaunas Lagoon’s water for energy production at Kaunas HPP and Kruonis PSHP (both Green Capacities), which affect fish populations, waterbed structure, and the sedimentation of organic matter; deforestation and landscape changes, which come from the necessity to cut down trees to ensure the safety and resilience of power lines, which can significantly affect ecosystems, particularly in densely forested areas. The material risk we have identified is linked to the possible breach of environmental legislation or environmental permits, including a significant impact for energy production from wind due to the protection of the rare species of birds. Both IROs occur within our own operations.

Sub-topic: Direct impact drivers of biodiversity loss

Material IROs	Description
Impacts on state and conditions of ecosystems Type: negative impact Place in value chain: OO Business segment: Green Capacities, Networks Changes compared to 2024: none	The Group’s operations can impact the state and conditions of ecosystems, causing changes to landscapes and aquatic environments that may lead to ecosystem degradation and/or loss of valuable services.

Sub-topic: Impacts on the state of species

Material IROs	Description
Non-compliance with environmental requirements Type: risk Place in value chain: OO Business segment: Green Capacities, Networks Changes compared to 2024: new	This risk includes instances where the Group may be in breach of environmental legislation or environmental permits, including a significant impact for renewables production due to the protection of the rare species of birds (i.e. eagles).

ESRS 2 IRO-1 Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

The results of environmental monitoring programs and the Environmental Investigation Agency reports were used as a base when initiating the double materiality assessment to identify biodiversity related impacts. In addition, the Group analysed its connections with nature using the TNFD LEAP approach, including the identification of sensitive areas and the assessment of impacts and dependencies on ecosystem services. This work was supported by GIS analysis of operational sites and their proximity to protected areas and other areas of high ecological value.

The Group collaborates with stakeholders, including local communities and state institutions, to identify and later implement practices that mitigate the negative impacts on and the risks related to biodiversity. The Group engages with the affected communities through meetings, surveys, and workshops, while incorporating their feedback into the double materiality assessment. The Group identifies sites, raw material production, or sourcing activities that may have a negative impact on biodiversity and ecosystems and assesses relevant ecosystem services for affected communities. Where impacts cannot be fully avoided, mitigation measures are implemented to maintain the value and functionality of priority ecosystem services.

Ignitis Renewables (Green Capacities) has launched a pilot project to screen suppliers using the qualification criteria that include ESG aspects. Suppliers are engaged via a questionnaire that includes a biodiversity-related questions, serving as an initial tool to identify current measures to

Corporate policies, implementation guidelines, frameworks and other documents

Title	Description	Applies to
The Group Environmental Policy (available on our website)	The policy outlines a mitigation hierarchy principle with an objective to minimize ecological consequences, protect valuable areas and species, prevent deforestation, and consider local conditions in conservation efforts. It also provides for restoration after our activities, ensuring environmental benefits, sustainable resource management and avoiding the use of harmful chemicals. The policy respects communities by outlining the informed consent principle, prohibits trading in endangered species and promotes ethical supplier practices.	All Group
The Group Guidelines for Biodiversity and Ecosystem Management (not publicly available)	The guidelines mandate regular impact assessments and apply the principles of avoidance, minimization, restoration, and compensation during infrastructure projects, preventing deforestation and supporting conservation initiatives through collaboration with local communities and organisations.	All Group
Kaunas HPP Mandatory Pollution Permit (link in lithuanian)	The issued permit is governed by the Law on Environmental Protection of the Republic of Lithuania and outlines the requirements for regular monitoring and ensuring that water level fluctuations do not adversely affect the protected species and habitats.	Ignitis Gamyba (Green Capacities)
Tree and Shrub Management Process (not publicly available)	The process is designed for maintaining clear-cut areas and managing hazardous trees that pose risks to power lines. It involves scanning areas, informing landowners, and felling hazardous trees.	ESO (Networks)
ISO 14001 Environmental Management System (available on our website)	Globally recognised certificate states that companies comply with the essential requirements for the identification, monitoring, management and improvement of environmental aspects.	ESO (Networks), Ignitis gamyba (Green Capacities), Ignitis (Customers & Solutions)
Environmental Protection Standards (not publicly available)	The standards define environmental requirements aimed at reducing environmental impacts and ensuring compliance with environmental legislation, and set out provisions for conducting environmental monitoring and biodiversity oversight to ensure continuous protection and improvement of ecosystems.	ESO (Networks), Ignitis Gamyba (Green Capacities), Ignitis (Customers & Solutions)

prevent deforestation and negative biodiversity impacts and risks. The Group plans to roll out this supplier engagement model across all companies. For more information, see section 'S2 Workers in the value chain'.

E4-2 Policies related to biodiversity and ecosystems

The Group aims to protect biodiversity and ecosystems while reducing negative environmental impacts and risks. All policies related to biodiversity adhere to local and European regulation. In the table on a previous page are descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Although there is no dedicated policy for tracing all sourced products and materials that affect biodiversity, the Group routinely gathers data on the composition of key products, especially those containing biological materials such as paper, cardboard and wood. These are sourced with recognised ecological certifications where possible. This information supports strategic planning to reduce resource consumption and biodiversity impacts. For more details, see section 'E5 Resource Use and Circular Economy.'

E4-3 Actions and resources related to biodiversity and ecosystems

The Group implements a range of actions to avoid, reduce and manage its biodiversity and ecosystem impacts across the project lifecycle. These measures address the material negative impact related to changes in the state and condition of ecosystems and the material risk of non-compliance with species protection

requirements, and are applied across planning, construction, operation and decommissioning stages.

Forest conservation and network infrastructure efficiency improvement

The construction and maintenance of overhead power lines interact with forested landscapes and habitats. To minimise land use impacts, vegetation disturbance and risks to species, ESO (Networks) implements the following measures:

- In the most vulnerable areas, ESO (Networks) is working to replace overhead power lines with underground cables, minimizing their impact on landscape and biodiversity. Between 2025 and 2028, there is a plan to replace 2,000 km of overhead power lines in forested regions with underground cables, with 365 km replaced in 2025. Following the installation of these cables, protection zones will be reduced, enabling the return of 3,950 hectares for forest expansion. More information on cabling in the Networks segment is available in section 'E1-3 Actions and resources in relation to climate change policies' and 'S4-4 Taking action on material impacts on consumers and end- users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions'.
- Protection zones around power lines are periodically maintained to ensure safe, reliable, and uninterrupted electricity supply, taking into account local, protected, and invasive species. During maintenance work, efforts are made to minimize negative impacts on biodiversity by responsibly removing hazardous trees, while active cutting is limited during bird breeding seasons. In the event of natural disasters,



Biodiversity in Group's wind and solar farms

damaged network repair work is carried out, but efforts are made to avoid additional negative impacts on ecosystems.

- During the maintenance and servicing of overhead power lines, trees that pose a risk to the electricity network are removed, and regular vegetation management is conducted within the power line protection zones. Scientists from the Institute of Forestry have developed recommendations and a decision matrix to help identify which trees should be subject to felling or pruning.

Bird protection and habitat restoration measures

The Group takes targeted actions to manage impacts on protected species, particularly birds and bats, which are directly linked to the material risk of non-compliance with environmental requirements, and implements the following measures:

- ESO (Networks) conducts the care and dismantling of white stork nests only with permission from the EPA. Measures are being taken to install artificial nesting sites after repairing the damage to the network caused by naturally built nests. From 2021 to 2025, 474 nests were relocated or managed. After the removal of nests or their remains, compensatory measures are implemented within 6 months by installing artificial nesting sites in the immediate vicinity (no further than 100 meters from the removed nest). A registry of restored nests is maintained, and reports are submitted to the EPA twice a year.
- In summer 2025, Eurasian eagle-owls died possibly due to electrical discharge from utility poles in Šiauliai city. In response to this incident, the Šiauliai city municipality, together with ESO (Networks), the Ministry of Environment, and the Ministry of Energy, urgently addressed the bird protection issues. During the project, ornithologists were consulted, and special protective measures were installed at critical utility poles to prevent bird injuries while perching. These measures are expected to prevent similar accidents in the future and contribute to the conservation of protected species. In 2026, a detailed study will be conducted on bird protection in electricity distribution networks. Contract signed with the Nature Research Center. The study will systematically analyse scientific literature on the causes of bird mortality related to power lines, identify sensitive bird species, classify areas according to their sensitivity, and identify the most dangerous sections of power lines. In addition, the necessary bird protection measures for overhead power lines will be planned and a pilot classification of overhead lines in western Lithuania will be carried out according to the level of potential risk to birds. The results of the study will be summarized in a report, which will be coordinated with the Ministry of the Environment and the State Service for Protected Areas to ensure its compliance with national environmental standards and requirements.
- Ignitis Renewables (Green Capacities) implements a wide range of biodiversity protection and environmental monitoring measures related to birds and other habitats across its wind and solar projects in their pre-construction, construction and post-construction stages; the projects with initiatives mentioned below represent only a part of the broader portfolio:

Lithuania

- Birds and bats are being monitored one year before the start of the construction of wind farms in Pakruojis and Pasvalys. The monitoring includes counting birds within a 2 km radius around the planned wind farms, searching for nests of sensitive species in forests, and observing migration in spring and autumn. Bird colonies and feeding areas are also being identified. MiniBat detectors are used to monitor bats, recording their activity and migration. Furthermore, the movement of predatory birds is studied by attaching GPS transmitters to assess their interaction with the wind farm infrastructure. A monitoring program has been prepared, covering three years after the start of operations at Pakruojis and Pasvalys wind farms.
- Kelmė wind farm is the first wind farm in Lithuania to implement an advanced bird anti-collision system ProTecBird, which detects birds in real-time and automatically stops the turbine, thereby protecting them from collisions. This system was implemented to safeguard birds flying throughout the wind farm. Also, biodiversity management and action plans were developed (available on our [website](#)).
- Birds and bats are being monitored at Mažeikiai wind farm, the BIPS Irida system has been installed at four turbines. Monitoring programs for birds and bats are being prepared for Jurbarkas, Kretinga, and Tauragė wind farms.

Poland

- In the Silesia I and Silesia II wind farm projects monitoring of birds and bats is currently being conducted as part of the post-construction

phase. The monitoring started in 2024 and data on collisions is being collected on a monthly basis. In addition, a biodiversity management plan has been commissioned for Silesia II wind farm, which will be completed by the end of next year. Environmental data is being collected since August 2025.

Latvia and Estonia

- In our solar and wind projects: we are installing bird perches for birds of prey at solar farms and conducting bird and bat surveys before starting the EIA for hybrid projects and wind farms.

Invasive plant control and ensuring ecosystem stability

Invasive plants can degrade habitats and outcompete native species. The Group undertakes to control targeted invasive species in order to enhance the ecosystem health, as shown in the following examples:

- ESO (Networks) hires specialists to eradicate Sosnowsky's hogweed, an invasive species intolerable in Lithuania's green areas due to its rapid spread and threat to both native species and humans. Control measures are being systematically and cooperatively implemented to preserve ecosystem stability. In 2025, actions were taken at the Musininkai, Akmenėlė, Šilainiai, and Gižai technical substations.
- In 2024, the Coastal Research and Planning Institute prepared an invasive plant management plan (not publicly available) for Ignitis Renewables (Green Capacities) for the Tauragė solar farm project, which includes measures to protect the local ecosystem and preserve biodiversity. In 2025, the

document was supplemented with specific recommendations for the eradication of three aggressively spreading goldenrod species: Canadian (*Solidago canadensis*), giant (*S. gigantea*), and tall (*S. altissima*), in order to reduce their negative impact on natural habitats.

Flora and fauna protection measures

The Group implements targeted actions to protect flora and fauna and applies the following measures:

- Ignitis Renewables (Green Capacities) has installed animal exit ramps in its solar farm projects in Latvia, followed a meadow expert's opinion on lawn relocation, evaluated the sites to check the current grass quality, made plans for grass maintenance during the operation and maintenance period as well as implementing noise reduction measures. In addition, individual landscape impact reduction measures were implemented for two neighbouring families, including the construction of an embankment and planting vegetation to block the view of the solar farm.

Protection of water ecosystems in hydropower facilities

The Group prioritises the protection of aquatic ecosystems by monitoring water level fluctuations and implementing measures to safeguard fish and bird populations and applies the following measures:

- The Nature Research Centre annually evaluates the impact of water level fluctuations on fish and water bird populations in the Kaunas Lagoon from March to July. The presentation/discussion of results takes place with specialists from the Environmental

Protection Agency, the Environmental Protection Department, and the State Service for Protected Areas.

- Stationary pollution sources and their impact on water quality are being monitored according to the environmental monitoring program.
- The rules for the use and maintenance of the Kaunas Lagoon are prepared in accordance with the Description of the use and maintenance of ponds and dammed lakes. According to the rules, the Nature Research Centre monitors water level fluctuations and their impact on fish and water birds. These services are provided under a contract. If monitoring reveals that water level fluctuations exceed 0.1 meters, compensation is calculated. An exception was made for 2025–2026, allowing the water level fluctuation limit to increase to 0.4 meters per day. This exception is necessary to ensure a sufficient balance of market capacities for the country. To comply with this requirement, an additional program was prepared and coordinated with the Environmental Protection Agency, called the Kaunas Hydroelectric Reservoir Environmental Conditions Study Program (hereinafter as the Program), designed to assess the impact of water level fluctuations on fish and water bird populations. From 2027, the requirements will return to the previous level, adhering to the previously established water level fluctuation standards. It is planned that the installation of fish passes will have a positive impact by facilitating fish migration upstream and downstream, increasing fish biomass in the Kaunas HPP reservoir and the Nemunas River basin above the Kaunas HPP.
- Biodegradable oil is being used in Kaunas HPP equipment that has direct contact with water.



Biodiversity in Group's wind and solar farms

Conducting environmental surveys for offshore wind farm projects

To ensure sustainable offshore wind development, the Group conducts environmental impact assessments and applies the following measures:

- In October 2025, the EIA report for Lithuania's first offshore wind farm project, "Curonian Nord," was submitted for public and transboundary consultations, as required by national regulations and Espoo Convention. In line with the Espoo Convention, transboundary consultations were conducted with the Baltic Sea countries, including Latvia, Estonia, Finland, Sweden, Denmark, Germany, and Poland. This phase of the national EIA process marked a significant step in ensuring transparency and public engagement in decision-making. Public engagement was integral to the process from the very beginning, allowing for comments and suggestions, reinforcing principles of environmental, social, and economic responsibility. Following the public consultations, the EIA report was revised in accordance with the feedback received and submitted for coordination to the EIA entities, which include municipalities bordering the Baltic Sea – Neringa, Klaipėda City, Palanga City, Klaipėda District, also Kretinga District, as well as authorities, responsible for public health, cultural heritage, fire and rescue services, protected areas, etc. After this coordination phase, the EIA report will be amended according to the comments received and submitted to the responsible authority – the Environmental Protection Agency. The Environmental Protection Agency is expected to make a decision regarding the project's environmental impact in early 2026.

- In the Estonian offshore wind farm project, a comprehensive set of environmental surveys is currently underway, with final reports yet to be completed. These include assessments of marine processes and hydrodynamics, wind and wave conditions, suspended sediment transport, currents, ice conditions, and pollution drift. Additional studies focus on seawater quality, seabed biome and habitats (including MBES and sampling), fish stock and fisheries mapping (spawning areas and migration routes), marine mammals, seabirds, migratory birds, and bats. These surveys are essential for evaluating potential environmental impacts and ensuring the sustainable development of the wind farm. The EIA programme for the offshore wind farm and its electricity export cable was approved by the authorities on 4 November, 2025, and we are now conducting the impact assessment in accordance with the programme (available on our [website](#)).

Assessing the environmental impact of BESS projects

The Group evaluates the environmental impact of energy storage systems to ensure minimal disruption to biodiversity and local ecosystems and implements the following measures:

- An environmental impact screening assessment was conducted at Kelmė wind farm, regarding the installation of BESS. It was determined that there will be no significant negative impact on biodiversity. The infrastructure is designed to use as few impervious surfaces as possible on which BESS is installed. A noise assessment was also carried out, during which the projected noise dispersion indicators of the planned economic activities and the battery equipment

were calculated. The assessment was divided into four scenarios, considering different levels of activity intensity and environmental conditions.

- We plan to install BESS in the Kruonis PSHP (Green Capacities) area, so an assessment of the significance of the impact of its activities on Natura 2000 sites was performed. The responsible authority concluded that the installation of such systems will not have a significant impact on the Areas important for habitat protection (AIHP) and Areas important for bird conservation (AIBC) in the Kaunas Lagoon, and the natural values will be protected within them.

Avoiding and/or mitigating impacts on the state of species

The Group has identified that the construction of wind farms and the operation of power grids can negatively impact species' status and pose a threat to protected bird species. This could lead to the decline in their populations and the degradation of ecosystems. As a result, there is a risk of failing to comply with environmental regulations.

The Group does not include biodiversity offsets in its actions because no compensation targets or key performance indicators have been established, and data on the financing effects (direct and indirect costs) of biodiversity offsets has not been compiled due to limited availability. Therefore, this aspect is currently not significant to the Group's activities.

E4-4 Targets related to biodiversity and ecosystems

Currently, the Group does not have specific targets related to biodiversity and ecosystems, but is enhancing its understanding of this topic, analysing regulatory requirements, best practices in the market and actively working towards establishing comprehensive targets in the near future.

E4-5 Impact metrics related to changes in biodiversity and ecosystems

The Group's objects in or near areas of high ecological value by segment¹

Green Capacities

Object type	Number of objects in/near the protected area	Object	Country	Protected area	
				Type	Distance to the nearest (km)
Wind	1/12	Mažeikiai WF	Lithuania	Natura 2000 (AIHP)	2.1
		Jurbarkas WF		Natura 2000 (AIHP & AIBC)	2.2
		Tauragė WF I		Natura 2000 (AIHP)	4.7
		Tauragė WF II			
		Kelmė WF I		Natura 2000 (AIHP)	2.7
		Kelmė WF II		Natura 2000 (AIHP)	2.5
		Kretinga WF		Regional park	2.8
		Mali WF	Estonia	Natura 2000 (AIHP & AIBC)	1.4
		Tamba WF			In the protected area
		Pomerania WF	Poland	Protected landscape area	0.9
		Silesia WF I		Reserve	2.6
		Silesia WF II		Natura 2000	3.2
Solar	0/4	Tauragė SF	Lithuania	Natura 2000 (AIHP)	4.9
		Tume SF	Latvia	EU habitats	0.8
		Venta SF		EU habitats	0.2
		Polish solar portfolio	Poland	Natura 2000	0.1
BESS	0/3	Mažeikiai	Lithuania	Natura 2000 (AIHP)	3.2
		Kelmė		Natura 2000 (AIHP)	7.0
		Kruonis		Natura 2000 (AIHP & AIBC)	0.5

¹ These figures have been restated compared to the Integrated Annual Report 2024. For more information, see Note 5 on section '7.3 Notes on restated figures' of this report.

Accounting policies

Green capacities

The indicators showcase which objects have a higher expected impact on biodiversity because they are located a short distance from (or are located in) areas of high ecological value. Distances to the nearest protected areas are generated by intersecting the GIS data on protected areas with the GIS data representing the wind, solar or BESS objects, while employing standard geospatial analysis techniques.

Green Capacities and Reserve Capacities

Object type	Number of objects in/near the protected area	Object	Country	Protected area		Area occupied by technology (ha)		
				Type	Distance to the nearest (km)	2025	2024	Δ
Hydro	1/2	Kaunas HPP	Lithuania	Regional park	In a protected area	587.1	587.1	-%
		Kruonis PSHP		Natura 2000 (AIHP & AIBC)	Borders national and European protected areas			
Waste	0/2	Vilnius CHP		Natura 2000 (AIHP)	1.0	7.7	7.7	-%
		Kaunas CHP			2.3			
Thermal	0/2	Elektrėnai Complex		Landscape reserve	5.8	247.8	247.8	-%
		Vilnius CHP 3		Natura 2000 (AIHP)	0.3			

Networks

Object type	Number of objects in/near the protected area	Object	Country	Protected area		Area occupied by technology (ha)		
				Type	Distance to the nearest (km)	2025	2024	Δ
Distribution networks	n/a	Electricity distribution network	Lithuania	Natura 2000 (AIHP & AIBC)	In a protected area	1,051.5	n/d	n/d
		Natural gas distribution network		Natura 2000 (AIHP & AIBC)	In a protected area	7.3	n/d	n/d

Share of underground electricity cables in forested areas

		2025	2024	Δ
Length of underground electricity cables in forested areas	km	7,187.4	6,615.1	8.7%

Accounting policies

Green Capacities and Reserve Capacities

Kaunas HPP and Kruonis PSHP (both Green Capacities) were built before the creation of a network of protected areas in Lithuania, and the artificial water body (Kaunas Lagoon) was formed more than 60 years ago. The metrics presented reflect operational sites with a potential for higher interaction with biodiversity-sensitive areas. Distances are calculated using cartographic material (Natura 2000 Network Viewer), direct measurements, or data from official EIA documentation.

Networks

The dataset was generated by intersecting the GIS data on protected areas with the GIS data representing the electrical and natural gas distribution networks, while employing standard geospatial analysis techniques. The area occupied by the technology showcase only the area of network that are located within the protected area.

Share of underground electricity cables in forested areas

The length of underground electricity cables in forested areas is calculated based on ESO (Networks) asset accounting data and is presented in kilometers, indicating how many kilometers of cables are underground and then the percentage change in how many kilometers have been added in forests.

Number of birds listed in the Red Book

Species name	IUCN status	Number of individuals observed	Activity impact	Monitoring measures	Protection actions
Red-footed Falcon (Falco vespertinus)	VU (Vulnerable)	4	Minimal impact	Visual observations	Preserve natural habitats
Merlin (Falco columbarius)		1			
Northern Lapwing (Vanellus Vanellus)		7,732			
Common Snipe (Gallinago Gallinago)		52			
Bewick's Swan (Cygnus columbianus bewickii)		25			
Grey Partridge (Perdix perdix)		28			
Kingfisher (Alcedo atthis)		3			
Common Starling (Sturnus vulgaris)	NT (Near threatened)	2			
Rook (Corvus frugilegus)		498			
Great Grey Shrike (Lanius excubitor)		140			
Common Swift (Apus apus)		49			
Tufted duck (Aythya fuligula)	LC (Least Concern)	2		Bird route census data	
Ruff (Calidris pugnax)		1			
Great Bittern (Botaurus stellaris)		2			
Common Pochard (Aythya farina)	VU (Vulnerable)	2			

Area cleared of invasive species

Species	Introduction Path	Habitat / Location	Observed Impact	Management Measures	Approximate Area (m²)
Sosnowsky's hogweed	Historically introduced as a forage plant, spread naturally	Musininkai, Akmenėlė, Šilainiai, and Gižai technical substation	One of Lithuania's most dangerous invasive plants for nature and human health	Chemical control (herbicides)	38,500.0

E4-6 Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities

The Group has opted to exercise the phase-in allowance to omit the financial effects.

Accounting policies

Number of birds listed in the Red Book

Results are disclosed only for the projects where environmental monitoring is carried out in accordance with the Environmental Monitoring Regulations for Economic Operators. This includes the following projects of Ignitis Renewables (Green Capacities): Kelmė wind farm I and II, Mažeikiai wind farm. The information on the Kaunas HPP (Green Capacities) reservoir area is based on the annual report “Assessment of the Impact of Water Level Fluctuations on Fish and Water Bird Populations in the Kaunas HPP Reservoir” (not publicly available).

Area cleared of invasive species

The area cleared of invasive species is specified based on the work acceptance and transfer certificates submitted by contractors. The figures provided reflect the actual cleared area specified in these certificates. The information is disclosed only in relation to ESO (Networks).

E5 Resource use and circular economy

ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The table on the side outlines our material IROs related to resource use and circular economy. One material impact is linked directly to our business model as constructing and operating energy assets and products require materials, and waste is generated during the construction, operation, and decommissioning phases. The other material impact is linked to our business relationships in acquiring waste for incineration and to our own waste-generating activities.

E5-1 Policies related to resource use and circular economy

The Group aims to manage its IROs related to resource use and circular economy in a structured manner via its policies or other frameworks. The table below provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Sub-topic: Waste

Material IROs	Description
Waste to energy recover Type: positive impact Place in value chain: OO & VC Business segment: Green Capacities Changes compared to 2024: new sub-topic	By generating energy (heat & electricity) from waste, the Group diverts waste from landfills, reducing the volumes of waste and the environmental impact it may have.
Waste generation and decommissioning Type: negative impact Place in value chain: OO Business segment: All Changes compared to 2024: new sub-topic	Due to limited end-of-life solutions for certain technologies and materials used in the Group's operations, recycling and reuse opportunities are often restricted. This can lead to increased waste generation and contribute to environmental challenges.

Corporate policies, implementation guidelines, frameworks and other documents

Title	Description	Applies to
The Group Sustainability Policy (available on our website)	The policy helps support the circular economy transition pathway and includes a commitment to increase the Group's environmental responsibility where it can exercise influence and promote the development and dissemination of environmentally friendly technologies.	All Group
The Group Environmental Policy (available on our website)	The policy promotes rational and conservative management of resources, such as energy, fuel, commodities, waste, by-products and other resources. It focuses on reducing waste from operations and ensuring safe and responsible resource management based on pollution prevention principles. The Group applies the policy's principles in its activities, ensuring that resource efficiency is considered during the designing phase and environmental impacts are reduced based on the lifecycle assessment. Its statements are in line with the global circular economy approach and guidelines.	All Group
Resource Use and Circularity Management Guidelines (not publicly available)	The guidelines focus on sustainable resource management and reduction of negative impact on waste generation as well as related environmental challenges. They support the transition towards a circular economy and promote the nine circular economy principles: refuse, rethink, reduce, re-use, repair, refurbish, remanufacture, repurpose, recycle, and support the transition towards a circular economy.	All Group
Permits for integrated prevention and control of pollution issued by the Environmental Protection Agency (available on Group companies' websites)	The permits issued to companies provide a framework for transitioning from virgin to recycled materials by focusing on incineration of post-sorting, non-recyclable, energy-valuable non-hazardous municipal waste for the purposes of energy recovery.	Vilnius CHP (Green Capacities), Kaunas CHP (Green Capacities)
Waste Management Guidelines (not publicly available)	The guidelines ensure sound waste management and utilisation process and are based on the circular economy and waste management hierarchy principles. It ensures that the Group companies have waste management instructions, internal processes for waste accounting, and waste removal along with measures to ensure environmentally safe practices for handling hazardous waste in facilities. Additionally, the guidelines provide an obligation for contractors to comply with the legal requirements for waste management.	All Group
The Group Supplier Code of Ethics (SCE) (available on our website)	The SCE includes all the mandatory environmental requirements defined in the applicable legislation and the requirements of the environmental management system based on the ISO 14001 standard or the European Union Eco-Management and Audit Scheme (EMAS) or other equivalent environmental management systems based on European Union or international standards, and the requirements for the supplied products to comply with the Type I eco-label (according to ISO 14024). The suppliers who follow the SCE must actively seek to conserve natural resources and contribute to the EU's goals of promoting circular economy, seek to integrate energy efficiency, environmental and recycling principles into their product design, including the product packaging management issues, as well as aim to reduce the amount of waste generated by their activities, ensure that they are managed, reused and recycled in a safe and responsible manner, and to reduce electricity consumption and/or use renewable energy sources for producing, supplying and/or using goods.	All Group

E5-2 Actions and resources related to resource use and circular economy

To implement the Group's policies and the Resource Use and Circularity Management Guidelines, efforts were directed towards enhancing the positive impact of waste-to-energy (WtE) activities by diverting non-recyclable waste from landfills and reducing the negative impacts of waste generation and limited end-of-life solutions. In 2025, the Group companies advanced circularity by closing resource loops in their operations, optimising the use of materials and components and preparing for the end-of-life of green energy projects.

Waste to energy

The WtE units in Vilnius and Kaunas (both Green Capacities) enhance environmental sustainability by converting non-recyclable waste into energy. Economic growth, growth of consumption, and urban development are driving the growth of generated waste. In response, these units offer a sustainable alternative to landfilling by using unsortable waste as fuel for generating electricity and district heating. They only accept municipal waste that cannot be sorted or recycled, thus complying with the permits for integrated prevention and control of pollution and following the waste hierarchy principle. To promote effective waste management, facilities carry out annual in-depth analyses of waste composition and conduct daily visual inspections to prevent unsuitable waste streams. The activities of Kaunas and Vilnius CHPs (both Green Capacities) are not treated as a separate action to manage the impacts, but as daily services the Group and its companies provide, therefore, it is not included in the assessment of significant investments and OPEX required for the implementation of an action.

Resource optimisation

Kaunas CHP and Vilnius CHP (both Green Capacities) optimise resource use by extending the life of key components and reusing process streams wherever feasible. Ultrafiltration and excess pressure valve membranes are washed and maintained rather than replaced. Cationic loads are regenerated at sampling stations. Condensate from the main process at the water treatment plant is cleaned and reused, reducing the need for fresh water and chemicals. The companies collaborate with research institutions to enhance material recovery and minimize environmental impact. Their future plans include closer collaboration with waste sorting and recycling sectors, investments in advanced technologies for flexible waste management, and integration into the circular economy model. The companies aim to optimise waste management by investing in technologies to increase recyclable material recovery before incineration and focusing on education and cooperation with municipalities and waste management companies to promote sorting and recycling. They plan to implement advanced monitoring systems to better predict waste flows and optimise incineration processes, reducing landfill waste and maximizing energy potential.

Fly ash and bottom ash management

With increasing waste incineration volumes at Vilnius and Kaunas CHPs (both Green Capacities), the generation of hazardous fly ash also rises. Due to its high concentrations of dioxins, heavy metals, chlorine, and other compounds, this waste cannot be disposed of in landfills. Currently, it is being transported to Langøya, an island in Norway, where advanced technological processes transform the fly ash into a gypsum-like material by mixing it with

acid and industrial wastewater. This material is used to fill craters left by limestone extraction, restoring sections of the island for public use. As Langøya approaches its maximum capacity as a result of receiving fly ash from most European incinerators, the Group is actively exploring alternative methods. This includes utilising the hazardous fly ash in other products by applying industrial symbiosis principles, such as recovering salts and metals for reuse in other industrial processes. By pursuing these innovative approaches, the Group advances circularity initiatives. Kaunas CHP and Vilnius CHP (both Green Capacities) are deeply engaged in these technologies and their development and conduct feasibility studies to assess their potential applications. Additionally, both companies generate bottom ash and slag, which are repurposed as secondary raw materials in construction products for foundations and roads.

Waste prevention strategies

Waste prevention, guided by the waste hierarchy principles, is a key priority in the Group companies' waste management approach, which aim to minimize the negative impact of additional waste generation through educational activities and responsible sourcing. To address the negative impacts of waste generation, in 2025 the Group companies enhanced their responsible sourcing strategies by focusing on avoiding additional waste generation throughout the Group's upstream value chain. ESO (Networks) conducted a pilot project, incorporating new circular economy procurement criteria aimed at reducing GHG emissions through waste prevention activities. Ignitis Renewables (Green Capacities) completed an environmental impact assessment for offshore wind farms, which will inform the procurement of more sustainable materials. For more information, see section 'E4-

3 Actions and resources related to biodiversity and ecosystems'. Ignitis (Customers & Solutions) made economically and environmentally sound decisions by introducing additional services for detecting equipment failure and eliminating unreliable equipment, adapted to evolving customer needs by efficiently upgrading EV charging stations at certain locations where initial ones proved inadequate, and will continue to apply circularity criteria in equipment sourcing.

ESO (Networks), which is responsible for a substantial portion of the generated waste streams, delivers e-training courses and live training sessions at waste storage sites to instruct employees on waste reduction practices and sorting techniques, thereby preventing waste and diverting waste from disposal. We have plans to extend these educational initiatives to the contractors working at the Group's premises or on its projects. Moreover, the Group companies show a mutual commitment to education as their environmental experts are actively participating in professional development events that focus on waste prevention and advanced treatment methodologies. These activities collectively contribute to the overarching goal of waste prevention and sustainable management of waste.

Reuse, repair and maintenance

The Group companies place a strong focus on maximizing the value of equipment and materials through reuse, repair, and maintenance. ESO (Networks) repurposes used electrical and electronic equipment, as well as metal structures. Collaborations with the Lithuanian Energy Institute and metrological services facilitate rigorous testing and calibration of natural gas measurement instruments, thus enabling the reuse of thousands of devices every year

and, in turn, reducing waste. The company also systematically repurposes cardboard packaging from smart metering devices by shredding cardboard and using it as eco-friendly package filler. At Elektrėnai Complex (Reserve Capacities), components from old units are being reincorporated into Units 7 and 8, where feasible. Moreover, functional equipment of ESO (Networks), Ignitis (Customers & Solutions) and Vilnius Third Combined Heat and Power Plant (CHP-3) (Reserve Capacities) was dispatched to Ukraine to support the restoration of the country's critical energy infrastructure.

Ignitis (Customers & Solutions) extends the lifespan of its equipment by repairing and reusing it as well as employing preventive maintenance and advanced monitoring algorithms. The Ignitis ON charging EV network's operation and maintenance model, launched in 2025 across the Baltic countries, streamlines fault management, enhances predictive maintenance, and optimises resource efficiency through trend analysis and proactive orders of spare parts. When equipment fails outside warranty, we make decisions to either repair it or dismantle it for parts. Decommissioned EV chargers are repurposed by reinstalling them, using them for spare parts, or selling them, thus supporting the circular economy principles. Both Ignitis Renewables (Green Capacities) and Ignitis (Customers & Solutions) maintain strategic spare parts warehouses with plans to expand them and improve resource efficiency, thus facilitating a seamless transition towards sustainable practices.

End-of-life solutions

Ignitis Renewables (Green Capacities) has previously conducted a wind farm decommissioning study to review the best practices from across the globe. The study examined various completed decommissioning projects to identify the good practice examples. The findings provide a basis for developing the best practices for wind farm decommissioning in the Baltic region and Poland.

At the end of life of a wind farm, solar farm or BESS, the Group will make a decision on whether to extend its lifecycle, repower, or to decommission it. Insights and recommendations from experts will help us identify optimal strategies for the sustainable management of the remaining waste. Ignitis Renewables (Green Capacities) actively participates in an expert working group at WindEurope and collects the latest knowledge and the best practices to inform its approach to end-of-life solutions. Ignitis Renewables (Green Capacities) adheres to industry guidelines and explores advanced technologies for component recycling and circular material recovery to ensure sustainable and responsible project decommissioning in the future.

E5-3 Targets related to resource use and circular economy

The Group has not established formal Group-wide targets for resource use and the circular economy but is committed to mitigating negative impacts through its policies and actions. As the Group enhances its understanding of these areas and analyses regulatory requirements, it is advancing towards defining effective targets. To ensure these actions are consistent with the Group's policies related to waste, their effectiveness is being measured through historical comparison of quantitative data on waste treatment methods. Ultimately, these targets will be designed to address the most significant impacts and align with the Group's policies related to the circular economy.

E5-5 Resource outflows

The Group is committed to enhancing transparency in waste treatment data by disclosing waste that has been either diverted from disposal or directed to disposal, along with detailed information on the methods used to treat it. The data encompasses all identified waste types generated by the Group's operations and

projects. In 2025, findings revealed that waste reclamation was the most prevalent treatment method. The most significant reclaimed waste streams included 105,824.2 tonnes of bottom ash and slag, along with 17,562.3 tonnes of fly ash. This represents a slight increase of 9.9% and 9.3% respectively compared to 2024. The rise in waste volume is attributed to the higher volume of non-recyclable waste being processed. Out of the

total waste generated, 145,379.3 tonnes (99.9%) were recovered from disposal, with nearly all of it (99.9%) effectively diverted from landfills. These positive results highlight the Group's dedication to sustainable waste management practices and its commitment to achieving transparency and efficiency in waste treatment.

Metrics related to waste ¹	Unit	2025	2024	Δ
Radioactive waste	tonnes	n/a	n/a	n/a
Waste, diverted from disposal				
Non-hazardous waste				
Reclamation	tonnes	120,459.6	109,607.5	9.9%
Recycling	tonnes	7,065.1	6,206.1	13.8%
Other recovery operations	tonnes	0.0	34.6	n/a
Hazardous waste				
Reclamation	tonnes	17,562.3	16,062.0	9.3%
Recycling	tonnes	43.9	62.7	(30.0%)
Other recovery operations	tonnes	248.4	300.8	(17.4%)
Waste, directed to disposal				
Non-hazardous waste				
Incineration	tonnes	41.8	70.7	(40.8%)
Landfill	tonnes	111.8	54.2	106.1%
Other disposal operations	tonnes	2.5	1.6	56.5%
Hazardous waste				
Incineration	tonnes	9.8	11.1	(11.8%)
Landfill	tonnes	2.2	0.0	n/a
Total amount of non-hazardous waste	tonnes	127,680.9	115,974.7	10.1%
Total amount of hazardous waste	tonnes	17,866.6	16,436.6	8.7%
Total waste	tonnes	145,547.5	132,411.4	9.9%
of which, diverted from disposal	tonnes	145,379.3	132,273.7	9.9%
share of which, diverted from disposal	%	99.9	99.9	(0.0 pp)
of which, directed to disposal	tonnes	168.2	137.7	22.2%
share of which, directed to disposal	%	0.1	0.1	0.0 pp

¹ These figures have been restated compared to the Integrated Annual Report 2024 (number previously reported: Total waste – 198.0 thousand tonnes). For more information, see Note 6 on section '7.3 Notes on restated figures' of this report.

Accounting policies

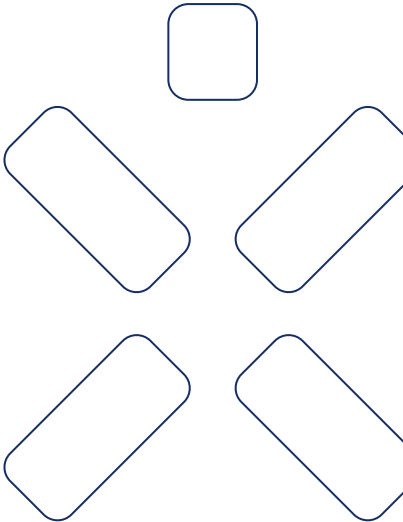
The Group's waste management accounting policy complies with legal standards and applies to all Group companies. It addresses the waste generated during their operations and projects, including electrical and electronic waste, metal scrap, construction and plastic waste, biodegradable waste (e.g., wood or paper), waste from energy recovery processes, and other types, including unsorted or mixed categories. Data on these materials is primarily recorded in national systems or gathered from the Group's contractors, along with evidence collected directly from waste management facilities, thus ensuring that the data is tracked and evaluated comprehensively.

The methodology for calculating this data is standardised, specifying whether it is obtained from direct measurements or estimates, with key assumptions clearly disclosed. The Group's waste treatment methods adhere to standard regulations, detailing the waste that is to be diverted from or directed to disposal. The Group follows the European Waste Catalogue for waste descriptions, and its waste recovery and disposal operations are guided by Annex II and I to Directive 2008/98/EC (Waste Framework Directive). This approach ensures regulatory compliance and supports sustainable management practices.

The Group does not use radioactive components or products and therefore does not generate radioactive waste.

E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities

No material resource use and circular economy-related risks and opportunities have been identified during the double materiality assessment, thus, no anticipated financial effects are disclosed.



6.3 Social

S1 Own workforce

Working conditions

Health and safety

ESRS 2 SBM-2 Interests and views of stakeholders

All information is disclosed in section ‘ESRS 2: SBM-2 Interests and views of stakeholders’.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side lists our material IROs related to the health and safety of our own employees. These IROs are connected to our purpose to create a green and secure energy ecosystem, as human capital is a key resource in our business model. We understand our responsibility to promote safe working conditions, perform oversight and trainings, raise awareness and promote cooperation among employees. We are involved with these IROs through our own operations. All people in its own workforce who could be materially impacted by the Group are included in the scope of the disclosures related to working conditions. No risk of incidents related to forced labor or child labor has been identified as material to the Group.

S1-1 Policies related to own workforce

The Group aims to manage its IROs related to health and safety in a structured manner via its policies, standards or other frameworks. The

Sub-topic: Working conditions

Material IROs

Description

Work-related injuries and fatalities

Type: negative impact
Place in value chain: OO
Business segment: All
Changes compared to 2024: none

The energy sector involves working in high-risk environment. That presents inherent occupational health and safety risks, leading to health-related impacts on our own workforce.

Occupational health and safety

Type: risk
Place in value chain: OO
Business segment: All
Changes compared to 2024: none

The energy sector involves working in high-risk environment, such as construction sites, remote locations, and in dangerous conditions (heights, voltage, etc.). This can increase the risk of physical harm, including accidents, injuries, and fatalities.

table in the next page provides descriptions of the main policies, guidelines or frameworks that govern our material IROs. The Group does not have separate policies explicitly addressing human trafficking, forced, compulsory or child labour in place as these are already governed by national laws.

S1-2 Processes for engaging with own workforce and workers’ representatives about impacts

Health and safety related subjects are one of the important topics discussed while engaging with work councils and trade unions during collective

bargaining. The Group engages with its own workforce according to the processes described in the internal documents that align with ISO 45001. The Group companies without an ISO 45001 management system implement alternative engagement processes, including recurrent audits, project meetings, on-site support, toolbox talks and communication, as well as monthly meetings with the Group OHS team, where the best practices are shared. The Group maintains active dialogue with its employees about health care, monitoring and maintaining a safe working environment and improving health and safety conditions at work. Workplace safety and health risks are regularly assessed at the Group.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Occupational Health and Safety Policy (available on our website)	The policy establishes the main principles of a strong occupational health and safety culture, which encompasses all employees of the Group companies, ensures the application of good practices as well as unified, transparent data processing and analysis at the Group companies.	All Group
The Group Standard for the Investigation and Recording of Incidents (not publicly available)	The standard defines the requirements for recording, investigating, and addressing workplace accidents, commuting incidents, and near misses, with the aim of preventing recurrence and enhancing future safety outcomes. This standard is a part of the OHS management system that covers all workers on site (both contractors and employees).	All Group
The Group Stop Work Authority Policy (not publicly available)	The policy empowers and obligates all employees to stop work when they believe a situation presents a danger to health or safety. It aims to foster a culture of safety and awareness.	All Group
ISO 45001 Occupational Health and Safety Management System (available on our website)	Provides a comprehensive framework for organizations to proactively manage risks, prevent work-related injuries and ill health, and create a safer working environment. 93% of our employees (87% in 2024) work in the Group companies that are certified by this standard.	Ignitis Renewables (Green Capacities), ESO (Networks), Ignitis Gamyba (Reserve Capacities and Green Capacities), Ignitis (Customers and Solutions) and Ignitis Grupės Paslaugų Centras
The Human Rights Due Diligence Guidelines (not publicly available)	Sets out common guidelines, according to which the Group guarantees the implementation of the adequate process to ensure compliance with the European Union and national regulation on human rights.	All Group
Group Standard for Health, Safety and Environment Indicators and Reporting (not publicly available)	The standard defines a safety and health indicator applied Group-wide that shows the Total Recordable Incident Rate (TRIR) per million hours worked and the methodology for calculating the TRIR.	All Group
The Group Guidelines for the Provision of Personal Protective Equipment for Employees (not publicly available)	The guidelines establish the procedures for the use of Personal Protective Equipment (PPE) by the Group employees.	All Group
The Guidelines for the Health and Safety of Employees Working at Heights (not publicly available)	The guidelines are designed to further reduce the risks associated with working at heights.	All Group
OECD Guidelines for Multinational Enterprises (available online)	The guidelines, which promote the application of fundamental human and labour rights in businesses, are followed by the Group.	All Group
UN Guiding Principles on Business and Human Rights (available online)		

In each Group company, there is/are a person(s) authorised by the employer, who is/are tasked with implementing the requirements of OHS in the company. Responsible persons are appointed in accordance with both internal and external legislation. The law stipulates the obligation to have such authorized persons, and the Group's internal regulations recommend that OHS divisions report directly to the CEO.

The Occupational Safety, Health and Environment function, which is managed by the Group Head of Health, Safety and Environment and regularly provides information to the parent company's Management Board, Sustainability Committee and Supervisory Board. The function is responsible for the internal OHS regulations issued by the Group, which apply to all Group companies. For additional information, see section 'S1-1 Policies related to own workforce'.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

A mobile app 'Not safe? Report!' has been used to help prevent health and safety incidents. All employees are encouraged to report any identified potential hazards. Each report is reviewed and assessed by a designated member of the Occupational Health and Safety (OHS) unit, who initiates appropriate actions to eliminate the hazard, depending on its nature. Employees who submit such reports are rewarded with additional benefits. A group-level OHS software is planned to be fully implemented by end of 2026.

The Group is using a confidential reporting platform, called Trust Line, enabling both internal and external stakeholders to report potential or actual OHS violations. For additional information,

see section 'G1-1 Business conduct policies and corporate culture'.

At the Group, all employees have access to external, third-party mechanisms to address their well-being and safety. If necessary, employees can contact the State Labour Inspectorate, the Fire and Rescue Department, the Ministry of Energy, the National Energy Regulatory Council, the National Crisis Management Centre, the National Public Health Centre, and other relevant authorities. These opportunities are available to all employees, regardless of their job title or position. They can also act through employee representatives or other individuals who are eligible to act on their behalf. Internally, the Group provides a wellbeing mentors program, i.e., a community of trained employees who provide emotional support to their colleagues. They talk with employees in person, run courses and various team events. The Group offers an emotional support line, a dedicated phone number for employees and their family members to receive confidential consultations with experienced psychologists free of charge.

All Group employees are covered against injuries or critical illnesses. In such events, insurance benefits can be used to access better rehabilitation services, purchase medicines or medical supplies, or cover everyday needs. The Personal Accident Insurance Memo for Ignitis Group Employees (not publicly available) outlines the scope of employee insurance coverage, including insurance details and instructions how to act, when an incident occurs.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and

effectiveness of those actions

The Group's employees and their representatives actively participate in the decision-making process related to the design and implementation of initiatives and processes aimed at improving employee health, safety and wellbeing.

Vilnius CHP, Kaunas CHP and Ignitis Renewables (all Green Capacities), Ignitis Gamyba (Reserve Capacities and Green Capacities), ESO (Networks), Ignitis (Customers & Solutions), parent company and Ignitis Grupės Paslaugų Centras, have OHS committees or work councils, whose regulations define the role of employees and their representatives in addressing health and safety matters. Before implementing initiatives, OHS representatives conduct consultations with the relevant OHS committee to better understand the needs and expectations of the workforce, if needed. Additionally, these representatives hold regular meetings, where committee members can provide their opinions and suggestions regarding the development and implementation of initiatives. This collaboration ensures that the measures the Group companies take are directly aligned with the needs of the employees of the Group and contribute to their wellbeing.

In line with the Group's strategic management principles, the Group companies are responsible for preventing work-related traumas and illnesses, ensuring safe workplace, complying with OHS legislation and the policies' principles and ensuring that OHS responsibilities and objectives are established at all levels.

The OHS objectives of the Group companies are established in their strategic annual plans. The Group companies carry out health inspections, OHS training, ensure internal controls,

compliance with ISO 45001 and effective occupational risk management. They also encourage employee participation, support OHS committees, foster safety culture through the 'Not safe? Report!' app and prioritise data accuracy and core values.

The Group identified an OHS risk during the risk management process. The risk includes workplace injuries and fatalities of workers and contractors related to high-risk working environment, inadequate social and cultural context for preventing health and safety issues, and failure to develop risk mitigation actions. The risk is being mitigated using the following continuous measures:

- employee training: the Group carries out mandatory OHS training and certification of employees as per legal requirements;
- contractor training: the Group trains and educates contractors and calculates their TRIR;
- OHS control: companies, including contractors, monitor OHS in workplaces;
- risk assessment: companies conduct and initiate workplace risk assessments;
- incident sharing: companies share accident and incident investigation findings with employees and OHS specialists with the aim to prevent them in the future;
- ISO 45001 certification: Ignitis Renewables (Green Capacities), ESO (Networks), Ignitis Gamyba (Reserve Capacities and Green Capacities), Ignitis (Customers & Solutions) and Ignitis Grupės Paslaugų Centras are ISO 45001 certified.

To reinforce the Group's commitment to safety, the '10 Lifesaving Rules' were introduced. These rules serve as practical guidelines to help employees systematically assess hazards and make safer decisions in their daily work. By embedding these principles into everyday operations, the Group fosters a strong safety culture and ensures that the health and safety of every employee remain its top priority. One of the most important safety principles the Group has introduced is the 'Stop Work Authority', established under the Group Stop Work Authority Policy (not publicly available), which empowers every employee to stop work whenever they identify unsafe conditions or potential risks.

In addition to the Group companies' actions to manage OHS risks, the Group provides additional benefits to all employees, such as health insurance, accident insurance, paid sick days and flu vaccinations. Additionally, the strategic initiative 'Not safe? Report!' is aimed at enhancing health and safety culture and remediating negative impacts of or within the Group.

The actions planned to improve the OHS culture at the Group include:

- professional investigation of workplace incidents, including root cause analysis;
- promoting the reporting of unsafe situations;
- strengthening the HSE risk assessment;
- continuing to focus on contractor safety and health by ensuring that all external personnel operate under the same high standards as internal employees.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

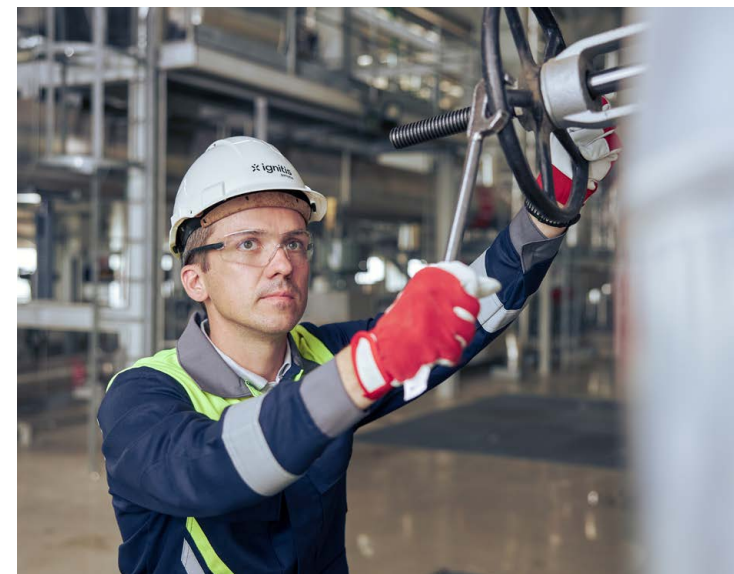
Occupational health and safety is very important to the Group, which is why the Group identified work-related injuries and fatalities as a negative impact and occupational health and safety as a risk. In view of this, the following targets related to the Group's own workforce have been set in the Group's Strategic Plan 2025–2028:

- zero fatal accidents;
- TRIR of employees is ≤ 1.0 ;
- TRIR of contractors is ≤ 1.7 .

All strategic targets must be approved by the Supervisory Board. The scope of TRIR reporting includes all the workforce of the Group, including employees and contractors. Employees are regularly briefed about the TRIR status in periodic meetings and other internal communications. TRIR results are published in the Group's Integrated Annual Reports. Employees were indirectly involved in setting these targets by participating in the maturity assessment of the Group's health and safety system.

Same as in 2024, no fatal accidents were recorded in 2025. In 2025, employee and contractor TRIR amounted to 0.72 and 0.72 respectively (1.12 and 0.84¹ in 2024).

¹ Contractor TRIR only includes contracts above 0.5 EURm/year.



Employee safety matters

S1-6 Characteristics of the undertaking's employees

All employees (split by gender, employment contract, country and employee turnover)	Unit	2025		2024		Δ	
		F	M	F	M	F	M
All employees	number	4,851		4,688		3.5%	
By gender ¹	number	1,555	3,296	1,481	3,207	5.0%	2.8%
Employee share	%	32.1	67.9	31.6	68.4	0.5 pp	(0.5 pp)
Employees by gender and employment contract							
Permanent	number	4,730		4,583		3.2%	
By gender	number	1,509	3,221	1,434	3,149	5.2%	2.3%
Temporary	number	121		105		15.2%	
By gender	number	46	75	47	58	(2.1%)	29.3%
Full-time	number	4,772		4,617		3.4%	
By gender	number	1,534	3,238	1,460	3,157	5.1%	2.6%
Part-time	number	79		71		11.3%	
By gender	number	21	58	21	50	-%	16.0%
Non-guaranteed hours ²	number	-	-	-	-	-	-
By gender	number	-	-	-	-	-	-
Employees by country							
Lithuania	number	4,629		4,539		2.0%	
Latvia	number	114		79		44.3%	
Poland	number	75		49		53.1%	
Estonia	number	31		19		63.2%	
Finland	number	2		2		-%	
Employee turnover							
Number of employees who left the Group	number	602		536		12.3%	
By gender	number	264	338	207	329	27.5%	2.7%
Employee turnover rate	%	12.4		11.4		1.0 pp	

¹ Gender choice as 'Other' is not applicable for the Group as the Group operates in the countries where such registration in personal identification documents is not legally recognised.

² The Group does not have employees who work under contracts with non-guaranteed hours.

Accounting policies

Headcount of employees

All employee data is collected from the Group's personnel registration systems. The number of employees was recorded at the end of the financial year. The headcount excludes employees on maternity, paternity, or parental leave, those in military service, and trainees who are not on the payroll. An employee is an individual hired under an employment contract to perform tasks for compensation under the employer's direction.

Turnover

The employee turnover rate is calculated by dividing the number of employees who left the company during the financial year by the number of employees at the end of that period.

Employee headcount is used in all tables where own workforce numbers are presented.

S1-7 Characteristics of non-employees in the undertaking's own workforce

The Group defines non-employees as the people with contracts with a Group company to supply labour ("self-employed people") or the people provided by the Group company primarily

engaged in employment activities under NACE Code N78. The Group has opted to exercise the phase-in allowance for data of non-employees.

S1-14 Health and safety metrics

Health and safety	Unit	2025	2024	Δ
The percentage of people in its own workforce who are covered by health and safety management system (ISO 45001)	%	91.8	87.2	4.6 pp
Number of fatalities in own workforce	number	0	0	-%
Number of fatalities of other workers (contractors)	number	0	0	-%
Number of total recordable incidents in own workforce	number	6	9	(33.3%)
TRIR in own workforce	indicator	0.72	1.12	(35.7%)
Number of lost time injuries in own workforce	number	6	5	20.0%
LTIR in own workforce	indicator	0.72	0.62	16.1%
Number of total recordable incidents of other workers (contractors)	number	7	9	(22.2%)
TRIR of other workers (contractors)	indicator	0.72	0.84	(14.3%)

Accounting policies

Lost Time Injury Rate (LTIR) is calculated as the number of lost time injuries per one million hours worked. The number of total annual working hours for employees is recorded by the Group's internal personnel management systems. LTIR includes the lost time injuries that result in an incapacity for work for one or more calendar days in addition to the day of the incident.

TRIR is calculated in the same way as LTIR. However, in addition to lost time injuries, TRIR also includes the incidents after which a person is able to perform work the day after the incident, as well as the incidents where the person has received medical treatment. For contractors, the actual number of hours worked is recorded based on the data provided by the contractors.

Fatalities are the number of employees who lost their lives as a result of a work-related incident. Fatalities are included in both LTIR and TRIR.

Employee welfare, adequate remuneration and cooperation

ESRS 2 SBM-2 Interests and views of stakeholders

All information is disclosed in section 'ESRS 2: SBM-2 Interests and views of stakeholders'.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IROs related to working conditions or, more precisely, employees' resilience and wellbeing. The material impact that we have identified is closely linked to our strategic purpose as human capital is a key resource for achieving it. It is necessary to create an environment that would be comfortable for work. All people in our own workforce are included in the scope of these disclosures. As this impact is closely linked to the wellbeing sub-topic, it is partially disclosed there as well.

S1-1 Policies related to own workforce

The Group aims to manage its IROs related to employee welfare, adequate remuneration and cooperation in a structured manner via its policies or other frameworks. The table on the side provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Sub-topic: Working conditions

Material IROs	Description
Demanding professional environment Type: negative impact Place in value chain: OO Business segment: All Changes compared to 2024: new	The implementation of ambitious targets and large-scale projects, driven by the green transition, often results in an intense work environment that affects employees' wellbeing and can lead to burnout, stress or mental health issues. The Group is working to create a comprehensive mental health ecosystem, to ensure safeguards for employee wellbeing and boost their resilience.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Remuneration Policy (available on our website)	The policy establishes clear and transparent remuneration principles and promotes employee motivation while meeting shareholders' expectations for sustainable development. It is designed to attract and retain skilled, innovative, and globally minded employees. The key principles of this policy cover internal fairness, external competitiveness, clarity, transparency, equal opportunities, and non-discrimination in regard to remuneration.	All Group
The Group Code of Ethics (available on our website)	The Group Code of Ethics defines the main principles and standards of a fair and transparent work environment, including the following: ensuring equal employment opportunities and working conditions for all individuals based solely on the nature of their professional activities; applying equal criteria and principles when terminating an employment relationship; guaranteeing fair pay based on the functions performed, the quality of work, professional and business abilities; and ensuring equal pay for equal work or work of equal value. It ensures that the Group respects and protects human rights and freedoms, recognised in national and international legislation, disseminates and fosters democratic values in accordance with the guidelines set forth in the Universal Declaration of Human Rights and International Labour Organisation (ILO) Conventions No. 100, 111 and 155.	All Group
Directive (EU) 2022/2041 (available on website)	The Group follows the directive by ensuring that all its employees receive wages higher than the minimum. Freedom of association and an obligation for employers to engage in collective bargaining and conclude collective agreements are also ensured by complying with applicable national labour laws in each country of operation.	All Group
Internal Standard of Additional Benefits (not publicly available)	This standard provides additional measures for motivating employees. If the individual provisions of the standard are inconsistent with the requirements of a collective agreement concluded within a Group company, the requirements of the standard or the collective agreement that offer more favourable conditions for employees shall apply to the employees of that company.	All Group

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

The Group conducts regular eNPS surveys to measure employee engagement, satisfaction and loyalty. This survey is used to gather additional information from employees to better understand their experiences and identify areas for improvement. The surveys are conducted quarterly and aim to evaluate specific topics by focusing on events and processes from that quarter. These assessments ensure that the data collected is timely and reflective of recent developments, allowing for informed analysis and decision-making based on current trends and occurrences. The People Experience, Compensation and Benefits team from the People and Culture function is responsible for overseeing and carrying out the process of organising the eNPS survey (not publicly available).

The Group has several types of employee representatives, including trade unions at Ignitis Gamyba (Reserve Capacities and Green Capacities) and ESO (Networks) as well as work councils in other companies. These employee representatives have the right to be informed and consulted on various company decisions, restructurings or decisions concerning health and safety programmes. Collective agreements and legally binding agreements between employers and trade unions are established through collective bargaining, while unions and councils address various workforce issues, including wages, working hours, benefits, etc., in quarterly

meetings. There is no formal approach to gain insight into perspective of the people who are vulnerable to impacts and/or marginalized.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

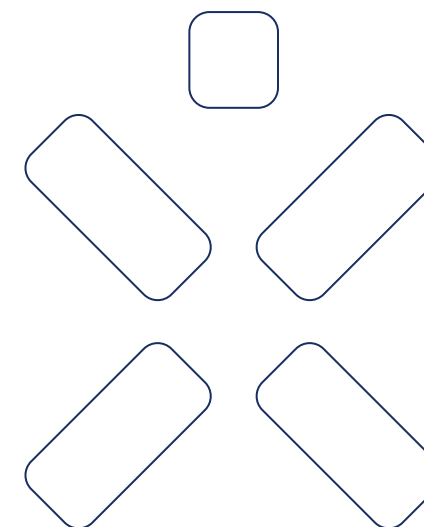
In case of any unethical behaviour related to welfare, remuneration of or during the cooperation with the Group's employees or representatives, it is reported using the Trust Line. The Trust Line guarantees the confidentiality of whistleblowers and complies with the requirements of the Law on the Protection of Whistleblowers. It is available to all Group employees. For additional information, see section 'G1-1 Business conduct policies and corporate culture'.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Group offers competitive compensation, maintains fair and transparent work environment, ensures social protection, and cooperates with all employees of the Group companies according to national laws. The Group offers additional benefits, including health insurance, personal accident insurance, additional days off, social allowances, referral bonuses, recognition programmes, gifts, vaccinations, payments to private pension funds, etc. When assessing employee comments during the eNPS

survey, the Group also evaluates and, where possible, considers actions to improve employee experience.

More information on actions regarding physical and emotional wellbeing to manage demanding professional environment are covered in 'Diversity, inclusion and wellbeing'.



S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

A strategic target set out in the [Group's Strategic Plan 2025–2028](#) includes maintaining the Group's eNPS at ≥50. This metric indicates employees' willingness to recommend the Group as an employer and is used to measure

employee experience in areas such as wellbeing, learning and growth, compensation and benefits, resilience, workplace experience, work, structure and processes, diversity, and inclusion. The Group conducts quarterly eNPS surveys since 2019. In 2025, the Group achieved a high eNPS of 65.6 (65.2 in 2024). Employees are regularly updated on the eNPS status during periodic meetings and through other internal communication methods. Employees are the

key stakeholder of the Group who help identify the material aspects and priorities when setting targets. When new projects or decisions are in the planning stages, employees often participate in focus groups. Involving employees allows them to contribute their perspectives, which can reshape and refine the direction of initiatives, ensuring they are practical, effective, and considerate of the workforce's needs and capabilities.

The Group's eNPS

	2025	2024	Δ
eNPS - Employee Net Promoter Score	65.6	65.2	0.6%

S1-8 Collective bargaining coverage and social dialogue

Collective bargaining agreements and worker representation (in countries with 50+ employees, representing >10% of Group employees)

Collective bargaining coverage		Social dialogue	
Employees – EEA (for countries with >50 empl., representing >10% total empl.)		Employees – Non-EEA (estimate for regions with >50 empl., representing >10% total empl.)	
80–100%		Workplace representation (EEA only) (for countries with >50 empl., representing >10% total empl.)	
60–79%		Lithuania	
40–59%			
20–39%			
0–19%			

S1-10 Adequate wages

All employees within the Group are paid an adequate wage, in compliance with Directive (EU) 2022/2041.

Accounting policies

The eNPS survey is conducted quarterly across the Group. All Group employees are invited to participate in it. In the survey, employees rate their agreement with the statement “I would recommend my company as a potential workplace to my friend or a good acquaintance” on a scale of 1 to 10. The recommendation index is calculated by subtracting the percentage of employees who would not recommend the employer (detractors) from the percentage of those who would (promoters).

All employee data is collected from the Group's personnel registration systems. The number of employees was recorded at the end of the financial year. The Group companies also operate in Latvia, Estonia, Poland, and Finland, but in these countries, the number of employees does not represent >10% of the total workforce of the Group. 95% of all employees work in Lithuania.

In accordance with the Law on European Work Councils of the Republic of Lithuania (IX-2031 Law on European Works Councils), the Group did not meet the criteria of a community-scale group of companies during the reporting period and is therefore not obliged to initiate the formation of a European Work Council.

S1-11 Social protection

Social protection with regard to the types of events by country

	Retirement	Sickness	Unemployment starting from when the own worker is working for the undertaking	Employment injury and acquired disability	Parental leave
Lithuania	All employees of the Group companies according to national laws Additional benefits ^{1, 6}	All employees of the Group companies ¹	All employees of the Group companies according to national laws ³	All employees of the Group companies ^{1, 4}	All employees of the Group companies according to national laws
Latvia		Health insurance			Additional benefits ^{1, 5}
Estonia	All employees of the Group companies according to national laws	Additional benefits ²			
Poland					
Finland					

¹ According to the Standard of Additional Benefits of the Group.

² Additional benefits include sickness benefits, short-term illness leave, wellness days.

³ This is not applicable when the employment contract is terminated at the employee's initiative or as a result of breaches of work rules (according to the legislation).

⁴ Employees are provided with additional accident insurance that covers them in case of death or disability due to an accident, injury, additional diseases, or critical illness and provide financial compensation for the damages incurred. Also, employees are eligible for additional benefits (payment) if they need material support (e.g. due to a serious illness, accident, natural disaster or for any other reasons beyond the employee's control). The amount would be decided by the employer. This applies to all Group companies.

⁵ The company provides allowances for birth or adoption and additional annual allowances for families with multiple children, disabled dependents, or single parents. A maximum of two allowances per year is allowed if multiple conditions are met. This applies to all Group companies.

⁶ In Lithuania, employees have a right to choose an optional additional benefit in a form of voluntary contributions to employee's pension fund.

For additional information, see the Group's [website](#).

S1-16 Remuneration metrics

Disclosure requirement related to S1-16

Remuneration metrics are presented in section

'5 Remuneration'.

Diversity, inclusion, and wellbeing

ESRS 2 SBM-2 Interests and views of stakeholders

Specifically in the energy sector, aspects like diversity, equal opportunity and human rights are of heightened relevance. For additional information, see section 'ESRS 2: SBM-2 Interests and views of stakeholders'.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IROs related to diversity, inclusion and wellbeing of our employees. The material impacts we have identified are closely linked to our strategic purpose as human capital is a key resource for achieving it. It is necessary to create an environment that would foster successful pursuit of professional achievements and be comfortable for work. All people in our own workforce are included.

S1-1 Policies related to own workforce

The Group aims to manage its IROs related to diversity, inclusion and wellbeing in a structured manner via its policies or other frameworks. The table on the side provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Sub-topic: Equal treatment and opportunities for all

Material IROs	Description
Unequal gender distribution Type: negative impact Place in value chain: OO Business segment: All Changes compared to 2024: reversed from positive to negative	Noting inherent gender balance issues in the traditionally male-dominated energy sector, the Group acknowledges the unequal gender distribution across different roles, including management. The Group is seeking to foster a diverse and inclusive environment while ensuring equal opportunities for all employees.
Promoting non-discrimination and non-harassment culture Type: positive impact Place in value chain: OO Business segment: All Changes compared to 2024: none	The Group promotes a culture of non-discrimination and non-harassment, which is essential for creating a safe, inclusive, and high-performing work environment. By fostering respect and equality, the Group empowers its employees and enhances collaboration.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Equal Opportunities and Diversity Policy (available on our website)	The policy describes the main measures applied at the Group which are necessary for the implementation of the equal opportunities and diversity principles. The Group has zero tolerance policy for any form of discrimination, which includes direct and indirect discrimination, harassment, sexual harassment, or instruction to discriminate on the basis of gender, race, nationality, ethnic origin, language, social status, religion, faith, belief, convictions or views, age, sexual orientation, disability, state of health, family or marital status, membership in a political party or association. According to the policy, employees' working conditions, salary, additional benefits, and other aspects of their work in the organisation must be set in such a way that helps create equal opportunities and helps employees to balance their work, private life, and familial responsibilities.	All Group
The Strategic Plan for Diversity, Inclusion and Wellbeing 2022–2025 (available on our website)	The plan establishes the following commitments in respect to the specific groups of people who are particularly sensitive: improving gender balance, creating inclusive environment for people with disabilities, ensuring inclusion of people of all ages and raising awareness of LGBT inclusion.	All Group
The Group Abuse and Harassment Prevention Policy (available on our website)	Under the policy, any inappropriate behaviour, including psychological abuse and harassment related to gender (including sexual harassment) or the threat thereof, is strictly prohibited. It also provides for measures for employees who suffered abuse and harassment, who may contact the emotional support line and receive a consultation from a psychologist as well as contact wellbeing mentors. In both cases employees are guaranteed confidentiality.	All Group
The Group People and Culture Policy (available on our website)	The policy sets expectations for the management structure, organisational culture within the Group, ways of attracting employees, employment relations, adaptation and career within the Group, including employee education, upskilling as well as social dialogue.	All Group

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

All the policies described previously are communicated to all new employees and, in case of any updates, to the entire workforce. To ensure that all changes to the policies and/or their amendments reflect the needs and concerns of the Group's workforce, coordination with employee representatives (work councils and/or trade unions operating in the companies) is ensured before making a decision on their approval. Employee representatives are periodically informed about the progress of implementation of the policies in accordance with the procedure set out in the Labour Code, the collective agreements concluded with the companies and the guidelines set forth in the UDHR and ILO Conventions. There is no formal approach to gain insight into perspective of the people who are vulnerable to impacts and/or marginalized. The Group People and Culture, together with Diversity, Inclusion and Wellbeing unit of the Group, are responsible for the preparation and updates of the policies and the engagement with the workforce. The Group's policies are approved and amended by the decision of the parent company's Management Board. The effectiveness of engagement with the workforce and worker's representatives is not being monitored, but regular eNPS surveys are conducted to gather employee feedback on their experience on their working environment and wellbeing. For more information, see section 'S1-2 Processes for engaging with own workforce and workers' representatives about impacts under employee welfare, adequate remuneration and welfare'.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

In case of an adverse event, remediation will be provided through legitimate processes in accordance with the law.

In case of any unethical behaviour of the Group's employees or representatives, cases of discrimination or corruption, and other issues of concern will be reported using the Trust Line. Reports on abuse and harassment may be submitted by employees who suffered, witnessed it or who heard about it, also by their direct managers, senior executives or employee representatives. The Trust Line guarantees the confidentiality of whistleblowers and complies with the requirements of the Law on the Protection of Whistleblowers and is available to all employees. For additional information, see section 'G1-1 Business conduct policies and corporate culture'.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To promote non-discrimination and non-harassment culture, regular mandatory employee training and knowledge testing on abuse and harassment prevention is conducted together as well as non-discrimination and equal opportunities training for new managers. Additional initiatives of the Group on delivering positive impact include:



Ignitis Group employees

Women in leading positions and gender equality:

- women's referral challenge;
- SheEnergy campaign in radio broadcast on the visibility of women in energy;
- maintaining the rule of gender balance to succession planning;
- piloting anonymized CV screening in employee selections;
- training the talent acquisition team inclusive hiring;
- testing women-friendly headhunting messages during employee recruitment.

LGBT awareness:

- participating in the Baltic Pride event;
- raising awareness through an initiative on the International Day against Homophobia, Biphobia and Transphobia.

Physical and emotional wellbeing:

- internal communication on the importance of mental health and psychological resilience;
- conducting training courses on facing customers (frontline) and other employees;
- providing emotional support services;
- launching an initiative on emotional support circles;
- organising weekly meditations.

Effectiveness of some of these actions was tracked and assessed (i.e. women's referral challenge, anonymized CV screening, etc.). The priorities for diversity, inclusion and wellbeing actions have been identified while conducting the equal opportunities survey, stakeholder meetings, analysing company

data and following the diversity and inclusion market standards. The [Group Strategic Plan for Diversity, Inclusion and Wellbeing 2022–2025](#) outlines what actions are planned or underway to mitigate material risks related to discrimination, harassment, and abuse and to pursue material opportunities for preventing thereof. The Group's Diversity, Inclusion and Wellbeing unit and the Employer Branding team, together with the Talent Acquisition and Internal Communication functional areas, are the main resources managing these actions. The Group Strategic Plan for Diversity, Inclusion and Wellbeing 2026–2029 is being developed to replace the previous one and set new strategic directions, including the following:

- building resilience to ensure sustainable performance;
- staying inclusive in the face of possible social and technological divides;
- embedding fairness in the Group's policies to uphold gender diversity during change.

The plan will also set the following targets for the 2026–2029 period:

- improving the share of resilient teams on an annual basis (baseline in 2025: 85%);
- increasing the share of women in top management to ≥35% (baseline in 2025: 28%);
- embedding human rights in the Group's policies, strategic plan.

To reduce the negative impact of demanding professional environment affecting employee wellbeing, the Guidelines for Implementing the Group's Employee Burnout Algorithm are being implemented across the Group (not publicly available). The guidelines provide measures and recommendations to prevent burnout among

employees of the Group companies, offer timely support to those affected by burnout, and aid in their recovery and successful reintegration into the workplace. Additionally, the indicators of the team burnout risk and team resilience are being monitored every quarter to track the environment in teams and react with supporting actions, if needed.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group's [Strategic Plan 2025–2028](#) established a strategic target to maintain an eNPS of ≥50. This metric indicates employees' willingness to recommend the Group as an employer and is used to gauge experiences in areas such as wellbeing, learning and growth, equal pay, diversity, and inclusion. For additional information, see section 'S1-5 Employee welfare, adequate remuneration and cooperation'. To further promote gender balance, the Group has established a strategic target to increase diversity in top management, and by 2028 to have ≥33% of women in these positions.

Workforce or workforce representatives are not engaged directly while setting the targets, identifying lessons/improvements or making decisions regarding the design and the implementation of the programmes or processes, but they are informed about the performance of the indicators during quarterly interim reports of the Group, where information on eNPS and women in top management positions is provided. They are also being informed about eNPS changes and the progress on gender balance initiatives using internal communication means, such as emails or the Group's intranet.

S1-9 Diversity metrics

Diversity	Unit	2025		2024		Δ	
		F	M	F	M	F	M
TOP management	number	35	84	33	86	6.1%	(2.3%)
Share	%	29.4	70.6	27.7	72.3	1.7 pp	(1.7 pp)
All employees by age group							
Under 30 years	number	168	304	168	324	-%	(6.2%)
Share	%	35.6	64.4	34.1	65.9	1.4 pp	(1.4 pp)
30–50 years	number	1,091	1,718	1,022	1,638	6.8%	4.9%
Share	%	38.8	61.2	38.4	61.6	0.4 pp	(0.4 pp)
Over 50 years	number	296	1,274	291	1,245	1.7%	2.3%
Share	%	18.9	81.1	18.9	81.1	(0.1 pp)	0.1 pp

Accounting policies

Top management includes the collegial bodies, the CEOs of the Group companies and the 1st management level below CEOs (regardless of how many subordinates they have), the heads of solid functions and the heads of Ignitis Grupės Paslaugų Centras. Special purpose vehicle (SPV) companies are out of scope. The top management of the companies that have a registered office outside of the Republic of Lithuania includes only the collegial bodies and the CEOs. Managers who hold more than one top management position in the same company are included in the list once, while those who hold more than one position in different companies are included as many times as the number of positions they hold in different companies.

All employee data is collected from the Group's personnel registration systems. The data of employee age groups was recorded at the end of the financial year. The headcount excludes employees on maternity, paternity, or parental leave, military service employees, and trainees who are not on the payroll.

S1-12 Persons with disabilities

Persons with disabilities in own workforce	Unit	2025		2024		Δ	
		F	M	F	M	F	M
Percentage of employees with disabilities	%	0.7		0.6		0.0 pp	
		0.9	0.5	0.8	0.6	0.1 pp	(0.0 pp)

S1-15 Work-life balance metrics

Family related leave ¹	Unit	2025		2024		Δ	
		F	M	F	M	F	M
Percentage of employees entitled to take family-related leave	%	100.0		100		- pp	
Percentage of entitled employees that took family-related leave	%	37.1		37.9		(0.7 pp)	
By gender	%	47.8	32.1	49.4	32.5	(1.6 pp)	(0.4 pp)

¹ These figures have been restated compared to the Integrated Annual Report 2024 (numbers previously reported: Percentage of entitled employees that took family-related leave – 1.73%; By gender, 4.4% of females and 0.5% of males). For more information, see Note 7 on section '7.3 Notes on restated figures' of this report.

Accounting policies

All employee data is collected from the Group's personnel registration systems. The data on the employee disability status was recorded at the end of the financial year.

Employees entitled to a family-related leave are those who are covered by the applicable regulations that contain family-related leave entitlements. In all countries where the Group operates, family-related leave is applied to all employees according to the national law. The number above shows how many employees took maternity, paternity, parental and carers' leave during the financial year.

Competent employees

ESRS 2 SBM-2 Interests and views of stakeholders

Ensuring a competent workforce, both now and in the future, is crucial. The Group anticipates challenges in acquiring the expertise necessary to drive the energy transition to a greener and climate-neutral economy. Therefore, it is imperative to cultivate internal competencies. For additional information, see section ‘ESRS 2: SBM-2 Interests and views of stakeholders’.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IRO related to competent employees. This IRO is closely tied with our strategic goals as the Group’s strategic goals related to energy transition require a highly skilled workforce and competence. The lack of expertise may significantly impede the progress and achievement of the Group’s strategic goals. All individuals within the Group’s own workforce are included in the scope of the disclosures related to equal treatment and opportunities for all.

S1-1 Policies related to own workforce

The Group aims to manage its IROs related to competent employees in a structured manner via its policies or other frameworks. The table on the side provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

S1-2 Processes for engaging with own workforce and workers’ representatives about impacts

Our commitment to talent development is reinforced by the culture we are intentionally building across the Group, guided by our four core mindsets: United by Purpose, Owning the Challenge, Pursuing Excellence, and Passion for Reinvention. These mindsets are embedded throughout the employee lifecycle—from onboarding to development and performance discussions—ensuring they translate into everyday behaviors. Within our performance management process, managers and employees are encouraged to reflect on how these mindsets are demonstrated in practice, exchange constructive feedback, and agree on actions to further strengthen these behaviors where needed. In particular, Pursuing Excellence drives our focus on delivering meaningful impact and elevating the quality and value we create for customers and society, while Passion for Reinvention fosters continuous learning, openness to new technologies, and a readiness to innovate. By integrating these mindsets into how we assess, develop, and support our people, we cultivate a culture that enables innovation, adaptability, and high performance—capabilities essential for sustaining our competitive advantage and achieving our strategic goals in the energy transition.

Open lines of communication with all employees are maintained through regular meetings, emails, training evaluation surveys, and internal communication platforms. This approach ensures that employees stay informed and

Sub-topic: Equal treatment and opportunities for all

Material IROs	Description
Human capital Type: risk Place in value chain: OO Business segment: All Changes compared to 2024: none	A highly skilled workforce is crucial for achieving the Group’s strategic goals, especially as we navigate the energy transition. New competencies are essential for success in this evolving landscape, and a lack of expertise may significantly impede our progress. To maintain our competitive edge, we must invest in talent development and cultivate a culture that fosters innovation and excellence.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group People and Culture Policy (available on our website)	The policy focuses on education and continuous improvement by facilitating the establishment of training programmes, workshops, and career development opportunities. Under the policy, education content must be inclusive and non-discriminatory; human rights must be fully supported and promoted throughout all training materials; all employees must be treated with dignity and respect, which includes ensuring equal opportunities for training and preventing any form of discrimination or harassment.	All Group

have opportunities to share feedback, which is used to identify areas for improvement and support informed decision-making. Engagement begins during the onboarding process, where new employees are introduced to company policies, culture, expectations, and continues throughout the employee's tenure, with regular check-ins, feedback sessions, and development opportunities. Regular eNPS surveys are conducted to gather feedback on employee experiences and satisfaction with engagement initiatives while monitoring employee retention rates and participation in training programmes. Anonymous channels are available for employees to raise concerns or share suggestions without fear of retaliation. The Chief Organisational Development Officer is the most senior role with operational responsibility for employee engagement.

Records of all training programmes attended by employees are maintained to monitor employee development and identify areas for further training. Employee performance and career development data, such as performance reviews, feedback, and milestones, are regularly updated to provide a clear view of each employee's career path and opportunities. The Group conducts in-house training sessions led by experts within the company relevant to its industry and business operations. Mandatory trainings are assigned based on job roles and are carefully monitored, with clear communication provided to the target audience. All training content is designed to comply with the guidelines set forth in the UDHR and ILO Conventions.

The Group provides specialized training programmes that focus on the unique challenges faced by at-risk or vulnerable employees. Multiple channels are available for the employees

to provide anonymous feedback, along with support networks that offer a safe space to share experiences and receive assistance. Training programmes are delivered in multiple languages (Lithuanian, English) and formats (in-person, online) to accommodate diverse needs and ensure that all employees receive information in an understandable and accessible manner, fostering a more informed and engaged workforce. When integrating diversity and inclusion topics into the Group's learning and development programmes, we ensure that the human rights of all stakeholders are respected and protected, thus fostering a responsible and ethical business environment.

In cases of conflict of interest among employees, regular sessions on conflict resolution are provided for both employees and managers, where a neutral third party helps the conflicting parties reach a mutually acceptable resolution.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

No material negative impacts were found during the DMA process, eliminating the need for remediation actions. In case of an adverse event, contribution to remediation will be provided through the legitimate processes in accordance with the law.

In case of any unethical behaviour of the Group's employees or representatives, the cases of discrimination or corruption and other issues of concern shall be reported using the Trust Line. For additional information, see section 'G1-1 Business conduct policies and corporate culture'.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To address human capital risk, the Group provides trainings in the following areas:

- health and safety/workplace safety;
- career and development planning;
- ethical behavior and compliance with policies;
- psychological resilience and conflict resolution;
- sustainability and eco-friendly practices;
- leadership training, certification courses, and upskilling workshops;
- AI and Digital Empowerment Program.

These programmes help employees advance their careers and achieve their professional goals. Educational assistance programmes, such as tuition reimbursement to support employees in pursuing further education and professional qualifications are also provided. The Group also supports educational institutions, enhancing the quality and appeal of energy studies, and promoting careers in the energy sector by providing scholarships for students. More information is available on our [website](#).

When a specific training course is required, the Group develops and delivers a focused training programme on that issue. The Learning and Development team, in collaboration with Employee Health and Safety team and the Group's HR business partners has provided training programs focused on risk management, health and safety, and conflict resolution. These programmes equip employees with the skills and knowledge to handle significant

impacts effectively. By allocating resources to these critical areas, the Group ensures that its workforce is well-prepared to manage and mitigate material impacts, fostering a safer and more resilient environment in the organisation. For more information on health and safety, see section 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts on health and safety.

In response to the changes that arise due to the transition to the greener and climate-neutral economy and, resulting in risks related to human capital, the Group introduced New Skills and Competencies Development programme. This initiative supports organizational growth and sustainability by focusing on upskilling internal talent to meet emerging demands, particularly in renewable operations and maintenance. Internal roles included in this programme were identified through strategic workforce planning and an evaluation of training needs across Group companies.

With a special focus on energy expertise, the Group is extending the # EnergySmart UNI program by introducing a cycle of knowledge-sharing sessions known as the Energy Expertise Trilogy. This initiative ensures all employees become familiar with competencies in green energy, technologies, project management, environmental requirements, and more. By deepening their understanding of energy innovations, employees are well-equipped to navigate and contribute to the evolving energy sector.

Feedback on training quality is collected regularly to identify potential issues and areas for improvement. The Group tracks performance metrics related to specific learning

and development (L&D) initiatives, such as the completion rates of training programmes and improvements in employee skills. The training effectiveness is evaluated through follow-up assessments and employee feedback, enabling necessary adjustments and process improvements.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The organisation has established four key strategic competencies and implemented training programmes to strengthen employee competencies across the Group. #EnergySmart UNI is an internal university focused on developing the Group's strategic competencies, fostering personal growth and contributing to the Group's goals. The target is for all employees within the Group to successfully complete the first level of all four competencies within their first six months. Employees were directly engaged in setting this target through workshops tailored for different audiences, which helped identify and establish the four core competencies. Employees actively participated in contributing to content development. To identify lessons or improvements, feedback was collected after each module and shared it with the working group to enhance and refine the existing materials. The Group employed a variety of methods to monitor the progress towards achieving these four strategic competencies, including the use of articles, attendance tracking, and email notifications. Through this comprehensive approach, the target was successfully reached.

L&D targets are strategically focused on the long term to ensure continuous tracking and progress evaluation. They are set and measured in alignment with the Top Employer practices and are subject to regular audits to ensure compliance and effectiveness. The Group benchmarks the performance indicators against industry standards and holds the distinction of being recognized as a Top Employer.



Ignitis Group employees

S1-13 Training and skills development metrics

Training and skills development	Unit	2025		2024		Δ	
		F	M	F	M	F	M
Employees that participated in regular performance and career development reviews	number	1,555	3,296	1,481	3,207	5.0%	2.8%
Share	%	100.0	100.0	100.0	100.0	-pp	-pp
Total training hours of all employees	hours	91,382.0		99,653.0		(8.3%)	
By gender	hours	31,774.0	59,608.0	36,151.0	63,502.0	(12.1%)	(6.1%)
Training hours per employee on average	hours	18.8		21.3		(11.4%)	
By gender	hours	20.4	18.1	24.4	19.8	(16.3%)	(8.7%)

Accounting policies

The average number of training hours per employee is calculated by recording all training hours and dividing them by the total number of employees. Training data is collected in the internal learning and development (L&D) registers. The actual headcount at the end of the year is used to calculate the indicator.

Trainings include all additional trainings requested by employees as well as those initiated by the Learning and Development team. Mandatory trainings, such as fire safety, work procedures, etc., are classified as briefings and are not included in the number of trainings. Also, online courses are not included in training indicators.

Across the Group, all employees participate in regular performance and career development reviews. Even though the format of these reviews may vary across different companies within the Group, they consistently include all employees.

S1-17 Incidents, complaints, and severe human rights impacts

Incidents, complaints and severe human rights impacts	Unit	2025	2024	Δ
Number of complaints filed through channels for people in own workforce to raise concerns	number	14.0	16.0	(12.5%)
of which number of incidents of discrimination, including harassment ¹	number	11.0	6.0	83.3%
of which number of confirmed incidents of discrimination, including harassment	number	0.0	3.0	n/a
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	number	0.0	0.0	-%
The total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above	EUR	0.0	0.0	-%
Number of severe human rights issues and incidents connected to own workforce	number	0.0	0.0	-%
of which cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work	number	0.0	0.0	-%
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	EUR	0.0	0.0	-%

¹ This figure has been restated compared to the Integrated Annual Report 2024 (number previously reported: 3). For more information, see Note 8 on section '7.3 Notes on restated figures' of this report.

Accounting policies

Reports received through the Trust Line channels are registered in the Group's internal register via JIRA (a project management and issue tracking tool). These reports are processed in accordance with the procedures established in the Group's internal legal acts and investigated under the rules set by the Group's Internal Investigation Commission. Reports can be received anonymously and are then categorized by topic. The number of complaints received reflects those that fall into the categories of potential violence and harassment at work, violations of the code of ethics, and violations of equal opportunities, and may not reflect the total number of complaints received from employees.

S2 Workers in the value chain

ESRS 2 SBM-2 Interests and views of stakeholders

Contractors are one of the key groups of stakeholders in the Group's value chain, playing a crucial role in business development, and supporting the overall strategic objectives of the Group. Contractors were the key stakeholders included in the dialogue to identify and validate material impacts related to this standard. For more on the interests and views of stakeholders, see section 'ESRS 2: SBM-2 Interests and views of stakeholders'.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

While S1 focuses on the Group's own employees, this section covers the equivalent impacts and risks for workers in the value chain, including contractors and suppliers.

The table on the side describes our material IROs related to workers in the value chain. These IROs are connected to our purpose to create a green and secure energy as human capital is a key resource for achieving it. It means that we understand our responsibility to promote safe working conditions, perform oversight and conduct trainings, raise awareness, and promote cooperation among the Group employees and contractors while improving OHS management, procedures, and communication within and outside the Group. These IROs are linked to us through our own operations and through our relationships with contractors.

At this stage, the Group is unable to include the full scope of its value chain workers due to limited access to necessary and reliable information. Our focus has been on first-tier suppliers and

Sub-topic: Working conditions

Material IROs	Description
Work-related injuries and fatalities Type: negative impact Place in value chain: VC Business segment: All Changes compared to 2024: none	The energy sector involves working in high-risk environment. That presents inherent occupational health and safety risks, leading to health-related impacts on workers in the value chain as our contractors.
Occupational health and safety Type: risk Place in value chain: VC Business segment: All Changes compared to 2024: none	The energy sector involves working in high-risk environment, such as construction sites, remote locations, and dangerous conditions (heights, voltage, etc.). This can increase the risk of physical harm, including accidents, injuries, and fatalities.

contractors, and we have identified material IROs within this scope. On the other hand, the Group has considered issues of child labour or forced labour, but no significant IROs have been identified related to these topics. No regions or specific countries have been identified as particularly significant for these IROs.

S2-1 Policies related to value chain workers

The Group aims to manage its IROs related to workers in the value chain in a structured manner via its policies or other frameworks. The table in the next page provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

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

The Group's engagement strategy unfolds in multiple stages of the supply chain procedures. It begins with the selection of suppliers, followed

by the contract signing stage, where suppliers are required to accept the SCE requirements. This is followed by engagement through various channels, ongoing SCE monitoring, and inspections to assess the adherence to the OHS requirements, with the primary focus on safety, which must be maintained until the final contract stage. This structured engagement enables the Group to maintain consistent oversight over the needs of the Group's suppliers.

The Group interacts with value chain workers directly by awarding procurement contracts through one of its companies. After the Group company signs a procurement contract with a supplier, each contract is designated a contract owner, an employee of the Group company, who is assigned to ensure the proper performance of the contract. The contract owner collaborates with the supplier, providing feedback on contract performance, clarifying information, and responding to any inquiries.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Occupational Health and Safety Policy (available on our website)	The policy is intended to ensure that workers throughout the value chain adhere to the same OHS standards as the Group's own employees. It emphasises the selection of reliable partners who prioritise safety and comply with OHS requirements, thereby minimising the risks and reducing the negative impact related to work-related injuries and fatalities. Under the policy, contractors must comply with all OHS requirements of the Group, including carrying out relevant occupational risk assessments, training, reporting incidents, and observing processes. The Group companies are responsible for ensuring contractors' compliance with the policy through prequalification, onboarding, and active monitoring.	All Group
The Group Supplier Code of Ethics (SCE) (available on our website)	The SCE comprehensively covers the entire supply chain. It applies to all suppliers and business partners involved in the Group's supply chain and outlines their obligation to provide a safe and healthy working environment for all employees. In accordance with the SCE, robust frameworks for occupational health and safety governance are expected to be established to ensure compliance with relevant laws, regulations, and customer requirements, as well as effectively manage operational hazards and risks associated with their operations. The SCE addresses potential risks related to labour practices in accordance with the principles set forth in the UDHR, the ILO's Convention on Fundamental Principles and Rights at Work, and the United Nations Global Compact (UNGC).	All Group
Company specific internal standards and instructions (not publicly available)	The Group has established regulations, which are adopted by all Group companies, to guide the work of contractors and ensure that all personnel, including dispatched staff, contractors, and other external entities, comply with work and safety requirements. The issues related to high-risk suppliers are also addressed by requiring additional instructions or training for certain high-risk tasks, including such instructions or training for the Group's own employees. Furthermore, instructions may vary depending on the nature of the work environment, such as remote locations or the Group company premises.	Ignitis Renewables, Ignitis Gamyba, Kaunas and Vilnius CHPs (all Green Capacities), ESO (Networks)

Prior to signing the contract, the supplier's representative is introduced to and must consent to the Group's policies, including the SCE. The Group company then cooperates with the supplier's representative and its employees prior to and during the procurement contract period. If concerns arise, suppliers can disclose their inquiries at any time by contacting the Group company's representative. The frequency of cooperation depends on each procurement contract signed between the Group company and the supplier. The Group company's dedicated staff monitors the progress of contract work, liaising with contractors, providing feedback and visiting sites to assess contractors' health and safety performance. To achieve the best results, the Group has initiated various engagement methods, such as sending newsletters to its suppliers, holding quarterly meetings between HSE personnel and contractors' representatives, organising toolbox talks, and hosting contractor safety days.

To evaluate the effectiveness of its engagement, the Group monitors the outcomes of its activities and relies on improvements in key performance indicators. These improvements are intended to ultimately contribute to the goal of decent work and economic growth as outlined in the Sustainable Development Goals (SDGs).

TRIR results along with assessments of suppliers on their adherence to the SCE are further discussed in section S2-4. The Group Head of Health, Safety and Environment is responsible for overseeing the TRIR results, while supplier engagement is managed by the Head of Group Procurement.

Direct engagement with value chain workers or their legitimate representatives is recognised as

the most effective approach for addressing labour and health and safety issues, as it facilitates open communication, a better understanding of concerns, and the development of more effective solutions. Accordingly, the Group intends to maintain structured engagement and, in the upcoming year, strengthen collaboration with contractors to increase their engagement, education while sharing the best practices.

The Group acknowledges the importance of understanding the perspectives of vulnerable and marginalized workers within the value chain, such as migrant workers. However, there is currently no dedicated procedure in place to ensure their specific perspectives are addressed. Meanwhile, the Group's contractors follow national laws that protect vulnerable workers, ensuring that their rights and wellbeing are upheld in accordance with legal standards.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Suppliers, contractors, and any other value chain workers can raise concerns to the Group through the Trust Line. The information in relation to the [Trust Line](#) is publicly available on the Group's website and is accessible to any member of the value chain. Additionally, suppliers receive links to the Group's SCE and Trust Line in the contract details before signing the procurement contract. For additional information, see section 'G1-1 Business conduct policies and corporate culture'.

In 2025, Trust Line has not received any reports from its value chain workers concerning potential incidents of violence, harassment, or worker safety issues. In the event of adverse human rights impacts, the Group provides or contributes

to remediation through legitimate processes in accordance with the law.

S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Supply chain pre-partnership assessment and follow-up

The Group is dedicated to managing negative impacts and risks related to OHS for value chain workers. Suppliers are required to confirm the absence of various grounds for exclusion and comply with social or labour law obligations. The Group's procurement contracts require suppliers to maintain safe working conditions, follow the ISO 45001 standard, and implement measures to prevent workplace violence. Their compliance is monitored throughout the contract duration, with plans to implement advanced data analysis tools for enhanced oversight.

Ignitis Renewables (Green Capacities) has implemented supplier due diligence process, encompassing pre-qualification, defined supplier requirements and continuous monitoring. This process covers key areas such as quality, health & safety, ESG and other relevant topics. Furthermore, Ignitis Renewables (Green Capacities) is piloting an artificial intelligence tool designed to pre-assess supplier risks associated with ESG.

Annual assessments of suppliers are conducted to ensure they adhere to human rights principles and comply with social and labour laws according to the EU and national regulations. These assessments focus on the suppliers with the

most significant procurement contracts (tier 1) and include a random selection to represent all Group companies. The evaluations revealed that nearly all suppliers support legal norms for safe working conditions and actively promote human rights, including fair pay and labour practices, as specified by the ILO standards. More information on the SCE Monitoring Report can be found on the Group's [website](#). These positive results from the supplier monitoring assessment are supported by the Group's TRIR remaining within target, underscoring its commitment to a safe workplace. The Group recognises that, while supplier assessments rely on their willingness to disclose adherence to social and labour rights, trust in value chain workers is crucial. Concurrently, the TRIR evaluation process involves assessing tangible impacts on the lives of the workers.

Improving engagement through training, communication and in-person meetings

Engaging with workers in the value chain is crucial in ensuring the Group's positive contribution to their work and safety, as it fosters a collaborative environment and promotes adherence to safety standards. To achieve optimal results, the Group employs various engagement methods, described in 'S2-2 Processes for engaging with value chain workers about impacts'.

Depending on the nature and risk level of the work, value chain workers are instructed, trained, and issued permits to work. At Ignitis Renewables (Green Capacities), in some instances, emergency preparedness plans and procedures, as well as specialized training codes (e.g., WINDA), are required to be completed. To ensure the effectiveness of the initiatives on

improving the wellbeing of value chain workers and the success of training programmes, Ignitis Renewables (Green Capacities) tracks and assesses their outcomes.

If a negative impact occurs, such as an OHS incident or an audit breach, Ignitis Renewables (Green Capacities) follows a comprehensive internal process. This process begins with the implementation of emergency measures and the identification of the concern. An immediate action plan is then put into place, followed by communication and support with all required or involved parties. Subsequent steps include conducting an investigation to identify the root cause, assessing and analysing the relevant data and evidence, implementing corrective actions, and developing long-term solutions. Finally, lessons learned are communicated to prevent future occurrences.

In ESO (Networks), engagement with workers in the value chain occurs throughout all operational stages. The company maintains direct communication during on-site inspections and through regular quarterly meetings with contractors. Additionally, the company's HSE personnel participate in contractors' safety days, fostering the culture of learning together and collaboration. Weekly informational updates are distributed by the company's partner, ensuring consistent communication and alignment across the value chain.

Meanwhile, different permits and requirements apply to the Natural Gas Network Operations, Electrical Network Operations and Smart Metering Management units at ESO (Networks), as well as individuals or entities wishing to access and/or work at ESO's (Networks) sites. ESO (Networks) has established specific

procedures for training contractors, which include a revised training duration, an instructor, and other requirements. Our permit issuing process outlines the requirements contractors must meet to work at the company's sites, including training, certification, instruction, and signing mutual responsibility agreements on safety.

ESO (Networks) also conducts professional excellence competitions for both contractors and employees to enhance engagement, encourage learning, and foster constructive collaboration. On 29 May, nearly 80 electricity and natural gas professionals participated and almost 150 guests from across Lithuania attended ESO's (Networks) professional excellence competition. This initiative significantly contributed to establishing a genuine partnership between the contractors and the company. ESO (Networks) also hosted a Partnership Day, highlighting health and safety issues alongside presentations on new projects and investments.

Inspections and TRIR data collection

Inspections and TRIR data collections are considered as demonstrable evidence of the Group's efforts and commitment to ensuring the highest OHS standards for value chain workers. The Group companies collaborate with contractors to assess potential OHS risks at their facilities and other work sites, promote a culture of safety and establish zero tolerance for violations. Inspections are organised to identify and promptly address OHS violations made by contractors. Every year, the Group companies prepare plans for contractor inspections and carry them out at their workplaces, with the main criterion being how safely the work is being performed.

During site visits, the Group companies check the safety performance of contractors, with the TRIR considered the main measure of workplace safety. More detailed information on the TRIR is provided in section 'S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities'.

During these inspections, the Group's companies record various aspects and prepare an inspection report, which is sent to the contractor afterward. If necessary, the Group company requests that any deficiencies and discrepancies be eliminated. The inspection report includes the following items:

- organisational measures;
- technical measures;
- use of collective and personal protective equipment;
- contractors' sobriety at the workplace;
- employee rights;
- required certifications;
- work and fire safety requirements at the workplace;
- and other work safety violations posing a threat to human health or life.

Furthermore, supply chain workers are required to demonstrate their competency in the services they provide, verify their training, conduct regular health and safety inspections, and undergo an introduction to the Group company's sites and project rules, where applicable. The effectiveness of these initiatives is evidently reflected in the TRIR results. In 2025, the TRIR was 0.72, representing a 14.3% decrease compared to 2024, with zero fatalities reported. This demonstrates alignment with the Group's goal of having zero contractor fatalities and the TRIR below 1.7.

In the event of an accident, contractors are obliged to inform the Group company immediately, both orally and in writing, within 24 hours (or the next working day) of the occurrence. Should an accident or fatality involving a supplier's, contractor's, or subcontractor's employees occur, all possible measures must be taken to mitigate the company's potential losses, and an investigation must be organised and conducted. All investigative actions are the contractor's responsibility, with the Group awaiting information about the event, the consequences, the progress of the investigation, and the conclusions reached.

Accident risk remains one of the Group's priorities, so it continues to promote the safety culture, enhance preventive measures, focus on the health of the value chain workers, and adopt other risk management strategies. During the reporting period, no fatal accidents were recorded by value chain workers. However, both minor and major accidents still occur with contractors at the Group companies. Specifically, during the reporting period, the Group companies experienced seven incidents involving contractor employees. Among these, one was classified as a major incident, while the remaining six were considered minor.

The Group remains dedicated to conducting thorough inspections of contractors to uphold its commitment to the health and safety of the value chain workers. By ensuring rigorous oversight and continuous assessment, the Group aims to identify and address potential risks promptly, thereby maintaining the highest standards of occupational health and safety.

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group is committed to being a responsible partner to its value chain workers. It continuously enhances their safety and works to prevent any accidents or harm to contractors. As outlined in the Strategic Plan 2025–2028, the Group has set clear safety targets, including having zero fatalities among contractors and maintaining the TRIR below 1.7. In 2025 the target was met with a TRIR of 0.72. The Group expects its contractors and subcontractors, collectively referred to as contractors, to work without exposing their employees, Group employees, and others who may be affected by their activities to avoidable health and safety risks.

Ignitis Renewables (Green Capacities) additionally maintains an internal objectives and targets register and has a health and safety strategy that covers all internal supply chain operations. Each construction project has its own OHS objectives and targets detailed in the project execution plan. As part of this commitment, Ignitis Renewables (Green Capacities) has established clear targets aimed at managing negative impacts, ensuring that it fosters a friendly and healthy environment with mutual understanding about opportunities and risks, and recognising the importance of minimising any negative impacts its operations may have on the value chain workers. The company aims to provide a generic risk register for the main contractors before a project starts, ensuring that the supply chain is familiar with the project-specific risks and evaluates them before starting work to enhance their own safety and mitigate risks.

The Group's targets related to the health and safety of the workers in the value chain are informed by the Group companies' representatives who have direct contact with contractors and are aware of the health and safety conditions provided to the Group's contractors. As part of the OHS strategy and commitment to transparent reporting, the Group's targets, their performance, and lessons learned are provided in the Group's Integrated Annual Report.

S3 Affected communities

ESRS 2 SBM-2 Interests and views of stakeholders

The communities engaged through the DMA process are considered as a group of people who are either impacted by the Group activities or could be impacted by them, as well as those who can impact the Group's activities in a specific area. Local communities, as the key stakeholder for this standard, have been included in the dialogue to identify and validate material impacts during the double materiality assessment. For more on interests and views of stakeholders, see section 'ESRS 2: SBM-2 Interests and views of stakeholders'.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IROs related to affected communities.

The two material impacts and the one risk that we have identified in relation to the affected communities are linked to our strategic decision to build out our green capacities, increase existing operations as well as construction activities in our own operations. These IROs occur in our own construction and operation activities and in the early stages of the projects, when we start forming relationships with local communities, but before we consider the projects as our own.

For more details on the Group's double materiality assessment and the processes on identifying and assessing material impacts, risks and opportunities in relation to the affected communities, see section 'ESRS 2: IRO - 1 Materiality assessment process'.

Sub-topic: Communities' economic, social, and cultural rights

Material IROs	Description
Disturbance and diminishing of living conditions during constructions Type: negative impact Place in value chain: OO & VC Business segment: Green Capacities Changes compared to 2024: new	Construction and/or maintenance of energy infrastructure can be noisy, intensive, require intensive use of heavy-duty vehicles in sparsely populated areas, leading to the disturbance of daily living conditions of nearby inhabitants.
Enhancing communities' economic development Type: positive impact Place in value chain: OO Business segment: Green Capacities Changes compared to 2024: none	By promoting local businesses and enhancing infrastructure while developing green energy projects, the Group is driving economic growth and improving the quality of life of local communities. This includes creating jobs, boosting local businesses, and enhancing access to essential services.
Balancing renewable energy expansion with community interests and concerns Type: risk Place in value chain: OO Business segment: Green Capacities Changes compared to 2024: none	Ensuring that the deployment of green energy projects aligns with the goals of global climate action while also addressing the concerns and priorities of local communities requires balance and early engagement with them. Failing to address local opposition or complains of communities early in our projects may lead to longer project implementation periods, higher project development costs or even project closure.

S3-1 Policies related to affected communities

The Group aims to manage its IROs related to the affected communities in a structured manner via its policies or other frameworks. The table in the next page provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

At the end of the reporting period, the Group has not received any information regarding

incidents of non-compliance with human rights in its operations or value chain in relation to the affected communities.

The Group recognises the importance of managing the impact of indigenous people on its projects, but, as of now, neither existing nor planned projects include areas where indigenous people live, so this aspect is not reflected in the Group's policies and other operational documents yet.

Corporate policies, implementation guidelines, frameworks and other documents

Title	Description	Applies to
The Group Code of Ethics (available on our website)	The Group Code of Ethics defines the principles and standards of business ethics followed by the Group companies and expected from its employees in their partnership and cooperation with the local communities and organisations next to whom the Group operates and develops projects. It reflects the principles and commitments guiding the Group's conduct in respecting and safeguarding human rights and fundamental freedoms, in line with applicable national and international legislation, the Universal Declaration of Human Rights, and International Labour Organization Conventions, including those on child labour and maternity protection.	All Group
The Group Sustainability Policy (available on our website)	The policy highlights the importance of comprehensive community involvement in shaping sustainable development actions and promotes sustainable, ethical, transparent and honest cooperation with them.	All Group
The Group Environmental Policy (available on our website)	The policy lists environmental provisions and principles of the Group in relation to mitigating the impact on the affected communities, including: – investing in green energy capacities while considering the interests of all stakeholders, including local communities; – initiating and/or supporting educational projects and awareness campaigns by involving local communities; – monitoring, controlling, and communicating about the Group's environmental goals, achieved objectives and indicators constantly and in a transparent manner to local communities.	All Group
The Group Financial Support and Humanitarian Aid Policy (available on our website)	The policy defines the objective, the main criteria and the principles of granting financial support for the communities located in the vicinity of the Group companies' operations or development activities.	Ignitis Renewables (Green Capacities), Vilnius CHP and Kaunas CHP (both Green Capacities), Ignitis Gamyba (Reserve Capacities and Green Capacities)
The Group Community Involvement and Relations Management Guidelines (available on our website)	The guidelines outline a framework for community involvement and relations management, emphasizing values such as responsibility, partnership, openness, and improvement. It aims to foster mutually beneficial partnerships by actively considering community opinions in sustainable activities and improving residential, social, and economic environments. Implementation measures include appointing responsible personnel, identifying affected communities, maintaining effective communication channels, and engaging in community events to strengthen relationships and enhance awareness of the Group's activities.	All Group
The Financial Support Management Rules of Ignitis Renewables (available on Ignitis Renewables website)	The rules describe the specific requirements for granting voluntary financial support for projects of the affected communities. The rules are regularly revised to ensure they reflect an optimal balance between business interests and community needs. This year, the rules were updated with a provision stating that, if a mandatory community benefit is provided for by the regulations, the voluntary financial support must be replaced by the mandatory community benefit. This change has already become relevant to the communities located near Mažeikiai wind farm in Lithuania, where Lithuanian regulatory authorities have implemented a mandatory generation fee.	Ignitis Renewables (Green Capacities)
The Internal Community Engagement Strategy (not publicly available)	The strategy of Ignitis Renewables (Green Capacities) includes fundamental guiding principles of effective engagement of communities that are either impacted by Ignitis Renewables' (Green Capacities) activities or could be impacted by them, as well as those that can impact their activities in a specific area.	Ignitis Renewables (Green Capacities)

S3-2 Processes for engaging with affected communities about impacts

The Group recognises the importance of engaging the affected communities to understand and address actual and potential impacts on them. Since Ignitis Renewables (Green Capacities) actively develops green generation and green flexibility projects around communities, it requires a more comprehensive engagement process than for other Group companies. In 2025, the Community Policy team of Ignitis Renewables (Green Capacities) expanded, now covering Lithuania, Latvia and Poland.

Engagement with communities occurs at various stages of project development, including construction and operation, through dedicated community managers. It is done for all projects of Ignitis Renewables (Green Capacities) in Lithuania and Latvia. We conduct public meetings and private consultations and provide direct and indirect communication. The frequency of community engagement, however, is influenced by the demand for community involvement, project specifics, and the location of the project. The community engagement process of Ignitis Renewables (Green Capacities) begins at an early stage of the project development process, typically during the design phase, with the objective to minimise potential negative impacts of its green energy projects. The process is based on the mapped stakeholder analysis, which includes understanding the communities' interests and their influence over the project. Ignitis Renewables (Green Capacities) monitors the effectiveness of community engagement by providing feedback forms to all public presentation participants and encouraging them to evaluate the presentation, ask questions, or submit proposals.

Ignitis Renewables (Green Capacities) considers the interests of all stakeholders by working individually with each stakeholder on a project-by-project basis. In practice, community managers assist stakeholders at various stages of the project's lifecycle by tailoring the action plan based on the needs and concerns of the community.

The Group recognises the importance of getting a clear understanding of the perspectives of vulnerable and marginalized groups. However, there is no specific process for ensuring the engagement of marginalized or vulnerable communities as of this moment. The process will be implemented as soon as the Group determines that such an approach is necessary. Meanwhile, the Group engages representatives from local communities and organisations, who represent all the groups within the community.

S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns

The Group strives to improve its ability to address and remedy negative impacts on communities affected by its operations. By engaging community managers, Ignitis Renewables (Green Capacities) can actively collect feedback and grievances at the local asset level, particularly during the execution phase. Ignitis Renewables (Green Capacities) tracks grievances for all the projects based in Lithuania, Latvia, Estonia and Poland that are monitored by a community manager. A standardised project-based grievance mechanism is scheduled to be implemented by the end of 2026. The mechanism will be implemented gradually, starting with Kelmė wind farm and Silesia wind farm and then prioritising the projects based on their scale and launch timeline.

Furthermore, the Trust Line established by the Group allows all individuals in affected communities to report inappropriate or illegal conduct confidentially. For more information on the Trust Line and how whistleblowers are protected against retaliation, see section 'G1-1 Business conduct policies and corporate culture'.

As of 2025, the Group does not have a formal process for assessing whether affected communities are aware of the Trust Line or other grievance mechanisms in place for raising concerns.

S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

Material positive and negative impacts as well as a material risk have been identified by the Group in this topic disclosed above. The Group's response included preventing, mitigating, remediating as well as strengthening actions for the before mentioned impacts and the risk. No severe human rights issues and incidents have been identified in relation to affected communities.

Minimising disturbances

Ignitis Renewables (Green Capacities) implements various measures to minimise the disturbance of communities during the construction processes. It may apply measures according to the community needs that are not specified in a process plan. One group of measures we apply consist of informative actions, e.g., informing communities about the closure of roads, movement of oversized cargo

or other relevant matters in advance (during the meetings with community members, in local media, on social networks, in outdoor banners near construction sites, etc.). We also regularly update municipalities and/or parishes. Another group of measures we apply consists of activities carried out in the location, e.g., watering the roads to prevent dust, strengthening or repairing the roads. We give communities information on who they can contact in case they have questions about the construction process. Currently, the standardised process for evaluating the effectiveness of minimizing disturbances is not being implemented.

Financial support

Financial support is provided to community projects and initiatives to contribute to the development of community infrastructure, environmental solutions and people's skills, support energy efficiency and events promoting green energy, etc. The financial support programmes in Lithuania, Latvia and Poland are already in place. Ignitis Renewables (Green Capacities) has launched a financial support programme for Tume solar farm in Latvia, adding to the scope of potential financial support recipients recorded in 2024. For more information, see Ignitis Renewables (Green Capacities) [website](#). Also, Ignitis Renewables (Green Capacities) has started paying mandatory generation fee to the communities located near Mažeikiai wind farm. Generation fee is administered by the Environmental Project Management Agency. For more information, see Environmental Project Management Agency's [website](#) (link in Lithuanian).

Kaunas CHP (Green Capacities) and Ignitis Gamyba (Reserve Capacities and Green Capacities) provides local communities with

opportunity to apply for and receive financial support. For more information, see Kaunas CHP [website](#) (link in Lithuanian) and Ignitis Gamyba [website](#) (link in Lithuanian). Currently, the standardised process for evaluating the effectiveness of financial support is not being implemented.

Communication

Ignitis Renewables (Green Capacities) organises meetings with municipal or administrative stakeholders, local community organisations, including public and one-on-one meetings with the neighbours of our projects. In 2025, Ignitis Renewables (Green Capacities) organised more than 190 meetings with communities in the municipalities where it operates or develops projects. Currently, the standardised process of evaluating the effectiveness of communication is not being implemented.

Community gathering

In 2025, Ignitis Renewables (Green Capacities) organised the second community gathering in Lithuania, after the first event in 2024. The aim of the gathering is to strengthen trust and connection between Ignitis Renewables and local communities, share success stories and inspire communities to utilise available financial support, dispel myths about green energy and establish long-term partnerships. The event attracted 109 participants from different municipalities, where Ignitis Renewables operates and develops projects. The effectiveness of the community gathering has been evaluated using the participants' survey, where 9 out of 10 (90%) of the respondents agreed that the event was beneficial to them. In 2026, Ignitis Renewables

(Green Capacities) considers to continue with the same format in Latvia and Poland.

S3-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities. Interaction with other ESRS

Ignitis Renewables (Green Capacities) had an internal target for 2025 to update the Community Engagement Strategy with a community engagement framework, standardize the existing and form new practices. The Community Engagement Strategy has been upgraded with additional standards for stakeholder engagement planning, grievance management, project exhibitions for different engagement periods, newsletters and factsheets. The goal of formalized standards is to set common guidelines and tools for teams working in different markets.

The affected communities and/or their representatives were not engaged directly while setting the targets, tracking their performance, or identifying lessons/improvements.



The Group cooperates with local communities

S4 Consumers and end-users

Access to energy

ESRS 2 SBM-2 Interests and views of stakeholders

Customers, both private and business (B2C and B2B respectively), are the key stakeholders for this standard and were included in the dialogue to identify and validate material impacts. For more on interests and views of stakeholders, see section ‘ESRS 2: SBM-2 Interests and views of stakeholders’. Terms “consumers” and “end-users” are used in parallel to “customers”.

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IROs related to consumers and end-users. These IROs are linked to our strategic purpose to create green and secure energy ecosystem for current and future generations. They occur through our relations with consumers and end-users in Networks and Customers & Solutions business segments. ESO (Networks) serves almost 1.9 million distribution network customers, and Ignitis (Customers & Solutions) supplies electricity to 1.4 million customers in Lithuania. All materially affected consumers are included in the scope of this disclosure.

In this section the Group takes thematic approach to address the identified material topics, one of which is access to energy. ESO (Networks) ensures reliable electricity and natural gas distribution, maintains distribution networks and provides network quality services as well as the supply of last resort, while Ignitis (Customers & Solutions) offers sustainable, customer-focused energy supply and EV network.

Energy fairness and affordability are crucial for reducing energy poverty, supporting social

Sub-topic: Social inclusion of consumers and/or end-users

Material IROs	Description
Access to energy Type: positive impact Place in value chain: VC Business segment: Networks, Customers & Solutions Changes compared to 2024: none	Recognising the critical role of energy in driving social and economic development, the Group provides accessible, reliable and sustainable energy services and solutions, ensuring that everyone has access to the energy they need. The Group goes beyond supplying energy by educating and giving advice on responsible use of energy and reducing energy waste. By offering tailored guidance and innovative solutions, the Group empowers customers and end-users to make informed decisions that minimise their environmental impact, optimise energy efficiency and reduce cost.

Sub-topic: Information-related impacts on consumers and/or end-users

Material IROs	Description
Cybersecurity Type: risk Place in value chain: VC Business segment: All Changes compared to 2024: none	Cyberattacks pose a significant threat to the organisation due to its importance for providing energy services in Lithuania. These attacks can range from simple phishing attempts to sophisticated data breaches and ransomware attacks that are significant at the Group level, causing disruptions in the energy generation systems, personal data leaks, theft of confidential information, etc.

inclusion, driving economic growth and demand. Energy fairness refers to equitable access to energy resources, services, and benefits among all members of society.

S4-1 Policies related to consumers and end-users

The Group aims to manage its IROs related to consumers and end-users in a structured manner via its policies or other frameworks. The table

below provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Regulations and Service Standards

ESO (Networks) has internal procedures and standards to improve service speed, quality, customer engagement frequency and quality, crisis management, and to reduce disruptions in customer access to energy. ESO’s (Networks)

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Code of Ethics (available on our website)	The documents highlight the Group's commitment to customer and end-user privacy and security rights, transparent and accessible information, and the principles of equality and non-discrimination. The practices established in the documents underpin the Group's approach to ensure fair and non-discriminatory access to energy services, supported by effective grievance mechanisms that guarantee fair and reliable access to energy for all customers. They reflect the principles and commitments guiding the Group's conduct in respecting and safeguarding human rights and fundamental freedoms, in line with applicable national and international legislation, the Universal Declaration of Human Rights, and International Labour Organization Conventions, including those on child labour and maternity protection.	All Group
Human Rights Due Diligence Guidelines (not publicly available)		
The EU's Third Energy Package	The legislative package separates the energy supply activities (generation and sales) from the management of transmission and distribution networks. This promotes a decentralised approach to operations. Under the package, ESO (Networks) and Ignitis (Customers & Solutions) develop and implement their energy access policies and guidelines, including communicating to customers independently and are therefore presented separately. The energy supply and distribution sectors in Lithuania are strictly regulated by the National Energy Regulatory Council (NERC), various state agencies, and relevant ministries. NERC is responsible for monitoring energy affordability, approving distribution prices, and ensuring regulatory compliance while maintaining the balance between energy affordability and accessibility for consumers. Meanwhile, the State Data Protection Inspectorate (SDPI) oversees compliance with data protection laws, ensuring the protection of customers' personal data.	ESO (Networks) and Ignitis (Customers & Solutions)

internal regulations, such as the Procedure for Connecting Electricity Producers and Consumers to the Electricity Grid (not publicly available) and the Customer Service Standard (not publicly available), enhance both service quality and efficiency. Its crisis management protocols, including the Standard for Elimination of Mass Disconnections in Electrical Networks (not publicly available) and the Customer Notification Process During Extraordinary Situations (not publicly available), improve transparency and communication. Additionally, ESO (Networks) has defined terms and conditions for the supply and distribution of electricity and natural gas ([link in Lithuanian](#)) as a supplier of last resort, detailing mutual rights and responsibilities, pricing, payment, and dispute resolution. Ignitis (Customers & Solutions) follows the Customer Experience Book (not publicly available) and Customer Identification Description (not publicly available) for better customer interaction and adheres to the [Law on Liquefied Natural Gas Terminal](#) and the Natural Gas Supply Diversification Procedure ([link in Lithuanian](#)) to ensure a stable energy supply. Collectively, these measures foster trust, operational efficiency, and a reliable energy supply.

In both ESO (Networks) and Ignitis (Customers & Solutions), top-level managers are responsible for implementing and developing internal policy. At ESO (Networks), the Head of Services oversees this, while at Ignitis (Customers & Solutions), the Head of B2B and Development and the Head of B2C are responsible for their respective domains.

Fair and Non-Discriminatory Access to Energy Services

ESO's (Networks) Compliance Program (not publicly available) aims to prevent discrimination against electricity and natural gas distribution

system users and to ensure independence from commercial interests in transmission, production, and supply activities. The principles outlined in the Ignitis (Customers & Solutions) Pricing Preparation Rules (not publicly available) specify that pricing must be established under equal and non-discriminatory conditions for all customers. Non-discrimination provisions are also included in the Customer Experience Book (not publicly available).

Grievance mechanism

Both ESO (Networks) and Ignitis (Customers & Solutions) have established clear grievance mechanisms that allow customers to report issues and provide feedback through multiple customer service channels (digital platforms, direct communication channels). These mechanisms ensure that customer concerns are addressed promptly and transparently while supporting continuous improvement in service quality and customer experience. In addition, the Group has implemented the Trust Line – a single, anonymous, and confidential reporting platform accessible to both internal and external stakeholders for reporting any potential or actual violations of laws or sustainability principles. More information on the Trust Line is available in section 'G1-1 Business conduct policies and corporate culture'. In addition, NERC also has a mechanism for resolving consumer disputes and grievances.

S4-2 Processes for engaging with consumers and end-users about impacts

Engaging with consumers is essential for both ESO (Networks) and Ignitis (Customers & Solutions) to maintain high customer service standards. Engagement types and processes of both companies (ESO (Networks) and Ignitis

(Customers & Solutions)), including whether and how engagement occurs, are highlighted in the table on the side.

Both companies demonstrate a commitment to have an inclusive service delivery by including vulnerable customers in the disconnection process only when their debt levels reach certain level In terms of debt deferment, flexible payment and resolution arrangements, both companies engage with customers by following the processes and procedure outlined in the legislation. These comprehensive steps ensure that vulnerable consumers receive the necessary support to maintain their access to energy services.

The effectiveness of the engagement with customers and end-users is assessed by collecting feedback directly. The feedback is analysed using the transactional Net Promoter Score (NPS) methodology, which enables the companies to monitor customer satisfaction levels, identify areas for improvement and understand diverse perspectives in order to continuously adapt their services and communication to meet the evolving customer needs.

In ESO (Networks), the most senior position responsible for engagement with customers is the Head of Services. In Ignitis (Customers & Solutions), B2C engagement is overseen by the Customer Service Department, which is responsible for ensuring that interactions with customers are consistent, meaningful, and aligned with strategic goals. The most senior role accountable for this function is the Head of Private Customer Service. In B2B individual requests are solved by dedicated Customer support Team Leader, Service Heads, Quality Manager, Customer Experience Expert of Business Customer Service Departments, Product and Market development, undertakes responsibility for ensuring that engagement happens.

Engagement process	Description/purpose
Communication through multiple channels (customer service line, email, online live chat, SMS, self-service portals, and company websites)	We ensure essential energy services while recognising their significant impact on consumers. Therefore, customers need to be properly identified to ensure that our information and decisions are communicated only to them or their authorised representatives. We engage customers before, during, and after service delivery.
Surveys, focus groups, Gemba visits ¹	We collect feedback to identify opportunities for improve our products and processes, including generating insights on our procedures and service delivery. We also gather expectations and inputs from customers regarding new solutions to guide future developments. We engage customers by following the planned schedule.
Consultation meetings, visits, programmes	We pay special attention on customer inquiries to ensure timely and effective resolution. We promote sharing knowledge to enhance customer understanding and improve service quality. The frequency of such customer engagements is determined on a case-by-case basis.

¹ Gemba visit – a structured user-testing activity, where a customer evaluates a newly developed feature in a testing environment by systematically walking through the process end-to-end and providing real-time, experience-based feedback.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Even though the Group has identified only a positive material impact on its customers and end-users, we have established an internal process for raising concerns and remediating any possible negative effects on consumers and end-users. We continuously monitor and assess services, maintain high standards of customer service and adhere to the human rights principles by comprehensively documenting thereof, conducting regular surveys, and having established clear grievance mechanisms.

The table on the side shows a structured overview of the processes shared by both ESO (Networks) and Ignitis (Customers & Solutions) along with their specific actions and practices.

Both ESO (Networks) and Ignitis (Customers & Solutions) provide opportunities for customers to raise concerns about their services by ensuring that the information about customer service channels is consistently and prominently communicated. The opportunity to raise concerns and the channels to do so are published on the companies' websites, shown prominently at service centres, included in monthly invoices and other customer communication. We continuously monitor service channel performance, both quantitatively and qualitatively, and address any discrepancies to ensure that all customer service channels are accessible and that their users receive appropriate support. Based on the monitored indicators, we constantly improve and update our service processes and channels. Policies, such as the Code of Ethics, the General Data Protection Regulation (GDPR) and the Customer Service Standard ensure protection

Process	Details	ESO (Networks)	Ignitis (Customers & Solutions)
Providing services	Multiple channels are maintained by both companies to record and address instances that impact customer experience, energy-related issues, etc.	Utilises its own channels	Utilises its own channels
Registering and tracking customer signals	Signal Registers are maintained by both companies to record and address instances that impact customer experience.	Maintains its own register	Maintains its own register
Collecting inquiries	Both companies receive inquiries through available communication channels, as outlined in paragraph S4-2.	Utilises outlined channels	Utilises outlined channels
Conducting NPS surveys (transaction)	Both companies send service evaluation requests in a form of a survey after customer transactions to ensure responsible communication and improve service quality.	Continuously monitors NPS results and assigns development procedures on a case-by-case basis	Analyses NPS results quarterly
Conducting NPS surveys (relationship)	Both companies conduct the survey twice a year to assess ongoing customer relationships.	Common practice	Common practice
Tracking and monitoring issues	Issues raised and addressed at both companies are continuously tracked and monitored using process performance indicators.	Common practice	Common practice
Improving processes	Both companies initiate process improvement actions if they identify actual or forecasted deviations from target indicators to ensure that inquiries are resolved within a timeframe that meets customer expectations.	Improves processes on a case-by-case basis	Improves processes based on quarterly analysis and feedback received from committees

from retaliation against individuals who use the channels to raise concerns or report their needs.

S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The Group is committed to systematically addressing material impacts on consumers and end-users by taking actions and managing approaches to mitigate risks and remediate possible negative effects on them while seizing the opportunities related to them. The Group is also committed to ensure continuous improvement and effectiveness of its actions that enhance the accessibility, reliability, and development of sustainable energy solutions it provides.

Customer solutions and accessibility

At ESO (Networks), the Services unit is responsible for managing the company's material impacts on consumers and end-users. It coordinates and oversees the resources allocated to customer-facing processes while implementing, monitoring and improving the actions addressing these impacts. This year, the company continued to optimise its pricing solutions and introduced new plans on 1 July. These plans were designed to allow customers to obtain the best pricing based on their electricity usage, whether they use their permitted power efficiently by selecting a level close to their actual household consumption needs with consistent and stable energy use, or their usage requires more headroom and tends to fluctuate seasonally or monthly. The company is sending customers periodic reminders about

unpaid invoices and offer flexible payment extensions for customers who cannot meet standard payment terms.

Connecting energy producing customers (prosumers) to the network means implementing new technologies, increasing awareness of energy-related issues, utilising state support for electricity and being able to offer more attractive connection prices. In 2025, prosumers who have been generating electricity for more than a year were offered the opportunity to receive an individual solar power plant efficiency assessment report. The detailed analysis of electricity production and consumption, along with individual recommendations for ESO (Networks) customers, has been available in the self-service portal since November.

In ESO (Networks), a Work Planning team of nine employees was established in 2025. The main goal of this unit is to identify opportunities for grouping the planned work on the same electrical lines and combining such work into a single operation, thus reducing the number of disconnections that customers experience. In carrying out this process, the team ensures that the work is planned safely and in accordance with the specified requirements.

In terms of customer service, ESO (Networks) introduced several improvements that helped reduce waiting times and improve service quality. In the event of a low voltage (0.4 kV) network failure, customers are now notified about it automatically, replacing manual notification measures. An automatic interactive voice response system to register network disruptions has been established. Finally, customer notification systems have been optimised, reducing the time of informing customers about

unplanned electrical network disconnections.

Next year, further system automatisation and smart feature integration actions will be taken to reduce customer waiting times and help customers understand the stage at which their inquiry is in the company system.

Ignitis (Customers & Solutions) continues to provide fair and affordable energy solutions tailored to diverse customer needs, including smart variable price plans, electric vehicle charging services, and net billing for prosumers. This year, a 15-minute interval was introduced in the smart variable price plans, enabling customers to monitor consumption more precisely and optimise their energy costs. The EnergySmart application has been enhanced with expanded functionality: customers can track their energy consumption, monitor energy fed into the grid, and use the updated pricing calculator, which allows them to easily and quickly select the most suitable supply plan for their individual needs. These improvements, along with regular useful recommendations, contribute to greater customer satisfaction, support more efficient energy use, and help customers reduce their consumption and costs. More information on the energy efficiency initiatives is available in section 'E1-3 Actions and resources in relation to climate change policies'.

Ignitis (Customers & Solutions) continues to offer flexible and comprehensive multichannel customer support while addressing diverse customer needs. Customers have a variety of options to receive invoices and use various payment methods. For business customers, Ignitis (Customers & Solutions) provides detailed consumption data and prices using different channels, such as the self-service portal, bills,

and its website. This year, the company focused enhancing engagement with key customers through the Business Breakfast event as well as improving customer onboarding processes to ensure clear guidance and advice on the services offered. The B2C as well as B2B and Development units are the main resources managing these actions.

Ignitis (Customers & Solutions), by having clear guidelines for managing indebted customers, contributes to enhancing customer solutions and their accessibility to energy while ensuring responsible support and fair treatment of all consumers. Customers are informed about outstanding debts via email, SMS, and mail, with multiple reminders being sent before any disconnection is considered. Disconnections are not carried out on Fridays, holidays, or weekends, and critical institutions, like hospitals, are exempt. For consumers who use natural gas for heating purposes, natural gas disconnections are not implemented during the winter period, even in cases where outstanding payments or debt may accumulate. The private customers indebted for electricity services receive useful information on energy savings and bill monitoring. Customers are also encouraged to use the electricity plan calculator provided by Ignitis (Customers & Solutions) to find the best plan for them, reduce consumption, and monitor usage through the self-service portal on the company's website or the EnergySmart application. Additionally, to support those who struggle financially, Ignitis (Customers & Solutions) offers energy-saving tips the customers with electricity debt and allows them to repay the debt over six months without requiring financial documents, thus demonstrating the company's commitment to provide fair services for all.

ESO (Networks) collaborated with Ignitis (Customers & Solutions) to make their self-service portals, websites and the e-park platform compliant with the EU Accessibility Directive, ensuring that people with disabilities can browse them with ease. Also, customer service centres have significantly improved their accessibility for customers with disabilities by ensuring designated parking spaces, entrance ramps, tactile paths. Additional initiatives include customer involvement and engagement in projects such as the University of the Third Age, which teaches seniors how to use the self-service platforms and take advantage of digital solutions, as well as No One Is Forgotten, initiated by the Communications Regulatory Authority, aimed at improving seniors' digital literacy and promoting online safety.

Transactional NPS score of Ignitis (Customers & Solutions) shows significant growth, rising from 68.7 in 2024 to 74.3 in 2025, reflecting higher satisfaction among private customers. Data from 2025 indicates that NPS results from business customers increased from 64.0 in 2024 to 67.0 in 2025. These results indicate high customer satisfaction and a continued appreciation of a reliable partner.

Both ESO (Networks) and Ignitis (Customers & Solutions) ensure that their own practices do not cause material negative impacts on consumers and end-users by maintaining documented internal procedures and processes aimed at minimizing the risk of errors. These include internal guidelines such as pricing standards, change management processes, internal communication procedures, and Signal Registers.

Reliability

Recognising that the number of current electricity network customers is substantial, ESO (Networks) is committed to ensuring reliable energy supply to them by monitoring and managing supply interruptions and tracking SAIDI and SAIFI (the metrics for these indicators are presented in section '1.3 Performance highlights').

According to ESO (Networks), the majority of electric power interruptions in the 10 kV network are caused by wind-fallen trees and broken branches that create short circuits. To mitigate this issue, ESO has initiated a strategic plan to replace the most vulnerable 10 kV lines in forested and storm-prone areas with underground cables. In 2025, 365 km of such lines were successfully replaced. Currently, over 37% of Lithuania's electricity distribution grid, operated by ESO, is underground. This transition is expected to significantly reduce climate-related interruptions for customers in the most affected areas. As a result, network disconnections, measured by SAIDI/SAIFI KPIs, are anticipated to decrease in these regions, enhancing grid safety and minimizing reliance on emergency generation during extreme weather events.

Finally, ESO (Networks) is committed to ensuring that energy disruptions affect fewer customers and occur less frequently in winter. During the colder months (from 1 November 2025 to 28 February 2026), planned disconnections from the electrical grid will last a maximum of six hours. If the temperature falls below -10°C, access to electricity will not be interrupted, and planned works will be rescheduled for a later date.

Sustainable energy solutions

ESO (Networks) allows the customers to measure their energy use data through the smart meter initiative. The smart meters installed by ESO (Networks) enable customers to monitor and analyse their electricity use, improve energy efficiency, reduce consumption, and support new services. They also facilitate the integration of distributed energy sources and allow ESO to manage network failures remotely, thus reducing physical interventions. The updated website registration form, featuring visual aids and a topic tree, increased the use of online tools and addressed common questions. Mass deployment began in July 2022 and about 1.3 million smart meters had been installed by the end of 2025. Full details are available at www.ismaniejiskaitikliai.lt/en. More information can also be found in section 'E1 Climate change'.

In 2025, ESO enhanced its data platform to ensure accurate, fast data exchange, thus facilitating market transformation and efficient energy distribution. Key updates included wider sharing of balancing data, enabling aggregated smart-meter data access for suppliers, and enabling access to consumption data for third parties. An end-to-end customer journey was developed to support service optimisation and sustainable innovation.

Ignitis (Customers & Solutions) continues to offer green electricity certificates, allowing customers to purchase green electricity with guarantees of origin that specify the production facility. The company recorded significant growth in green electricity sales. Additionally, Ignitis (Customers & Solutions) sources green electricity from the Group's generation assets and other companies via PPA contracts for green energy.

Ignitis ON is focusing on customers and end-users by developing a publicly accessible EV charging network. Customers can easily check the real-time availability of charging stations through an app that suggests alternative nearby stations and displays their status on Google Maps, ensuring a more reliable and convenient charging experience. To ensure equitable access, Ignitis ON has implemented measures, such as charging point reservations and infrastructure designs based on universal access principles. It now offers the option to pay for charging services with a payment card. Ignitis ON has also established long-term partnerships with shopping malls, restaurants, and municipalities to create accessible and convenient charging locations, thus supporting the growing adoption of electric vehicles. Also, we have launched an EV autocharge service, which can be activated through the app to make charging sessions start automatically, making charging easier and more convenient for users.

The effectiveness of these measures was assessed using metrics such as the number of new customers, the expansion of EV charging points, and the amount of green electricity supplied to customers. For specific information on the number of charging points, see section 'E1-3 Actions and resources in relation to climate change policies'. The primary KPI for assessing the effectiveness of sustainable options provided to customers was the annual amount of energy consumed through charging points. Registrations for both private and business customers in the Ignitis ON application have increased significantly.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In line with the Group's commitment to responsible business conduct and customer focus, both ESO (Networks) and Ignitis (Customers & Solutions) have established targets designed to promote positive contributions and effectively manage impact, including targets on access to energy and customer relations. Targets are based directly on consumers' and end-users' needs and feedback. We analyse the inputs collected through engagement processes described in section 'S4-2 Processes for engaging with consumers and end-users about impacts' to help us identify areas for improvement, track performance of and guide adjustments to the targets. In this way, feedback directly influences the objectives and supports the continuous improvement of the customer experience. The companies have adopted several targets in relation to this area.

Customer solutions and accessibility

Ignitis (Customers & Solutions) has a strategic goal to achieve affordability of its services by leveraging smart solutions that facilitate electricity usage when market prices are low. This includes increasing the number of services with smart plans, growing the number of the EnergySmart application users, and educating customers, so they can leverage energy flexibly. More information on our energy-efficient solutions can be found in section 'E1 Climate change'.

Reliability

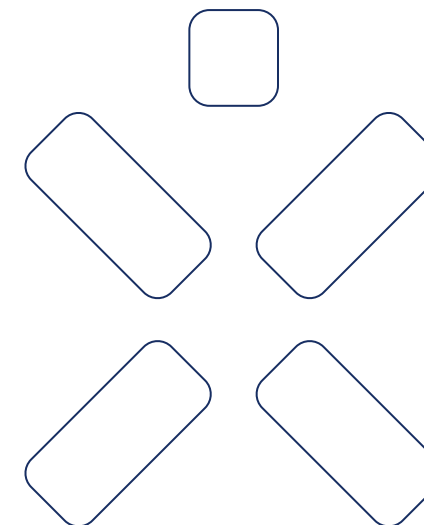
ESO (Networks) has a multi-year programme to replace 2,000 km of overhead power lines with underground ones by 2028. By reducing the frequency and duration of outages and maintaining reliable energy supply to households, businesses, and critical services, this will enhance the network's climate resilience and ensure constant access to electricity.

ESO (Networks) has a target to maintain the average number of unplanned interruptions per customer per year (SAIFI) over 2025–2028 (measured annually) at ≤ 0.95 . The actions to achieve this focus on replacing existing overhead power lines with underground ones as well and the introducing smart solutions in the planning, construction, and operation stages of the network infrastructure. This will likely lead to a reduction of SAIFI and average duration of unplanned interruptions per customer per year (SAIDI). SAIDI and SAIFI metrics are presented in section '1.3 Performance highlights'.

Sustainable services and solutions

ESO (Networks) aims to ensure uninterrupted and high-quality distribution of electricity and natural gas, seamless connection of new users, optimal integration of energy sources, and rapid restoration of supply during disruptions by setting a target to have >1.2 million smart meters in the network by 2026. They remotely transmit consumption data, help us quickly identify and resolve network failures and enhance network efficiency.

Ignitis (Customers & Solutions) aims to increase access to clean energy by developing a leading EV charging network across the Baltic region. Through the expansion of fast public, commercial and household charging infrastructure, Ignitis (Customers & Solutions) seeks to enable electric mobility and ensure convenient, reliable access to sustainable energy for both private and business customers. In the long term, the EV charging network is also expected to contribute to grid balancing and more efficient use of green energy sources.



High impact
cyber attacks

S4-1 Policies related to consumers and end-users

The Group aims to manage its IROs related to high impact cyberattacks in a structured manner via its policies or other frameworks. The table below provides descriptions of the main policies,

guidelines or frameworks that govern our material IROs.

In 2025, only low-severity incidents were recorded. However, an increase in malicious email activity was observed, primarily originating from compromised third-party accounts. More

detailed information on incident category levels and origins is provided in section 'S4-4 Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions'.

Implementation guidelines, frameworks and documents

Title	Description	Applies to
The Group Information Security Policy (available on our website)	The policy sets out directions and principles for ensuring the Group's information security and the obligations of recipients and users of the Group's information in order to ensure the protection of the Group's information against unauthorised acquisition, use and disclosure, to ensure the integrity and availability of the Group's information, and to mitigate the information security risks within the Group to an acceptable level.	All Group
The Group Personal Data Protection Policy (available on our website)	The policy ensures the protection of all customers' and end-users' information and the compliance with the General Data Protection Regulation (GDPR) and other international standards. It also includes provisions for reporting data breaches and dealing with affected private individuals. The approach described in the policy prioritises data collection minimisation, encryption, regular audits, and transparency. Under the policy, the companies collect only the necessary data, encrypt all the personal data both in transit and at rest, conduct regular compliance checks, and provide clear and accessible information on the data collection and usage within their operations and across the value chain, ensuring adherence to all legal and regulatory requirements. Information Security and Data Protection teams of the Group regularly conduct cybersecurity and GDPR self-assessments, update policies in response to emerging threats.	All Group
The Group Personal Data Protection Guidelines (not publicly available)	The guidelines encompass the principles and requirements for processing personal data, including issues related to legality, security, acquisition, sharing, data breach management, and employee data handling. The guidelines describe employee training, risk management, and clear data handling procedures, including guidelines for identifying customers based on communication channels (an internal document on the description of customer identification) to minimise data loss. The Group companies have published privacy policies/privacy notices on their websites on how they collect and process their personal data.	All Group
Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 (available on website)	The Group follows the directive and is committed to mitigating risks to acceptable levels and continuously assessing the effectiveness of its cybersecurity measures, particularly focusing on the requirements of the directive on measures for a high common level of cybersecurity.	All Group
The General Data Protection Regulation (available on website)	The Group follows the General Data Protection Regulation and other national data protection laws. In its efforts to adhere to the regulation and as part of its cybersecurity policy implementation, the Group collaborates with the State Data Protection Inspectorate, a national data protection authority that is responsible for monitoring and enforcing legal data processing, investigating complaints, and handling violations of personal data processing, thereby supporting the Sustainable Development Goal of fostering partnerships to achieve its goals related to data protection.	All Group

S4-2 Processes for engaging with consumers and end-users about impacts

It has been confirmed that the Group's digital security incident management process is a critical process. Accordingly, the Digital Security Incident Management Process Business Continuity Plan has been approved and is tested once a year. The testing is conducted based on the tabletop exercise principle. Also, cybersecurity team participates in externally organised exercises aimed at testing incident response capabilities.

The Group Service Centre, which provides business support, including IT management and cybersecurity services to the Group companies, has implemented and certified an Information Security Management System (ISMS) according to the ISO 27001 requirements. The ISMS includes continuous process improvement and efficiency evaluation. The ongoing enhancement of the ISMS and risk management protocols to ensure cybersecurity includes the deployment of supplementary measures for detecting cyber incidents, automatic responses to potential cyber threats, privileged user management solutions, and continuous system updates. However, it must be noted that customers, including those who are more vulnerable, are not actively engaged in the development of these measures or processes. The Head of Information Security is responsible for the certification of the standard, while the implementation of the required actions to maintain the standard is managed by the respective teams or functions.

Incidents in the Group companies are managed in accordance with the Description of the Group's Digital Security Incident Management Process and the Law on Cybersecurity of the Republic of Lithuania. Depending on the

incident that occurred, appropriate and timely customer notification is ensured through communication channels managed by the Group Communications team. Measures to mitigate the impact on services and data provided to customers are implemented, and a long-term prevention strategies are evaluated. No specific steps have been taken to gather insights from customers and end-users, who may be particularly vulnerable or marginalised, due to the sensitive nature of cybersecurity breaches. Instead, the whole digital security management system and actions prioritise strict adherence to the standards and robust risk management practices.

As part of its internal efforts to improve the effectiveness of the customer interface, the Group consistently trains employees on the best practices of GDPR compliance and data protection, underscoring its commitment to upholding high standards of data security and privacy. The Group views this initiative as a valuable prospect for enhancing cybersecurity through internal practices. The Group recognises the importance of employee training on cyber threats and social engineering by conducting quarterly simulations and a mandatory annual Basic Digital Security training. Even though the goal for 2025 was to achieve an 85% pass rate, the actual pass rate was 75%. Given that the target pass rate has not been met for the second consecutive year, we are planning a review of the training content and the process itself. Consequently, it is crucial that both ESO (Networks) and Ignitis (Customers & Solutions) employees, who interact directly with customers and end-users and have access to their personal data are knowledgeable about the basic digital security and understand customers' concerns and expectations. Both ESO (Networks) and Ignitis

(Customers & Solutions) publicly share their data protection procedures on their websites, provide a form for users to exercise their GDPR rights, and offer a transparent complaints process. Additionally, they have a trained customer service team to handle data protection inquiries, ensuring prompt resolution and fostering trust through transparency and responsiveness.

The Group companies conduct comprehensive training and apply strict personal data protection measures for their suppliers, especially for those providing customer service centre and employee rental services. Our approach includes training our partners on customer service procedures, such as customer identification, inquiry management, and question resolution across various channels. Additionally, our partners are required to comply with GDPR requirements and to train their employees on data protection and information security, conduct thorough analyses of any mistakes or data breaches, provide feedback, and enforce penalties for noncompliance.

The Group companies implement appropriate and robust technical and organisational data security measures to protect personal data from accidental or unlawful destruction, alteration, disclosure, and any other unlawful processing. In the event of a personal data security breach, an active incident management process clearly outlines the duties of the Group's companies as data controllers and the actions to be taken to address the breach and mitigate its impact on the rights and freedoms of data subjects.

The Group operates a 24/7 Computer Emergency Response Team, responsible for the detection and management of incidents and vulnerabilities. The management of incidents follows a strict

process, ensuring immediate measures to limit the impact and timely communication with state institutions and affected parties. To manage cyber risks, the Group companies reassess these risks quarterly and adjust their mitigation plans as needed.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

All digital security incidents are managed in accordance with the Group's digital security incident management process. Customers can report cyber incidents and detected vulnerabilities via an email address soc@ignitis.lt publicly provided on the Group's website. In the event of any Personal Data breach or suspicion that such a breach may have occurred or has occurred, the Personal Data breach must be immediately, but no later than two (2) hours from the moment of discovery, registered in the Ivanti Service Manager system's GDPR (PDP) incident register. After managing an incident and restoring operations, the Group companies evaluate potential improvements to prevent its recurrence. The precise effectiveness of customers' and end-users' awareness of and trust in these channels has not been evaluated.

Personal data is processed only for specific purposes, based on the grounds established by legal acts, to ensure their security and confidentiality. The Group companies implement appropriate technical and organisational measures to protect data from accidental or unlawful destruction, alteration, disclosure, or any other unlawful processing. Access to personal data is granted only to those individuals to whom this information is necessary to perform their functions. Furthermore, ESO (Networks) and

Ignitis (Customers & Solutions) have established internal legal protocols for processing telephone call recordings and customer identification. In addition, ESO (Networks) has implemented an extra procedure, used specifically for handling video data.

S4-4 Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

In 2025, several Group companies were designated as essential entities under the Network and Information Security Directive 2 (NIS2). The organisational provisions of this directive will take effect on 17 April 2026, followed by the technical measures on 17 April 2027. Consequently, the Group has already initiated steps to ensure that all systems and processes comply with NIS2 requirements.

In 2025, the Group has continued to refine and improve its risk management approach by setting targets to further minimise disruptions and enhance the resilience of the Group's operations. The Group companies aim not to be sanctioned by supervisory authorities for non-compliance with the GDPR and not to miss a deadline to report data breaches to supervisory authorities, when necessary.

Not all processes or actions had their effectiveness measured individually. However, for critical vulnerabilities in internal systems, the Group is taking steps to eliminate them within acceptable time frames.

Technological risk management

The Group companies that interact with customers comply with GDPR and incorporate data ethics into their practices. Their strategy emphasises data collection minimisation, encryption, regular audits, and transparency. The companies collect only the necessary data, encrypt all personal data both in transit and at rest, conduct regular compliance checks, and provide clear and accessible information on data collection and usage within their operations and across the value chain, ensuring adherence to all legal and regulatory requirements.

The Group is paying particular attention to its infrastructure and services and has been cooperating with the National Cyber Security Centre and other authorised institutions to ensure cyber security. In 2025, the Cyber Security team actively participated in national and international cybersecurity exercises (Cyber Shield PhishEx, Amber Mist 2025) to enhance its ability to defend the Group's IT and OT infrastructure against cybercriminal attacks in real-time.

The Group constantly evaluates the systems that store and handle personal data to ensure they comply with data protection regulations. Ongoing enhancements are implemented in these systems, encompassing updates to technical features, data synchronisation, and anonymisation projects, both within the individual Group companies and at the Group level. Any new systems and products must adhere to specific data protection and information security standards, which suppliers must meet when providing their products or systems to the Group companies. Additionally, the Group conducts annual checks on its data processors to ensure they meet the established security requirements.

The Group employees receive regular training at least once a year to ensure they are familiar with data protection requirements and internal processes.

In 2025, no high- or medium-impact cyber incidents were reported within the Group, as categorised by the National Cyber Incident Management Plan. In 2025, Group employees received phishing emails originating from third-party organisations with whom the Group collaborates. These emails were sent via compromised accounts of third-party employees. Although the incidents did not result in any tangible impact, they clearly demonstrate the importance of establishing and enforcing appropriate security measures for third parties.

Prevent & promote

The risk of non-compliance with data protection requirements is managed both at the Group level and individually within each Group company. The cyber security risk has its own risk management measures and strategy, which are assessed and reviewed quarterly according to the risk monitoring process approved in the Group. The results of the Group's management of the cyber security risk are regularly reported to the collegial bodies of the Group companies. Certain information is also disclosed in the Integrated Annual Report published by the Group.

Data protection breaches and incidents identified by customers, or a Group company are promptly recorded in an internal incident register, thoroughly analysed, and addressed according to the Group's personal data protection incident management process. Significant threats to individuals' rights and freedoms are reported to the Data Protection Inspectorate and the affected

customers, with guidance provided on mitigating potential threats.

To ensure the security and confidentiality of its customers' personal data, the Group has implemented robust technical and organisational measures, including encryption, access controls, and firewalls, which are regularly reviewed and updated. Access to information systems is restricted based on necessity (the "need-to-know" principle), and all employees are bound by confidentiality obligations in their contracts. Additionally, contractors handling customer data must adhere to strict data provision agreements, ensuring compliance with data protection laws through appropriate technical and organisational safeguards.

The Group collaborates with state institutions, such as the NCSC, to monitor publicly accessible information for compromised login credentials of employees and customers, forwarding relevant findings to the Group companies' CERT for analysis. Significant risks are managed to an acceptable level through quarterly reviews and annual planning processes, which include reassessing the risks' significance, evaluating existing measures, and planning updated risk mitigation strategies. The Group is committed to meeting the requirements of the NIS2 directive and measures the effectiveness of its risk management through procedures set out in the ISO 27001 standard. Business Continuity Plans and Disaster Recovery Plans are periodically tested and updated, with the Group also conducting annual reassessments of essential information systems and infrastructure to ensure their security and minimise their impact on customers and operations.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group is committed to enhancing its approach to managing cybersecurity-related risks by setting targets aimed at minimising disruptions and strengthening the resilience of its operations. These measures and targets are specifically designed to reduce the potential consequences for the Group's customers arising from cybersecurity risks, ensuring a more secure and reliable service. Consequently, for 2026, the Group has established a goal for its companies to avoid sanctions from supervisory authorities for non-compliance with the NIS2, GDPR and to ensure timely reporting of data breaches to the relevant supervisory authorities, when required. Additionally, as outlined in section 'S4-2 Processes for engaging with consumers and end-

users about impacts', the Group aims to achieve an 85% employee pass rate in the Basic Digital Security training in 2026 in support of internal risk mitigation efforts. The Group does not engage directly with consumers or end-users when setting targets, tracking the performance against them, or identifying lessons and improvements. However, it ensures their interests are protected by treating personal data in accordance with the Group's cybersecurity procedures. Any personal data breaches or other cybersecurity incidents, along with their origins and statuses, are communicated yearly in the Group's Integrated Annual Report.



The Group enhances cybersecurity to ensure resilient and secure services

6.4 Governance

G1 Business Conduct

ESRS 2 SBM-3 Material impacts, risks and opportunities and how they interact with its strategy and business model

The table on the side describes our material IROs related to business conduct. These positive impacts are linked to our strategic purpose and our business model. They occur through our relations with suppliers and through our role in Lithuania's national energy independence strategy.

ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

For details on the Group's double materiality assessment and the processes of identifying and assessing material IROs related to business conduct, see section 'ESRS 2: IRO – 1 Materiality assessment process'.

G1-1 Business conduct policies and corporate culture

The Group aims to manage its IROs related to business conduct in a structured manner via its policies or other frameworks. The table below provides descriptions of the main policies, guidelines or frameworks that govern our material IROs.

Sub-topic: Corporate culture

Material IROs	Description
Strong corporate culture Type: positive impact Place in value chain: OO Business segment: All Changes compared to 2024: none	The Group fosters a strong corporate culture built on high ethical standards, transparency, whistleblower protection and best governance practices. This creates trustworthiness and accountability in working environment, setting an example and inspiring confidence among stakeholders.

Sub-topic: Management of relationships with suppliers including payment practices

Material IROs	Description
Sustainable procurement practices Type: positive impact Place in value chain: VC Business segment: All Changes compared to 2024: none	Recognizing that our environmental and social impacts extend beyond our own operations, the Group integrates sustainability into its procurement practices, promoting environmental and social responsibility, transparency and traceability in supply chain.

Company specific sub-topic: Contribution to national energy strategy

Material IROs	Description
Contribution to energy security Type: positive impact Place in value chain: OO & VC Business segment: All Changes compared to 2024: none	By leading the regional transition into a climate-neutral, secure and independent energy ecosystem and contributing to Europe's decarbonization by facilitating green energy flows, the Group is playing a pivotal role in Lithuania's national energy independence strategy.

Corporate policies, implementation guidelines, frameworks and other documents

Title	Description	Applies to
The Group Code of Ethics (available on our website)	Outlines the principles and standards of business ethics and conduct that the Group companies adhere to and expect their employees to follow in their daily activities. It applies to all employees and members of the collegial bodies of the Group companies, irrespective of their position, company, or country they work in, and to the business partners of the Group. Under the Code of Ethics, ensuring and monitoring proper compliance with the provisions of the Code of Ethics is the responsibility of the managers of various levels that work in the Group and of the employees of Group Business Resilience, Group Sustainability, and Group Internal Audit functions, as well as of the Sustainability Committee in accordance with the three-line model described below: – Line 1 includes managers of various levels of the Group companies and their role is to introduce the provisions of the Code of Ethics to the employees, collect feedback; – Line 2 includes employees of the Group Business Resilience and Group Sustainability functions working in the Group companies and their role is to monitor the compliance with the Code of Ethics, test employee knowledge, summarize results; – Line 3 includes the Group Internal Audit function and the Sustainability Committee and their role is evaluating the results of compliance with the Code of Ethics and making recommendations.	All Group
The Group Sustainability Policy (available on our website)	The policy sets out general sustainability principles for the Group companies for creating a business culture and practice based on corporate responsibility and sustainable development.	All Group
The Group Anti-Corruption Policy (available on our website)	The policy sets out the principles and obligations of creating a transparent environment at the Group companies, which is essential for a strong corporate culture that is consistent with the principles of the United Nations Convention against Corruption and the Law on Prevention of Corruption (link in Lithuanian). Furthermore, the guidance and recommendations provided by the Council of Europe's Group of States against Corruption and the OECD were incorporated into the policy development process. This policy outlines the obligation of ensuring that it and related legal acts are implemented and communicated in the Group via periodic training, their introduction to new employees, etc. All existing and newly recruited employees must familiarise themselves with the policy and comply with its requirements.	All Group, including members of the collegial bodies and committees of the Group companies and other people acting on behalf of entities that belong to the Group, irrespective of the form of the employment relationship and the nature of the remuneration (Principle of Universal Obligation)
ISO 37001 Anti-bribery Management System (available on our website)	The Group Anti-Corruption Policy complies with the Anti-Corruption Management System (ACMS) standard, which is based on ISO 37001.	

Corporate policies, implementation guidelines, frameworks and other documents (cont.)

Title	Description	Applies to
The Trust Line (available on our website)	The Trust Line is an internal whistleblower reporting channel, which provides the opportunity to report violations of the Anti-Corruption Policy or the Code of Ethics committed by the Group employees or business partners. It can be used by all employees, contractors, suppliers, consultants or other stakeholders of the Group companies. If an employee of the Group has received information that makes it reasonable to believe that a criminal offence of a corrupt nature has been committed, is being committed, or is being prepared to be committed, and if there are no restrictions on the disclosure of reportable information in legal acts, in such a case, the employee of the Group must report this to the Prosecutor's Office of the Republic of Lithuania, Special Investigations Service or other pretrial investigation institution. This duty is stipulated in the Law on Prevention of Corruption (link in Lithuanian). The Trust Line contacts can be found on all the Group companies' websites. Reports may be received in any language of the country where the Group operates. The reporting methods available at the Group include writing an email, recording a message on the Trust Line's answering machine, filling out a Trust Line form, or mailing it at the designated address. Additional information is available on our website. Whether and how the Group assesses people in its own workforce if they have trust in the reporting structures or processes is not disclosed. Reports are processed promptly, independently, and objectively in accordance with the procedure established in the Group's internal legal acts and investigated in accordance with the Rules of the Internal Investigation Commission approved by the Group. The information provided in the reports is assessed by Corporate Security experts appointed by the Head of Group Business Resilience. If necessary, other experts may be involved. The Trust Line guarantees the anonymity of whistleblowers and meets the requirements of the Law on Whistleblower Protection (link in Lithuanian), into which the provisions of the Directive (EU) 2019/1973 have been transposed. The Law on Whistleblower Protection also establishes the rights and obligations of persons who report violations in the institutions, the grounds, and forms of their legal protection, as well as measures for the protection, encouragement, and assistance of such persons, in order to enable them to adequately report violations of the law that threaten or violate the public interest, and to ensure the prevention and disclosure of such violations. There is no specific policy in place regarding the protection of individuals (other than the Law on Whistleblower Protection (link in Lithuanian)) and there is no plan to implement an internal whistleblower policy in the near future.	All employees, contractors, suppliers, consultants or other stakeholders of the Group companies

Corporate policies, implementation guidelines, frameworks and other documents (cont.)

Title	Description	Applies to
The Group Supplier Code of Ethics (SCE) (available on our website)	The policy sets out the minimum standards of business conduct that the Group expects all of its suppliers to adhere to. The Group also encourages suppliers to promote compliance with these standards among their subcontractors. The SCE addresses environmental protection, social responsibility, occupational health and safety, business ethics and governance topics. It also covers the supplier monitoring, their responsibilities and the requirement to inform us on their compliance with the SCE, which includes suppliers' assessments and inspections. The SCE is approved by the parent company's Management Board and communicated to all employees during the onboarding process.	All Group suppliers
The Group Public Procurement Policy (available on our website)	The policy sets out the key principles for the management and implementation of public procurement within the Group in order to ensure the responsible and effective use of funds and the compliance of procurement with legal requirements.	All Group companies registered and operating in Lithuania that act as contracting authorities or entities under national legislation and only to the procurements that fall within the scope of the public procurement regulation.
The Group Commercial or Regulated Procurement Policy (available on our website)	The policy sets the principles of planning, executing, and controlling procurements of the Group companies that conduct commercial and regulated procurements.	All Group
The Group Policy on the Use of Collateral and Assessment of the Financial Condition of Suppliers (available on our website)	The policy regulates the use of collateral in transactions and the assessment and monitoring of the financial condition of the suppliers of the Group.	All Group

G1-2 Management of relationships with suppliers

The management of relationships with suppliers is set out in The Group Supplier Code of Ethics, The Group Public Procurement Policy, The Group Policy on the Use of Collateral and Assessment of the Financial Condition of Suppliers and in The Group Commercial or Regulated Procurement Policy, more on which see section 'G1-1 Business conduct policies and corporate culture'.

The Group's approach to sustainable procurement ensures that sustainability principles are integrated at every stage of the procurement process. The Group implements sustainable procurement practices that encompass all stages of the procurement process, from planning and supplier selection to contract management and assessment. The Group applies environmental procurement requirements that encourage suppliers to implement more sustainable solutions in their business environment and offer products with the lowest possible impact on climate change, pollution, waste generation, etc. Also, the Group applies socially responsible procurement requirements to have a positive impact on society by promoting the following: fair trade, employing disadvantaged people, paying fair wages, reconciling family and work commitments, etc. This ensures that the Group procures objects that meet its needs the best while being sustainable and competitive in the market.

At the procurement planning stage, the Group carries out a market analysis and, if necessary, a public market consultation with potential procurement participants to determine which environmental (eco-label, environmental management system standard, content of recycled materials) and social (fair trade, fair wages, non-discrimination, etc.) procurement conditions could be applied. In public procurement, compulsory grounds for exclusion apply to economic entities involved in human rights violations. During the performance of the contract, the Group collects and evaluates information from suppliers to confirm their sustainability commitments throughout the contract period. In alignment with these practices, the Group has obtained an ISO 20400 Sustainable Procurement certificate. The scope of the certification covers procurement and supply chain management across all Group companies, confirming that the Group's procurement processes meet internationally recognised sustainability guidelines.

The Group is dedicated to strengthening its sustainable relationship with its suppliers by promoting legal, professional and fair business practices. To support this commitment, the Group has established the SCE, which suppliers must commit to and comply with as a legal contractual obligation. This requirement applies to all suppliers entering a procurement contract with the Group. The Group has a supplier due diligence process in place, which allows it to assess suppliers' compliance with the SCE.

As part of this process, the Group conducts regular annual supplier assessments to determine and verify suppliers' adherence to the SCE, which covers areas such as environmental protection, social responsibilities, labour rights, working conditions, business ethics and governance. In addition, the Group prepares and publishes an annual monitoring report on compliance with the SCE, which is then followed by an assessment, plans for improvement actions and communication to suppliers. More information on the SCE Monitoring Report can be found on the Group's [website](#). To ensure the compliance with the requirements of the ACMS and the Group Risk Management Policy (available on our website), as well as with the provisions of the Law on Prevention of Corruption ([link in Lithuanian](#)), the Group applies a due diligence process during the supplier pre-selection stage of a procurement.

The Group maintains regular communication with its supply chain. It communicates with suppliers prior to the conclusion of the procurement contract, during the execution of the contract or as part of the supplier due diligence process. It also shares sustainability-related material within the Group's own supply chain, e.g. there is a section for suppliers on the Group's [website](#). To ensure maximum competition among suppliers in public procurement, the Group seeks to obtain regular feedback from suppliers, to learn about their experience in public procurement, and identify the problems they encounter. In 2025, an annual survey of suppliers participating in the Group's public procurement was conducted to

identify areas for improvement in the procurement processes and to determine the measures for improving supplier experience.

The procurement staff is regularly trained on sustainable procurement topics with the aim of strengthening staff skills in sustainable procurement, addressing common mistakes in practice, and improving the sustainable procurement process itself. To ensure sustainable procurement implementation, annual objectives and performance indicators are defined for procurement staff, supported by additional sustainability-related KPIs. For higher-value public procurement, the Group carries out supplier screening.

G1-3 Prevention and detection of corruption and bribery

Business partners of the Group, employees, and other parties maintaining relations with the Group companies must base their activities on the principles of ethical and responsible behaviour and comply with anti-corruption provisions enshrined in legislation. The Group's business decisions and actions are based on the principles of mutual trust, objectivity, impartiality, and the supremacy of the public interest. The Group constantly strengthens the development of responsible business principles, has zero tolerance for any form of corruption, and adheres to high standards of ethics, accountability, and transparency. The Group integrates not only the EU legislation regulating market abuse, but also the documents and guidelines of the Bank of Lithuania, Nasdaq Vilnius, the London Stock Exchange, and the European Securities and Market Authority.

Each year, the Group Business Resilience function's employees conduct a corruption risk assessment in accordance with the Group Corruption Risk Assessment Standard (not publicly available). The standard follows the Group Anti-Corruption Policy and the ACMS, which is implemented in the Group while following the ISO 37001 requirements. The Group's ACMS includes a variety of measures to prevent corruption and bribery. It involves identifying and analysing corruption risks, assessing the effectiveness of existing anti-corruption and other control measures, and planning new or additional measures as necessary.

As part of the application of the Group's anti-corruption control measures, the Head of Anti-Corruption Compliance monitors the performance of the actions outlined in the Standard for the Application of the Group's Anti-Corruption Control Measures. If non-compliance is detected, the Head of Anti-Corruption Compliance informs the employees implementing them and provides them with binding instructions. If the employees accountable for implementing the standard do not take corrective action, the Head of Anti-Corruption Compliance shall inform the CEO directly.

The Audit and Risk Committee is responsible for submitting conclusions or proposals to the Supervisory Board on the functioning of the management control system in the Group and the status of key risk factors and risk management measures. It also oversees and supervises compliance with ethical business practices, the bribery and corruption risk system, and makes recommendations on them to the Supervisory Board.

The policies related to the prevention and detection of corruption and bribery are communicated through various channels according to the communication plan of the Corporate Safety functional area and the anti-corruption management system as well as published on the Group's [website](#). The information related to these topics is published on the Group's intranet and [website](#) and is also communicated during training activities. Training is mandatory for all employees. New employees must undergo this training no later than 30 calendar days after the start of work. Ultimately,

all employees of the Group must undergo training in anti-corruption and anti-bribery measures, which introduces employees to the Corporate Security team, the safety activities and measures in place, the ACMS and other key requirements. The training sessions are conducted based on needs and relevance, covering one or more of the following corporate security topics:

1. Anti-Corruption Policy and the Code of Ethics;
2. Anti-Corruption Management System;
3. Creating an Anti-corruption Environment;
4. Declaration of Interests, Managing Conflict of Interest, Recusal;
5. Corruption Risk Assessment of Business Partners and Transactions;
6. Gifts and Hospitality Management;
7. Trust Line and Whistleblower Protection, Employees' Obligation to Report Known Instances of Corruption;
8. Corporate Security Introduction: Key Areas of Activity.

Considering that the Group Supervisory Board and independent Board members is not its own workforce, training is not mandatory for its members. However, a detailed onboarding is provided to the members, to get acquainted with information, procedures, etc.

All relevant information regarding prevention of corporate security issues is disseminated according to a plan approved by the Head of Group Business Resilience and published on the Group's intranet and [website](#).

Functions-at-risk covered by training programmes	Unit	2025	2024	Δ
Percentage of functions-at-risk covered by training programmes ¹	%	100.0	100.0	- pp

¹ As the parent company is a state-owned enterprise operating in the energy sector, all employees are considered to work in high-risk functions and are therefore required to undergo anti-corruption training.

G1-4 Incidents of corruption or bribery

Incidents of corruption or bribery	Unit	2025	2024	Δ
Number of convictions for violation of anti-corruption and anti- bribery laws	number	0.0	0.0	-%
Amount of fines for violation of anti-corruption and anti- bribery laws	EUR	0.0	0.0	-%
The total number and nature of confirmed incidents of corruption or bribery	number	0.0	0.0	-%
The number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	number	0.0	0.0	-%
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	number	0.0	0.0	-%

G1-5 Political influence and lobbying activities

The Group Anti-Corruption Policy establishes a commitment that the Group does not tolerate illegal lobbying.

The Group is registered in the EU Transparency Register (REG No. 867306231644-34). The Group participates in legislation activities in the energy sector within the scope of the exception provided for in the Law on Lobbying Activities of the Republic of Lithuania, where such registration is not required. The Group Legal function oversees the lobbying activities. No data or records of lobbying activities were registered in 2025, except Latvia. The sole entity within the Group, SIA Ignitis Renewables Latvia, engaged the services of professional lobbyists and concluded a lobbying service agreement in 2024 with a local firm in Latvia.

This agreement remains in effect for 2025. It is focused on potential legislative amendments in Latvia, particularly in relation to the Law on Environmental Impact Assessment and the regional planning related to wind energy development.

The Group represents its interests by participating in public consultations and submitting feedback and proposals to improve energy sector policies, legislation, and regulatory frameworks. Such representation is made in accordance with established legal procedures, with a particular focus on national legislative initiatives or EU policy developments in key areas, such as climate change, environmental protection, and energy market transformation.

The Group Financial Support Policy (available on the Group's [website](#)) states that the financial support may not be provided and used for

financing political parties, state politicians, political advertisement or political campaigns and covering debt obligations of participants of political campaigns occurred during the period of political campaigns or related to political campaigns; funds and establishments established by public servants of political (personal) confidence, the Parliament of the Republic of Lithuania, the Government, members of the municipality boards, members of single and collegial management bodies of political parties, their close relatives, spouses, partners, when the partnership is registered according to the procedure set out in legislation. In addition, the policy states that all employees must avoid nepotism. There were no financial or in-kind political contributions made either directly or indirectly by the Group in 2025.

The law stipulates that state-owned companies and companies of national security importance

Accounting policies

Reports can be received through the Trust Line channels and are registered in the Group's internal register via JIRA (a project management and issue tracking tool). These reports are processed according to the procedures established in the Group's internal legal acts and investigated in line with the rules set by the Group's Internal Investigation Commission.

must have at least one civil servant on their collegial body elected by the General Meeting of Shareholders. For this reason, three of nine members of the Supervisory Board are civil servants, Aušra Vičkačkienė and Ingrida Muckutė work at the Ministry of Finance, and Lina Liubauskaitė works at the Office of the Government of the Republic of Lithuania. Furthermore, there are civil servants on the Boards of three subsidiary companies: ESO (Networks) Board includes one civil servant, Edmundas Narmontas, who works at the Office of the Government of the Republic of Lithuania; Ignitis Gamyba (Reserve Capacities and Green Capacities) Board includes one civil servant, Vilmantas Vitkauskas, who works at the Office of the Government of the Republic of Lithuania; and Ignitis (Customers & Solutions) Board includes one civil servant, Toma Sasnauskienė, who works at the Ministry of Finance.

The Group companies are members of various local or international associations and participate in their activities by sharing knowledge, preparing joint policy documents, addressing sector regulatory improvement issues, and providing opinions on regulatory enhancements. For example, the Group companies are members of National Energy Association of Lithuania, ESO (Networks) is a legally obligated to be a member of European Distribution System Operators, Ignitis (Customers & Solutions) is a member of Lithuanian Solar Energy Association and Transport Innovation Association.

G1-6 Payment practices

The Group understands the importance of timely cash flows for business partners, especially with respect to late payments to small and medium enterprises (SMEs). The payment practices adopted by the Group do not discriminate against SMEs. The Group's standard payment term is 60 calendar days. The payment terms are specified in the contracts by mutual agreement. The Group does not disclose the average time to pay an invoice. There were 3 legal proceedings outstanding for late payments as of the end of 2025.

Rules on late payment prevention are also set in the Group companies' (Ignitis (Customers & Solutions) and ESO (Networks)) internal procedures and in the Law on the Prevention of Late Payment in Commercial Transactions ([link in Lithuanian](#)).

Energy security

The Group contributes to the national energy security of the Republic of Lithuania, and it is an entity-specific positive impact to the society.

The Group utilises the largest customer portfolio, energy storage facility and network in the Baltic states, with four segments ranging from energy generation to distribution and supply. The Group is aware of its great responsibility and role, and this is reflected in its Strategic Plan 2025–2028.

Entity-specific policies

Elektrėnai Complex (Reserve Capacities), Kruonis PSHP and Kaunas HPP (both Green Capacities), all managed by Ignitis Gamyba (Green Capacities and Reserve Capacities), provide ancillary and balancing services to the TSO that are necessary to ensure the reliability of the Lithuanian electricity system and the quality of electricity.

Ignitis Gamyba (Green Capacities and Reserve Capacities) also participated in the synchronisation of the grid of the Baltic states with the Continental Europe Synchronous Area ([link in Lithuanian](#)), whose purpose is increasing Lithuania's ability to independently manage its electricity system.

The Group also follows the Law on Liquefied Natural Gas (LNG) Terminal ([link in Lithuanian](#)) and the Description of the Natural Gas Supply Diversification Procedure (not available online). The Lithuanian Ministry of Energy appoints a designated supplier for Lithuania's LNG terminal for a 10-year tendering process. The designated supplier is responsible for procuring a mandatory quantity of natural gas through a contract with an LNG supplier. As of 2019, Ignitis (Customers & Solutions) is providing designated supplier services for Lithuania's LNG terminal. In 2025 designated supply services has ended.

Actions

The following are not treated as separate actions to manage the impact but as daily services the Group or its companies provide. Therefore, they are not included in the assessment of significant Investments and OPEX required for the implementation of an action plan.

Ignitis Gamyba (Reserve Capacities and Green Capacities) manages the largest electricity generation capacities in Lithuania: Kruonis PSHP, Kaunas HPP (both Green Capacities) and Elektrėnai Complex (Reserve Capacities). The principal activities of these facilities are generation of electricity and provision of ancillary and balancing services to the TSO. These activities are considered as daily services provided by Ignitis Gamyba (Reserve Capacities and Green Capacities), even though through these services the Group contributes to ensuring energy security.

Entity-specific metrics and targets

The Group does not have specific metrics and targets as energy security is a qualitative key target for the Group.

6.5 Other information

Ratings and rankings

	2025	2024	
	'AA' (Leader)	'AA' (Leader)	MSCI ESG Rating aims to measure a company's management of financially relevant ESG risks and opportunities. Ratings range on a scale from 'AAA' to 'CCC' (where 'AAA' is the top score). Copyright ©2024 MSCI. More information available here .
	'B-' (Prime)	'B-' (Prime)	ISS ESG Corporate Rating provides highly relevant, material and forward looking environmental, social and governance data and performance assessments. Companies are rated, from 'D-' (Poor) to 'A+' (Excellent), on their sustainability performance on an absolute best-in-class basis. More information available here .
	24.2 (Medium)	21.0 (Medium)	Sustainalytics ESG Risk Rating helps to identify and understand the financially material ESG issues that can affect organization's long-term performance. The rating scores the ESG performance from negligible (0–10) to severe risk (40+). More information available here . Copyright © 2024 Sustainalytics. For further information, see sustainalytics.com/legal-disclaimers .
	'A' (Leadership)	'B' (Management)	A CDP score is a snapshot of a company's environmental disclosure and performance. The companies are assessed and scored across four consecutive levels from 'D-' (Disclosure) to 'A' (Leadership). More information available here .
	77 (Silver)	68 (Silver)	The EcoVadis Rating covers a broad range of non-financial management systems including Environmental, Labour & Human Rights, Ethics and Sustainable Procurement impacts. The EcoVadis overall score (0–100, where 100 is the top score) reflects the quality of the company's sustainability management system at the time of the assessment. More information available here .
	'A'	'A+'	The Good Corporate Governance Index has been compiled since 2012 by the Lithuanian Governance Coordination Centre on annual basis with the aim to assess and measure how each SOE implements key good governance practices. The rating ranges on the scale from 'D' to 'A+' ('A+' meaning the best). More information available here .
	Top Employer Lithuania	Top Employer Lithuania	Top Employers Institute is the global authority on recognising excellence in people practices. It provides a certification programme that enables organisations to assess and improve the workplace environment. More information available here .
	3 Equal Opportunity Wings	3 Equal Opportunity Wings	Equal Opportunity Wings is an acknowledgment of organization's achievements in mainstreaming equal opportunities in the workplace and creating a diverse and inclusive culture in organization. The maximum number of wings awarded is three, which signifies, that the organization not only successfully integrates equal opportunities in its culture, but also actively promotes equal opportunities in the public domain. More information available here .
	1 st place Ignitis (Customers & Solutions)	1 st place Ignitis (Customers & Solutions) and ESO (Networks)	The Lithuanian Diversity Charter conducted a new study, during which it investigated whether companies have and are pursuing diversity goals, reporting progress, etc. Due to the specificity of the methodology, the companies of the Group were evaluated separately. Ignitis (Customers & Solutions) took first place. More information available here .

Memberships and external initiatives

The Group carries out sustainable activities together with its partners. By participating in the activities of various organisations, experience is shared and learned from others. More detailed information on our partnerships and memberships, is available on our [website](#).

- The Group:
- is committed to adhering to the principles of the [United Nations Global Compact](#);
 - aims to contribute to the achievement of the [Sustainable Development Goals](#) of the United Nations;
 - is committed to reduce net GHG emissions to zero by 2040-2050. Our targets are validated by the SBTi;
 - has signed the [Women's Empowerment Principles](#) to advance gender equality and women's empowerment.



United Nations
Global Compact

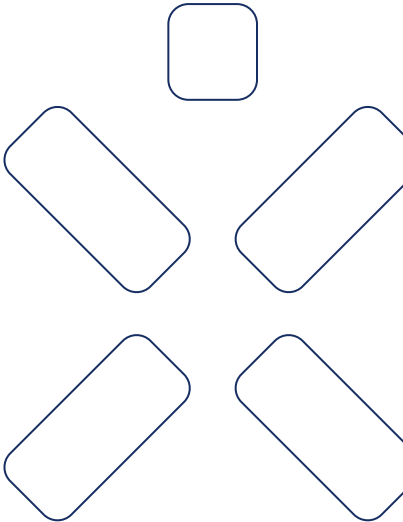


SCIENCE
BASED
TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION





United Nations Entity for Gender Equality
and the Empowerment of Women



UN Global Compact index table

Sustainability Policy emphasises the commitment to the ten principles of the Global Compact (UNGC), which Group joined in 2016. This agreement – the generally accepted guidelines for responsible business conduct – is a clear guide for the development of responsible business. The control over the implementation of these principles and the management of the related risks are an integral part of the overall control and risk management of the Group companies.

Commitment		Page(s) of Integrated Annual Report
Human rights		
1	We support and respect internationally recognised human rights.	207, 234–235, 239–240, 243–244, 248, 252
2	We are committed not to be complicit in human rights abuses.	243–245, 248, 253
Labour		
3	We guarantee freedom of association, including trade union membership, and recognise the right of workers to collective bargaining.	240–241
4	We do not use forced or compulsory labour and seek to contribute to its elimination in an environment where we have influence.	235, 240, 244, 248
5	We do not use child labour and contribute to its elimination in an environment where we have influence.	235, 240, 244, 248
6	We do not tolerate any form of discrimination and contribute to its elimination in the work and professional environment where we have influence.	243
Environment		
7	We apply preventive measures in order to ensure the protection of the environment.	191–196, 223–227, 230–232
8	We undertake initiatives to increase environmental responsibility where we have influence.	191–196, 223–227, 230–232
9	We encourage the development and wide application of environmentally friendly technologies.	193–196, 226–227, 230–232
Anti-Corruption		
10	We create an environment which has zero tolerance for corruption and we fight all forms of corruption, including bribery, graft and trading in influence.	271–272

Contribution to the Sustainable Development Goals

The Group's goals are in line with the United Nations' Agenda for Sustainable Development, consisting of 17 universal interlinked Sustainable Development Goals that embrace the idea of social progress and improving the quality of life in the world. In pursuit of strategic goals, the Group contributes to the implementation of this agenda.

We contribute significantly to the implementation of these SDGs



7.1 Access to energy
7.2 Renewable energy
7.3 Energy efficiency

To ensure that everyone has access to affordable, reliable, sustainable and modern energy services:

- we ensure the availability of energy services;
- we are expanding green generation capacity;
- we promote the development and consumption of clean energy;
- we proactively look for innovations in energy sector and incorporate them into our business;
- we promote energy efficiency.



8.2 Economic productivity
8.5 Decent work
8.8 Labour rights and safe working environment

Promoting sustainable economic growth and decent work:

- we ensure equal working and pay conditions for employees;
- we respect human rights and freedoms;
- we do not tolerate any form of discrimination and harassment;
- safe work for employees and contractors is the Group's priority.



9.2 Sustainable industrialisation
9.4 Modern industry

By developing flexible infrastructure, promoting inclusive and sustainable industrialization and innovation:

- we invest in sustainable infrastructure and its improvement;
- we contribute to scientific research and invest in development projects;
- we support international cooperation;
- we help those who develop innovations useful to society.



12.2 Sustainable management of natural resources
12.5 Reduce waste generation
12.6 Corporate social responsibility

Ensuring responsible consumption and production:

- we carefully select reliable partners and ensure a fair partnership;
- we promote responsible energy consumption;
- we aim to use resources efficiently when creating products and services;
- we promote waste recycling, rational management and use, and re-use of resources;
- we are expanding green generation capacity.



13.1 Strengthen resilience and adaptivity
13.3 Education

Contributing to climate change mitigation:

- we implement decarbonization plans;
- we reduce the impact of our activities on the environment and aim to manage emissions to achieve net zero in GHG emissions in the long run;
- we adhere to the highest environmental protection and ecological standards;
- we increase the resilience of the energy infrastructure and adaptation to the effects of climate change.

Other SDGs to which we contribute



5.1 End all forms of discrimination

5.5 Equal opportunities for leadership

Our contribution to gender equality:

- we have commitment at the highest strategic level to achieve gender balance and are implementing measures to achieve this goal;
- we promote careers of female employees in IT and engineering areas;
- we aim to consistently increase the share of female employees in management positions;
- we promote awareness of gender equality among all employees – women and men.



15.1 Protection of terrestrial ecosystems

15.5 Reduce the degradation of biodiversity

To reduce and/or offset negative impacts on biodiversity and ecosystems:

- we have committed at the highest strategic level to achieve a net gain in biodiversity by 2025;
- we protect biodiversity, habitats and ecosystems in which we operate and monitor the impact of our activities on them; Environmental protection is integrated into our operation management policy;
- we have identified the impacts of our activities on the natural environment, dependencies, and segments where we must first take action to improve the state of biodiversity;
- we cooperate with governmental and non-governmental environmental institutions and scientists;
- we adhere to the highest environmental protection and ecological standards.



16.5 Anti-corruption

16.10 Access to information

Promoting transparency, anti-corruption and justice:

- we constantly improve anti-corruption management in the Group;
- we educate employees, partners and cooperate with state institutions.

Additional data points

Data points below materiality thresholds

E2-4 Air emissions	Unit	2025	2024	Δ
SO ₂	t	12.4	11.2	10.9%
NO _x		800.4	565.0	41.7%
Particulate matter		19.9	17.3	15.4%
CO		206.0	166.1	24.1%
Air emission intensity	g/kWh			
SO ₂		0.003	0.004	(15.6%)
NO _x		0.205	0.190	7.8%
Particulate matter		0.005	0.006	(12.2%)
CO		0.053	0.056	(5.6%)

E3-4 Total water consumption	Unit	2025	2024	Δ
Water withdrawal (total):	thousand m ³	7,292,855.1	9,983,543.8	(27.0%)
Groundwater		21.3	18.9	12.5%
Municipal water supply or other public/private water utilities		396.0	498.8	(20.6%)
Surface water (wetlands, rivers, lakes, etc.)		432.9	363.7	19.0%
of which water withdrawal and reuse:				
Surface water for hydropower plants (Kruonis PSHP and Kaunas HPP)		7,130,589.8	9,904,787.2	(28.0%)
Surface water for Elektrėnai Complex power plant cooling		161,415.1	77,875.1	107.3%
Total water consumption		(64.7) ¹	74.6	n/a

¹ The number accounts for the water that was retrieved during production as discharged water.

Accounting policies

Air emissions

Air emissions of SO₂, NO_x, CO and solid particles are calculated using automatic measurement systems or periodic measurements. The total is obtained by adding the emissions of individual facilities. The intensity is calculated using total emissions data for each pollutant divided by total production numbers (kWh). This approach provides a measure of emissions per unit of production.

Water consumption

Water withdrawal, reuse data is obtained from the companies' performance data files. The data is tracked and recorded by the companies' employees responsible for environmental issues by monitoring the water meter readings, applying the water quantity calculation methodologies or the data is obtained from the utility bills provided to the companies (in leased objects). Water consumption is calculated by subtracting the water discharged (except surface rainwater) from the water withdrawn (except hydropower and cooling surface water as it is withdrawn but reused).

Additional information

7.1 Further investor related information	289
7.2 Alternative Performance Measures	292
7.3 Notes on restated figures	296
7.4 Information on Group companies	297
7.5 Information on the auditors	313
7.6 Compliance with the Corporate Governance Code	314
7.7 Compliance with the Guidelines for Ensuring the Transparency of State-Controlled enterprises	330
7.8 Other statutory information	334
7.9 Terms and abbreviations	338
7.10 Legal notice	339

7.1 Further investor related information

Overview

In addition to the information provided in section '1.6 Investor information', further details on the Group's ordinary registered shares (ORS), global depository receipts (GDRs) and bonds are provided in this section.

Price development 2023–2025¹



¹ Indexed at 100.

ORS and GDRs

Below is an overview of ORS and GDR trading data for the period 2023–2025.

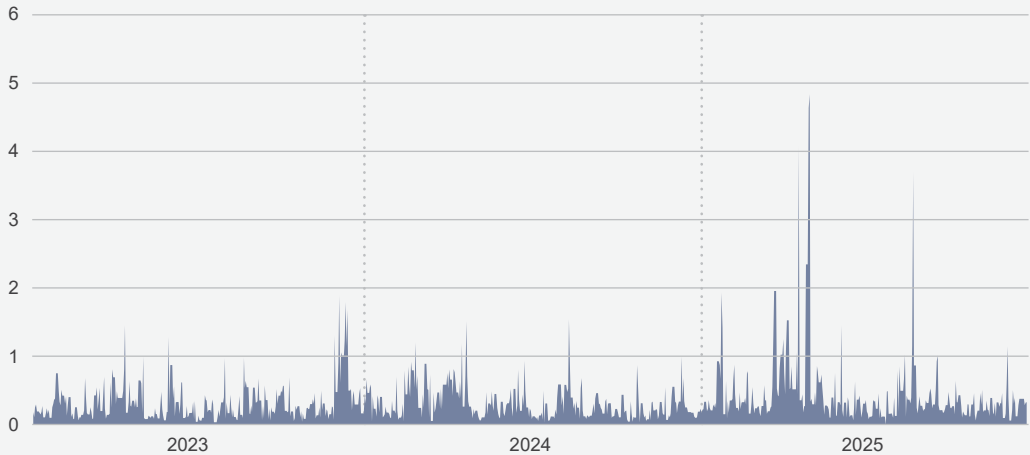
Performance information 2023–2025

	Nasdaq Vilnius	LSE	Combined
Period opening ¹ , EUR	19.02	18.80	-
Period high ¹ (date), EUR	22.35 (17 Feb 2025)	22.20 (17 Feb 2025)	22.35
Period low ¹ (date), EUR	17.90 (24 Apr 2024)	17.30 (23 Apr 2024)	17.30
Period VWAP ² , EUR	19.99	19.21	19.60
Period end ¹ , EUR	21.20	22.00	-
Period turnover (average daily), EURm	226.50 (0.30)	52.63 (0.07)	279.13 (0.37)
Market capitalisation, year-end ¹ , EURbn	-	-	1.5

¹ As of closing trading market price.
² VWAP – volume-weighted average price.
³ Combined data of ORSs and GDRs.

Daily turnover 2023–2025, EURm³

In 2023–2025, the Group’s total turnover amounted to EUR 279.13 million, with the split between ORS (Nasdaq Vilnius) and GDRs (LSE) of 81.1% and 18.9% respectively.



Bonds

On 31 December 2025, the Group had three outstanding bond issues (two of which are green bonds) listed on the Nasdaq Vilnius and Luxembourg stock exchanges. The total nominal value of these bonds is EUR 900 million.

Bond-specific information and the composition of bondholders are provided in the figures below. At the date of issue, there were 121 holders of the 2017 bond, 115 holders of the 2018 and 91 holders of the 2020 bond.

Further information on debt instruments and related information is available on the Group's [website](#).

Bonds outstanding

2017 issue

Issuer	Ignitis Group
Issued amount	EUR 300,000,000
Coupon	2.000%
Maturity date	2027.07.14
ISIN-code	XS1646530565
Credit rating	BBB+

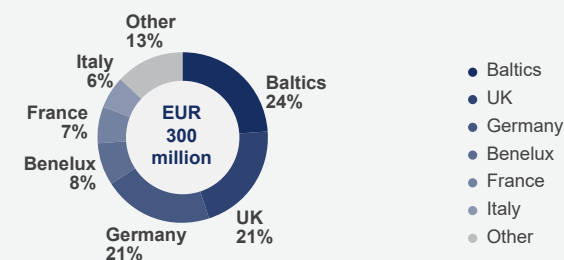
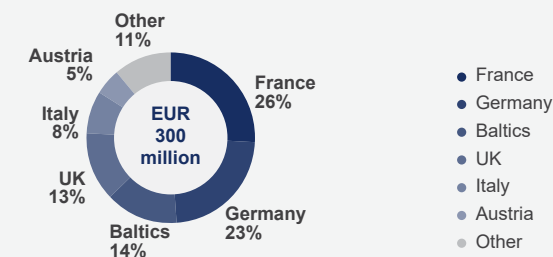
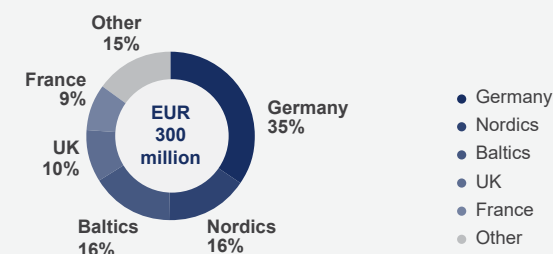
2018 issue

Issuer	Ignitis Group
Issued amount	EUR 300,000,000
Coupon	1.875%
Maturity date	2028.07.10
ISIN-code	XS1853999313
Credit rating	BBB+

2020 issue

Issuer	Ignitis Group
Issued amount	EUR 300,000,000
Coupon	2.000%
Maturity date	2030.05.21
ISIN-code	XS2177349912
Credit rating	BBB+

Bondholder composition at issue date



7.2 Alternative Performance Measures

Indicator	Formula	Definition
Adjusted EBIT	Adjusted EBITDA - depreciation and amortization expenses - write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets (excluding significant one-off items)	Adjusted EBIT is a profit measure, which allows for a more reliable comparison of the Group's results over time and with peers, than EBIT.
Adjusted EBIT Margin	$\frac{\text{Adjusted EBIT}}{\text{Total revenue} + \text{management adjustments (for revenues)}}$	Profitability ratio, which shows Adjusted EBIT as a percentage of revenue. The higher the indicator value, the higher the profitability of the Group.
Adjusted EBITDA	EBITDA + temporary regulatory differences + significant one-off gains or losses	EBITDA after eliminating items that are non-recurring, non-cash, related to other periods, or not related to the Group's main activities, and after adding back items that better reflect the result of the current period. It is a key measure of the Group's performance allowing for a more reliable comparison of the Group's results over time and with peers than EBITDA.
Adjusted EBITDA Margin	$\frac{\text{Adjusted EBITDA}}{\text{Total revenue} + \text{management adjustments (for revenues)}}$	Profitability ratio, which shows Adjusted EBITDA as a percentage of revenue. The higher the indicator value, the higher the profitability of the Group. The indicator is also useful for monitoring Group's efficiency. The higher the Adjusted EBITDA margin of the Group, the lower the Group's OPEX compared to Revenue, and the higher the efficiency.
Adjusted Net Profit	Adjusted EBIT + finance income – finance expenses - Income tax (expenses)/benefit - adjustments' impact on income tax	Net profit after eliminating items which are non-recurring, and/or related to other periods, and/or non-related to the main activities of the Group, and after adding back items, which better reflect the result of the current period. This is one of the key indicators that measures profitability of the Group. It is also used for computing Adjusted ROE, which is another key indicator of the Group's performance.
Adjusted Net Profit Margin	$\frac{\text{Adjusted Net Profit}}{\text{Total revenue} + \text{management adjustments (for revenues)}}$	Profitability ratio, which shows Adjusted Net Profit as a percentage of revenue. The higher the indicator value, the higher the profitability of the Group. The indicator is also useful for monitoring Group's efficiency.
Adjusted Return on Equity (Adjusted ROE)	$\frac{\text{Adjusted net profit}}{\text{Average equity at the beginning and end of the reporting period}}$	Profitability ratio of Adjusted Net Profit in relation to equity. Adjusted ROE is a key measure of Group's performance, showing how effectively the company is using shareholders' capital to generate profits.
Asset Turnover	$\frac{\text{Total revenue}}{\text{Average Total assets at the beginning and end of the reporting period}}$	Efficiency ratio, which shows the effectiveness of use of the Group's assets. A higher value indicates a higher degree of effectiveness in managing the assets.
Capital Employed	Net debt + Equity	Financial metric that represents the total amount of capital used by a company to generate profits.

Indicator	Formula	Definition
Current Ratio	$\frac{\text{Current assets at the end of the period}}{\text{Current liabilities at the end of the period}}$	Liquidity ratio, which shows the ability of the Group to meet its current liabilities by using its current assets and reflects the liquidity position of the Group. The higher the ratio, the better the liquidity position.
Dividend Pay-out	$\frac{\text{Dividend per Share (DPS)}}{\text{Earnings per Share (EPS)}}$	The ratio of the total amount of dividends to be paid out to shareholders relative to the net profit of the parent company. The indicator shows the percentage of earnings to be paid to shareholders via dividends.
Dividend per Share (DPS)	$\frac{\text{Total proposed dividend for the reporting period}}{\text{Weighted average numbers of nominal shares for the reporting period}}$	Profitability ratio, which shows proposed dividends for the period attributable to one ordinary nominal share. The higher the indicator value, the higher the dividends attributable to one security for the period.
Dividend Yield	$\frac{\text{DPS}}{\text{Ordinary registered shares or GDR price at the end of reporting period}}$	Profitability ratio, which shows how much a company pays out in dividends each year relative to its security price. The dividend yield is an estimate of the dividend-only return of a security investment.
Earnings per Share (EPS)	$\frac{\text{Net profit of the period attributable to equity holders of the parent company}}{\text{Weighted average numbers of nominal shares for the reporting period}}$	Profitability ratio, which shows net profit for the period attributable to equity holders of the parent to one security at the end of reporting period. The higher the indicator value, the higher the profitability attributable to one security for the period.
EBIT	EBITDA - Depreciation and amortisation - Write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets	Profit measure used as a proxy for operating cash flow, after accounting for estimate of capital expenditures through depreciation and amortization expenses
EBIT Margin	$\frac{\text{EBIT}}{\text{Total revenue}}$	Profitability ratio, which shows EBIT as a percentage of revenue. The higher the indicator value, the higher the profitability of the Group.
EBITDA	Total revenue - Purchases of electricity, gas and other services - Salaries and related expenses - Repair and maintenance expenses - Other expenses	EBITDA – earnings before interest, taxes, depreciation, and amortization. Profit measure used as a proxy for operating cash flow.
EBITDA Margin	$\frac{\text{EBITDA}}{\text{Total revenue}}$	Profitability ratio, which shows EBITDA as a percentage of revenue. The higher the indicator value, the higher the profitability of the Group.
Equity Ratio	$\frac{\text{Equity at the end of the period}}{\text{Total assets at the end of the period}}$	Leverage ratio, which shows the share of equity in the capital structure. The lower the ratio, the more the Group depends on debt financing to fund its activities.
Free Cash Flow (FCF)	FFO + interests received- Investments + grants received + investments covered by guarantee + cash effect of new connection points and upgrades + cash inflow of proceeds from sale of property, plant, and equipment less gain or loss - change in net working capital.	FCF is the cashflow remaining to the Group after covering operating and capital expenditures. The higher the FCF, the more cash flow is available for shareholders and lenders of the Group. If FCF is negative, the Group needs to raise additional financing to fund its operations.

Indicator	Formula	Definition
Funds From Operations (FFO)	EBITDA - interest paid - income tax paid	FFO is the proxy for Group's cashflow after taking into account EBITDA, interest paid, and income tax paid. FFO shows the Group's ability to generate cash from operations. This indicator is used during the credit rating review process of the Group.
Gross Debt	Non-current loans and bonds + Current loans+ Lease liabilities	Indicator shows the level of debt of the Group.
Gross Debt/Equity	$\frac{\text{Gross debt}}{\text{Equity}}$	Leverage ratio, which measures of the degree to which the Group is financing its operations through debt versus equity. The lower the indicator value, the greater the Group's ability to meet its financial liabilities and attract new debt capital. It is one of the indicators specified in the Group's dividend policy.
Investments	Additions of property, plant and equipment and intangible assets + assets acquired through the acquisition of subsidiaries + additions of other financial assets + additions of investment property + Capital granted (related with development projects with no controlling interest by the Group) + Prepayments for property, plant, and equipment - Prepayments for non-current assets reclassified to additions of property, plant and equipment or intangible assets – Contingent considerations (business combinations)	Capital spent on acquiring property, plant and equipment, intangible assets, other financial assets, and investment property, prepayments for non-current assets as well as assets acquired through the acquisition of subsidiaries. This is one of the main indicators that significantly impacts the Group's cash flows and leverage levels.
Net Debt	Non-current loans and bonds + Current loans+ Lease liabilities - Cash and cash equivalents - Short-term deposits	Net debt shows the level of indebtedness of the Group if its cash and cash equivalents and short-term deposits were used to pay out the outstanding debt. Indicator is used during the credit rating review process of the Group.
Net Debt/Adjusted EBITDA	$\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$	Leverage ratio, which shows how many years it would take for the Group to pay back its debt if Net Debt and Adjusted EBITDA were held constant. The lower the indicator value, the greater the Group's ability to cover its financial liabilities from the profit earned. This is one of the key indicators of the Group's leverage level.
Net Debt/EBITDA	$\frac{\text{Net debt}}{\text{EBITDA}}$	The value of the indicator shows how many years it would take for the Group to pay back its debt if Net debt EBITDA were held constant. The lower the indicator value, the greater the Group's ability to cover its financial liabilities from the profit earned. This indicator is used during the credit rating review process of the Group.
Net Working Capital	Current assets (excluding non-current assets held for sale) - cash and cash equivalents - other current financial assets - short-term deposits - short term interest receivables – prepaid income tax - derivative financial instruments assets - amounts receivable on disposal of property plant and equipment + non-current receivables (excluding EPSO-G) - current liabilities (excluding non-current liabilities of assets held for sale) + current portion of non-current loans + current loans + current lease liabilities +	Net working capital shows the amount of capital, other than that used for investing in noncurrent assets, tied in business operations. The lower the net working capital, the more efficient the Group's operations and use of funds.

Indicator	Formula	Definition
	$\frac{\text{payable income tax} + \text{current portion of deferred revenue} + \text{related to new customers connection and upgrade fees} + \text{derivative financial instruments liabilities} + \text{current provision} + \text{dividends payable}}{\text{Total revenue}}$	
Net Working Capital/ Revenue	$\frac{\text{Net working capital}}{\text{Total revenue}}$	It is a measure of operating efficiency. The lower the indicator, the more efficient the Group's operations and use of funds.
OPEX	Salaries and related expenses + repair and maintenance expenses + other expenses - Ineffective energy hedging result	Selling, general and administrative expense. This indicator helps management to evaluate the effectiveness of the Group's operations by monitoring the overhead expenses.
Return on Assets (ROA)	$\frac{\text{Net profit}}{\text{Average assets at the beginning and end of the reporting period}}$	ROA shows how well the Group utilizes its assets to generate profit. A higher indicator value shows higher profitability of the Group's total assets.
Return on Capital Employed (ROCE)	$\frac{\text{EBIT}}{\text{Average Capital employed at the beginning and end of the reporting period}}$	ROCE shows how well the Group utilizes its capital employed to generate profit. A higher indicator value shows higher profitability of the Group's capital employed.
Return on Equity (ROE)	$\frac{\text{Net profit}}{\text{Average equity at the beginning and end of the reporting period}}$	ROE is a measure of Group's performance, which shows how effectively the Group is using shareholders' capital to generate profits.
Taxonomy CAPEX	Additions (including acquisitions through business combinations) of property, plant and equipment, intangible assets (except goodwill), investment property + additions of right-of-use assets	Capital expenditures calculated as defined by the EU Commission Delegated Regulation 2021/2178. This indicator shows capital expenditures related with additions and acquisitions through business combinations of property, plant and equipment, intangible assets (except goodwill) and investment property as well as additions of right-of-use assets and is used to calculate capital expenditure KPI under the EU Taxonomy.
Taxonomy OPEX	Repair and maintenance expenses + short-term lease expenses + IT maintenance expenses	Operational expenses calculated as defined by the EU Commission Delegated Regulation 2021/2178 (including differences described in 'Accounting policies' of the section '6.2 Environment' under 'Disclosures under the EU Taxonomy Regulation'). This indicator shows costs related to maintenance and repair, short-term lease, IT maintenance expenses and is used to calculate operating expenditure KPIs under the EU Taxonomy.

7.3 Notes on restated figures

In this section we provide a summary of restated figures, if any, presented in this report compared to previous reporting periods.

1. Regarding the natural gas retail sales figures

Biomethane sales were reported as part of natural gas retail sales until 9M 2025. Figures have been restated to exclude the biomethane sales quantities from the natural gas retail sales, which are presented separately under the results of the Customers & Solutions segment.

2. Regarding the changes in energy consumption accounting

Two new categories – 'Fuel consumption from non-biologic origin waste' and 'Consumption of self-generated non-fuel renewable energy' – were added. The totals of 'Energy consumption and mix' and 'Energy intensity per net revenue' for the year 2024, reported in the [Integrated Annual Report 2024](#), have been recalculated retrospectively. This change affects previously reported total GHG emissions for 2024.

3. Regarding the changes in energy intensity and GHG emissions accounting

Changes to energy intensity, GHG intensity and emissions in Scope 3, category 2 (Capital

goods) figures for the year 2024 were made as an accounting error was identified. The metrics for the year 2024, reported in the [Integrated Annual Report 2024](#), have been recalculated retrospectively. This change affects previously reported total GHG emissions for 2024.

4. Regarding restated EU Taxonomy figures and updated methodology for calculations

Due to the changes in the methodology of calculating EU Taxonomy ratios, the figures for the year 2024, reported in [Integrated Annual Report 2024](#), have been recalculated retrospectively. For more information, see 'Changes in calculations' in 'Disclosures under the EU Taxonomy Regulation' under section '6.2 Environment'.

5. Regarding the restated objects of the Group in or near areas of high ecological value

The figures in section 'E4-5 Impact Metrics Related to Changes in Biodiversity and Ecosystems' were restructured to separate each segment and its metrics, reflecting the distance to the nearest protected area and the area occupied by the technology. Due to the uncertainty in accounting of the Green Capacities segment, areas occupied by the segment's technologies were excluded from the Integrated Annual Report 2025.

6. Regarding the changes in waste data collection and management

Due to the changes in waste data collection and management, the Scope 3, category 5 (Waste generated in operations) figure in sections 'E1-6 Gross Scopes 1, 2, 3 and total GHG emissions' and 'E5-5 Resource outflows' reflect updated calculations. It differs from the previous years due to the adjustments in key waste streams, waste treatment methods, and expanded data coverage. The data for the year 2024, reported in the [Integrated Annual Report 2024](#), has been recalculated retrospectively. These methodological updates primarily involve the inclusion of waste treatment methods and the introduction of new waste categories.

7. Regarding the changes in accounting of work-life balance metrics

Due to the changes in family-related leave accounting, the figures for the year 2024, reported in the [Integrated Annual Report 2024](#), have been recalculated retrospectively and presented in section 'S1-15 Work-Life Balance Metrics'. The methodological changes involved the expansion of family-related leave calculations to include maternity, paternity, parental, and carer's leave that employees took during the financial year.

8. Regarding the changes in accounting of incidents, complaints, and severe human rights impacts

Due to a human error, the indicator reflecting the number of incidents of discrimination, including harassment, for the year 2024, reported in the [Integrated Annual Report 2024](#), has been corrected and presented in table 'Incidents, complaints, and severe human rights impacts' under section '6.3 Social'.

7.4 Information on Group companies

Corporate governance model of the Group companies

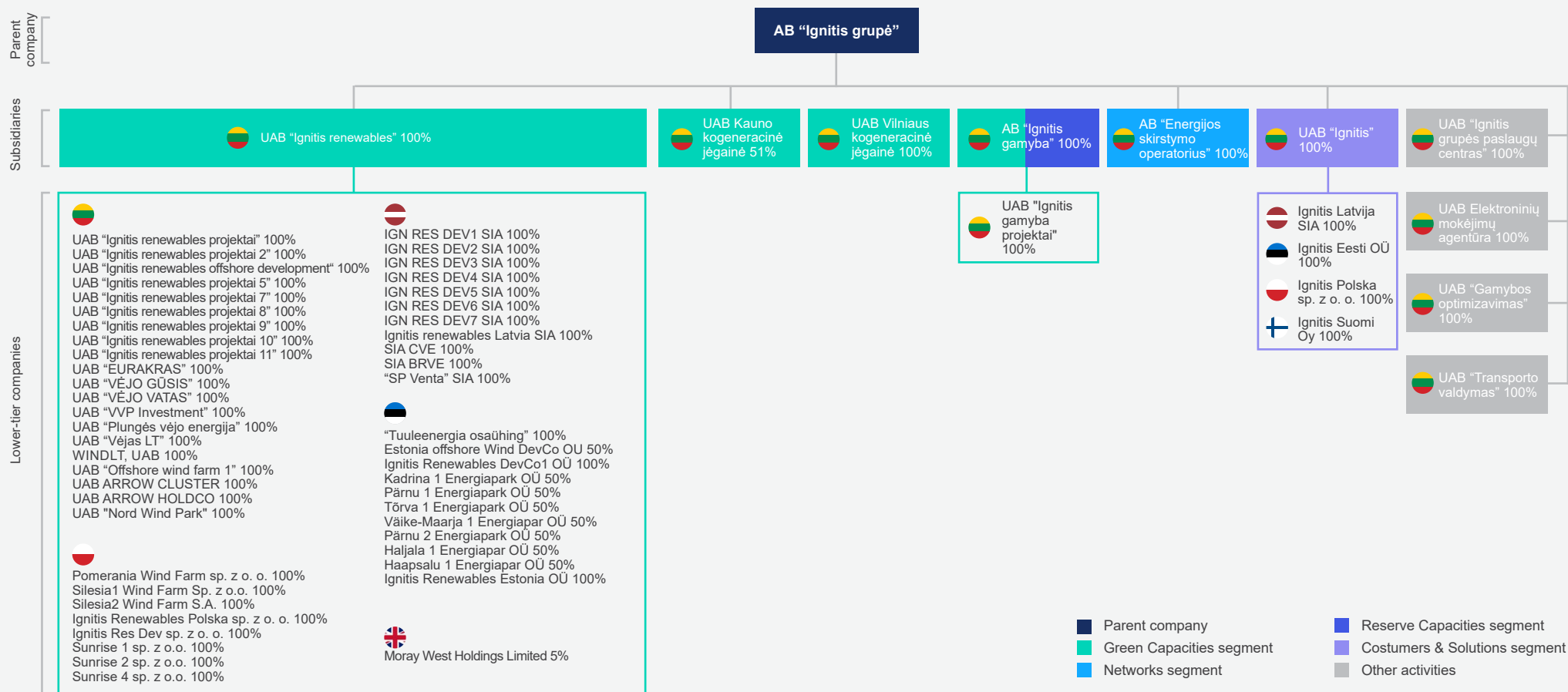
The entities presented in the Group's structure below are directly or indirectly controlled by the parent company, which applies the governance model as per below:

Corporate governance model	Group companies
Supervisory Board Management Board CEO	Parent company
Board CEO	Kauno kogeneracinė jėgainė, UAB Elektroninių mokėjimų agentūra, UAB "Ignitis grupės paslaugų centras", UAB "Ignitis renewables offshore development", UAB "Ignitis renewables projektai 5", UAB "Ignitis renewables projektai 11".
Supervisory Board Management Board	Silesia2 Wind Farm S.A.
CEO	UAB "VVP Investment", UAB "VĖJO GŪSIS", UAB "VĖJO VATAS", UAB "EURAKRAS", UAB "Ignitis renewables projektai", UAB "Ignitis renewables projektai 2", UAB ARROW HOLDCO, UAB "Ignitis renewables projektai 7", UAB "Ignitis renewables projektai 8", UAB ARROW CLUSTER, UAB "Plungės vėjo energija", UAB "Vėjas LT", WINDLIT, UAB, UAB "Offshore wind farm 1", UAB "Gamybos optimizavimas", UAB "Transporto valdymas", UAB "Ignitis gamyba projektai", UAB "Ignitis renewables projektai 9", UAB "Ignitis renewables projektai 10", UAB "Nord Wind Park".
Management Board	Ignitis Eesti OÜ, Ignitis Latvija SIA, Ignitis Polska Sp. z o.o., Ignitis Suomi Oy, Tuuleenergia OÜ, Ignitis renewables Latvia SIA, IGN RES DEV1 SIA, IGN RES DEV2 SIA, IGN RES DEV3 SIA, IGN RES DEV4 SIA, IGN RES DEV5 SIA, IGN RES DEV6 SIA, IGN RES DEV7 SIA, SIA CVE, Pomerania Wind Farm sp. z o.o., Ignitis renewables Polska sp. z o.o., Silesia1 Wind Farm sp. z o.o., Ignitis Res Dev sp. z o.o., Estonia Offshore Wind DevCo OÜ, SP Venta SIA, SIA BRVE, Ignitis renewables DevCo1 OÜ, Ignitis renewables Estonia OÜ, Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o., Sunrise 4 sp. z o.o., Kadrina 1 Energiapark OÜ, Pärnu 1 Energiapark OÜ, Tõrva 1 Energiapark OÜ, Väike-Maarja 1 Energiapark OÜ, Pärnu 2 Energiapark OÜ, Haljala 1 Energiapark OÜ, Haapsalu 1 Energiapark OÜ.

Governance structure

AB "Ignitis grupė" is a parent company of the Group, responsible for the coordination and transparent management of its activities. The Group's structure at the end of the reporting period is presented below and on our [website](#).

Group's structure



Changes in the Group's structure during the reporting period

- In February 2025, Ignitis renewables DevCo1 OÜ acquired 50% of the shares in the following Estonian companies: Väike-Maarja 1 Energiapark OÜ and Pärnu 2 Energiapark OÜ.
- In March 2025, Ignitis renewables DevCo1 OÜ acquired 50% of the shares of an Estonian company, Haljala 1 Energiapark OÜ.
- In March 2025, UAB "Ignitis renewables" acquired 100% of the shares of UAB "Nord Wind Park".
- In April 2025, Ignitis renewables DevCo1 OÜ acquired 50% of the shares of an Estonian company, Haapsalu 1 Energiapark OÜ.

- In May 2025, UAB ARROW HOLDCO acquired 100% of the shares of a Latvian company, SP Venta SIA.
- In June 2025, a cross-border merger of UAB "Ignitis renewables projektai 6" and Estonia Offshore Wind DevCo OÜ was completed. UAB "Ignitis renewables projektai 6" ceased to exist. UAB "Ignitis renewables projektai 11" has become the shareholder of Estonia Offshore Wind DevCo OÜ.
- In October 2025, UAB "Ignitis renewables" acquired 49% of the shares in UAB "Offshore wind farm 1" and currently holds 100% of the shares.

Changes in collegial bodies of Group companies during the reporting period

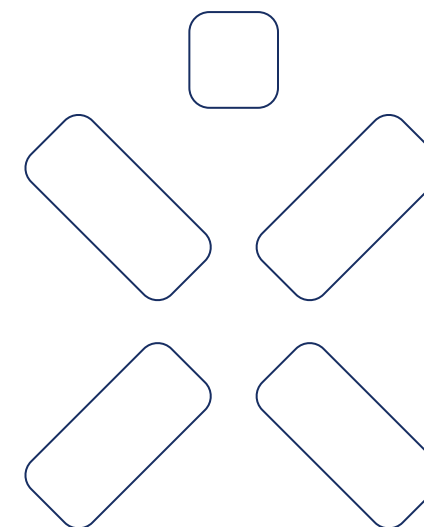
- Thierry Aelens, CEO of UAB "Ignitis renewables" has decided to resign from his position effective from 30 March 2025. Gary Charles Bills was appointed as the interim CEO, effective from 31 March 2025 until 31 August 2025.
- On 25 February 2025, Edmundas Narmontas was appointed as the new Board member (Civil Servant) of AB "Energijos skirstymo operatorius".
- In March 2025, the compositions of the Boards of the subsidiaries of UAB "Ignitis renewables" listed below were changed as follows:
 - IGN RES DEV2 SIA Board member Gary Charles Bills was removed and Uldis Kiršteins was appointed as a Board member;
 - SIA Venta Board member Gary Charles Bills was removed and Uldis Kiršteins was appointed as a Board member;
 - Ignitis Renewables Estonia OU Board member Matthew Braund was removed and Timo Tatar was appointed as a Board member;
 - Ignitis renewables DevCo1 OÜ Board member Gary Charles Bills was removed and Timo Tatar was appointed as a Board member.
- On 20 March 2025, Augustas Dragūnas was appointed as CEO of UAB "Nord Wind Park".

- In April 2025, the compositions of the Boards of the subsidiaries of UAB "Ignitis renewables" listed below were changed as follows:
 - Thierry Aelens was removed as a Board member of UAB "Ignitis renewables offshore development", UAB "Ignitis renewables projektai 5" and UAB "Ignitis renewables projektai 11";
 - Thierry Aelens was removed and Laurynas Jocys was appointed as a Board member of Silesia2 Wind Farm S.A.
 - On 16 May 2025, Vytautas Rimas was appointed as CEO of UAB „Ignitis renewables projektai 11“, a subsidiary of UAB "Ignitis renewables".
 - On 17 July 2025, Virginijus Jagela was removed from the CEO position at the following subsidiaries of UAB "Ignitis renewables": UAB "EURAKRAS", UAB "VVP Investment", UAB "VĖJO GŪSIS" and UAB "VĖJO VATAS". On 18 July 2025, Gary Charles Bills was appointed as the new CEO of these companies.
 - On 23 July 2025, the Board of UAB "Ignitis renewables" appointed Frank Oomen as the new CEO of UAB "Ignitis renewables". He started his five-year term on 1 September 2025.
 - On 22 September 2025, Vytautas Rimas was removed from the CEO position at UAB "Offshore wind farm 1". On 23 September 2025, Gary Charles Bills was appointed as the new CEO of UAB "Offshore wind farm 1".

- On 24 September 2025, Vytautas Rimas was removed from the CEO position at UAB “Ignitis renewables projektai 11”. On 25 September 2025, Valentas Rutkauskas was appointed as the new CEO of UAB “Ignitis renewables projektai 11”.
- On 24 September 2025, Giedrius Meškelė was removed from the CEO position at UAB “Ignitis renewables projektai”. On 25 September 2025, Remigijus Savulionis was appointed as the new CEO of UAB “Ignitis renewables projektai”.
- On 29 September 2025, Vytautas Rimas was removed from the CEO position at UAB “Ignitis renewables projektai 5”. On 30 September 2025, Arūnas Molis was appointed as the new CEO of UAB “Ignitis renewables projektai 5”.
- On 1 October 2025, Giedrius Meškelė was removed from the position of CEO of UAB ARROW HOLDCO. Augustas Dragūnas was appointed as the new CEO of UAB ARROW HOLDCO, effective from 2 October 2025.
- On 2 October 2025, Vytautas Rimas was removed from the position of the member of the Board of Estonia Offshore Wind DevCo OÜ and Valentas Rutkauskas was appointed as the new member of the Board of Estonia Offshore Wind DevCo OÜ.
- On 9 October 2025, Vytautas Rimas was removed from the position of CEO of UAB “Ignitis renewables offshore development”. Arūnas Molis was appointed as the new CEO of UAB “Ignitis renewables offshore development”, effective from 10 October 2025.
- On 27 October 2025, the new Supervisory Board of the parent company, consisting of 9 members, commenced its activities. All information about the composition of the new Supervisory Board of the parent company as well as the composition of its committees is provided in sections ‘4.4. Supervisory Board’ and ‘4.5. Committees’ of this report.
- On 1 December 2025, Artur Dembny was appointed as a Board member of Ignitis Polska sp. z o.o.
- On 11 December 2025, Mantas Burokas was re-elected as the CEO of UAB Vilniaus kogeneracinė jėgainė for a second term of office, effective from 24 February 2026.

Changes in collegial bodies after the reporting period

- On 31 January 2026 following Pawel Dominik's resignation, his employment relationship and activities on the Management Board have ended.



The parent company, the Group companies and their performance during the reporting period (2025)¹

AB “Ignitis grupė”

Parent company – management and coordination of activities of the Group companies

Company code: 301844044

Legal form: Public Limited Liability Company

Registered address: Laisvės Ave. 10, Vilnius

Company's shares controlled by: n/a

Share capital: EUR 1,658,756,293.81³

Website: [link](#)

Email: grupe@ignitis.lt

Establishment date and register: 28 August 2008, Lithuanian Register of Legal Entities

Performance, EURm	Consolidated ²	Standalone
Revenue	2,497.7	206.5
Expenses	(2,015.6)	(18.6)
Adjusted EBITDA	546.1	(13.6)
Net profit	163.9	221.5
Investments	720.3	4.8
Assets	6,278.8	4,138.1
Equity	2,494.6	2,353.9
Liabilities	3,784.2	1,784.2
Number of employees	4,851	67

¹ Unaudited results, except for AB “Ignitis grupė”, AB “Energijos skirstymo operatorius”, and UAB Elektroninių mokėjimų agentūra.

² AB “Ignitis grupė” consolidated numbers include results of all Group companies detailed in section ‘4.8 Group’s structure’ of this report.

³ UAB “Ignitis renewables” consolidated numbers include results of UAB “Ignitis renewables”, UAB “Ignitis renewables projektai”, Ignitis Renewables Polska sp. z o. o., Ignitis Res Dev sp. z o. o., Tuuleenergia osaühing, Pomerania Wind Farm sp. z o. o. UAB “EURAKRAS”, UAB “VĖJO GŪSIS”, UAB “VĖJO VATAS”, UAB “Vėjas LT”, UAB “VVP Investment”, Silesia1 Wind Farm Sp. z o.o., IGN RES DEV1 SIA, IGN RES DEV2 SIA, and Ignitis renewables Latvia SIA, UAB “Plungės vėjo energija”, UAB “Ignitis renewables projektai 2”, UAB “Ignitis renewables projektai 3”, UAB “Ignitis renewables offshore development”, UAB “Ignitis renewables projektai 5”, UAB “Ignitis renewables projektai 7”, UAB “Ignitis renewables projektai 8”, IGN RES DEV3 SIA, IGN RES DEV4 SIA, IGN RES DEV5 SIA, IGN RES DEV6 SIA, IGN RES DEV7 SIA and UAB “Arrow Cluster”, SP Venta SIA, SIA CVE, SIA BRVE, Ignitis Res Dev sp. Z.o.o., Silesia 2 Wind Farm S.A., WINDLIT UAB, UAB “Offshore wind farm 1”, Estonia Offshore Wind DevCo OU.

UAB “Ignitis renewables”

Development of Renewable Energy Projects

Company code: 304988904**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB “Ignitis grupė” - 100%

Share capital: EUR 45,121,910.00**Website:** [link](#)

Performance, EURm	Consolidated ³	Standalone
Revenue	140.0	26.4
Expenses	(103.4)	(76.7)
Adjusted EBITDA	36.6	(54.6)
Net profit	(44.2)	(62.5)
Investments	240.3	(173.5)
Assets	1,888.7	1,479.8
Equity	262.9	200.8
Liabilities	1,625.7	1,279.0
Number of employees	334	193

UAB “Ignitis renewables offshore development”

Development of renewable energy projects

Company code: 306281817**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)

Performance, EURm	
Revenue	1.9
Expenses	(1.8)
Adjusted EBITDA	0.1
Net profit	(0.6)
Investments	(2.2)
Assets	7.8
Equity	(2.0)
Liabilities	9.8
Number of employees	1

UAB “Ignitis renewables projektai”

Development of renewable energy projects

Company code: 305916135**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 453,000.00**Website:** [link](#)

Performance, EURm	
Revenue	0.0
Expenses	(0.5)
Adjusted EBITDA	(0.5)
Net profit	(0.6)
Investments	3.0
Assets	3.9
Equity	2.8
Liabilities	1.1
Number of employees	1

UAB “Ignitis renewables projektai 5”

Development of renewable energy projects

Company code: 306281226**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)

Performance, EURm	
Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.0
Equity	(0.0)
Liabilities	0.0
Number of employees	1

UAB “Ignitis renewables projektai 2”

Development of renewable energy projects

Company code: 306147729**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 77,500.00**Website:** [link](#)

Performance, EURm	
Revenue	0.0
Expenses	(0.2)
Adjusted EBITDA	(0.2)
Net profit	(0.2)
Investments	0.2
Assets	0.5
Equity	0.1
Liabilities	0.4
Number of employees	1

UAB “Ignitis renewables projektai 7”

Development of renewable energy projects

Company code: 306324841**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 1,000.00**Website:** [link](#)

Performance, EURm	
Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.0
Equity	(0.0)
Liabilities	0.0
Number of employees	1

UAB “Ignitis renewables projektai 8”

Development of renewable energy projects

Company code: 306324987**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 1,051,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	0.0
Adjusted EBITDA	0.0
Net profit	0.0
Investments	0.1
Assets	10.8
Equity	6.3
Liabilities	4.5
Number of employees	1

UAB “VĖJO VATAS”

Generation of renewable energy

Company code: 110860444**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,896,000.00**Website:** [link](#)**Performance, EURm**

Revenue	1.7
Expenses	(0.9)
Adjusted EBITDA	0.8
Net profit	(0.1)
Investments	0.1
Assets	12.8
Equity	6.1
Liabilities	6.7
Number of employees	1

UAB “EURAKRAS”

Generation of renewable energy

Company code: 300576942**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 4,620,539.04**Website:** [link](#)**Performance, EURm**

Revenue	3.9
Expenses	(1.5)
Adjusted EBITDA	2.4
Net profit	1.0
Investments	0.0
Assets	35.4
Equity	15.2
Liabilities	20.2
Number of employees	1

UAB “VVP Investment”

Generation of renewable energy

Company code: 302661590**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 253,110.40**Website:** [link](#)**Performance, EURm**

Revenue	10.9
Expenses	(3.1)
Adjusted EBITDA	7.8
Net profit	0.6
Investments	1.1
Assets	87.5
Equity	20.8
Liabilities	66.7
Number of employees	1

UAB “VĖJO GŪSIS”

Generation of renewable energy

Company code: 300149876**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 7,442,720.00**Website:** [link](#)**Performance, EURm**

Revenue	3.2
Expenses	(1.2)
Adjusted EBITDA	2.0
Net profit	(0.3)
Investments	0.0
Assets	29.0
Equity	13.4
Liabilities	15.6
Number of employees	1

UAB “Plungės vėjo energija”

Development of renewable energy projects

Company code: 304939316**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.2)
Adjusted EBITDA	(0.2)
Net profit	(0.2)
Investments	0.1
Assets	0.4
Equity	(0.3)
Liabilities	0.7
Number of employees	1

UAB “Arrow Cluster”

Development of renewable energy projects

Company code: 306163651**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.0
Equity	(0.1)
Liabilities	0.1
Number of employees	1

UAB “Vėjas LT”

Generation of renewable energy

Company code: 305156725**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 4,002,900.16 EUR**Website:** [link](#)**Performance, EURm**

Revenue	12.7
Expenses	(2.9)
Adjusted EBITDA	9.7
Net profit	1.0
Investments	12.0
Assets	183.1
Equity	26.0
Liabilities	157.1
Number of employees	1

UAB “Offshore wind farm 1”

Development of renewable energy projects

Company code: 306640736**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” – 100 %

Share capital: EUR 1,000.00¹**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(5.0)
Adjusted EBITDA	(5.0)
Net profit	(4.2)
Investments	67.2
Assets	83.0
Equity	(4.2)
Liabilities	87.1
Number of employees	1

IGN RES DEV1 SIA

Development of renewable energy projects

Company code: 40203390251**Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,000,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.2
Assets	0.5
Equity	0.5
Liabilities	0.0
Number of employees	0²

WINDLIT, UAB

Generation of renewable energy

Company code: 303002760**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 6,002,929.24**Website:** [link](#)**Performance, EURm**

Revenue	20.9
Expenses	(4.1)
Adjusted EBITDA	16.8
Net profit	9.4
Investments	30.9
Assets	309.0
Equity	50.9
Liabilities	258.1
Number of employees	1

IGN RES DEV2 SIA

Development of renewable energy projects

Company code: 40203389977**Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 500,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.5)
Adjusted EBITDA	(0.5)
Net profit	(0.7)
Investments	71.7
Assets	87.7
Equity	25.8
Liabilities	61.9
Number of employees	0²

¹ In February 2026, the share capital of UAB “Offshore wind farm 1” was increased and currently is 9,271,244.00 Eur.² There was no employment contract. A company is represented by elected board member.

IGN RES DEV3 SIA

Development of renewable energy projects

Company code: 40203421195**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 77,784.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.2
Assets	0.2
Equity	0.1
Liabilities	0.2
Number of employees	0¹

IGN RES DEV6 SIA

Development of renewable energy projects

Company code: 40203447423**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 2,800.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.2
Assets	0.3
Equity	0.1
Liabilities	0.3
Number of employees	0¹

IGN RES DEV4 SIA

Development of renewable energy projects

Company code: 40203420931**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 77,784.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.1
Assets	0.1
Equity	0.1
Liabilities	0.1
Number of employees	0¹

IGN RES DEV7 SIA

Development of renewable energy projects

Company code: 40203486933**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 52,808.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.1
Assets	0.2
Equity	0.0
Liabilities	0.1
Number of employees	0¹

IGN RES DEV5 SIA

Development of renewable energy projects

Company code: 40203447438**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 102,816.00 EUR**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.3
Equity	0.1
Liabilities	0.2
Number of employees	0¹

Ignitis renewables Latvia SIA

Development of renewable energy projects

Company code: 40203380662**Registered address:** Gustava Zemgala St. 74A,
Rīga, Latvia**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 4,225,000.00**Website:** [link](#)**Performance, EURm**

Revenue	3.8
Expenses	(5.8)
Adjusted EBITDA	(2.0)
Net profit	(2.5)
Investments	0.3
Assets	3.4
Equity	0.0
Liabilities	3.4
Number of employees	64

¹ There was no employment contract. A company is represented by elected board member.

SIA BRVE

Development of renewable energy projects

Company code: 45403057233**Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 453,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(1.1)
Adjusted EBITDA	(1.1)
Net profit	(6.2)
Investments	5.0
Assets	0.4
Equity	(3.4)
Liabilities	3.7
Number of employees	0¹

Pomerania Wind Farm sp. z o. o.

Generation of renewable energy

Company code: 0000450928**Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: PLN 44,500.00**Website:** [link](#)**Performance, EURm**

Revenue	26.4
Expenses	(5.6)
Adjusted EBITDA	20.8
Net profit	12.4
Investments	0.1
Assets	180.0
Equity	75.2
Liabilities	104.7
Number of employees	0¹

SIA CVE

Development of renewable energy projects

Company code: 42103097282**Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 453,945.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.1)
Adjusted EBITDA	(0.1)
Net profit	(0.1)
Investments	2.4
Assets	4.5
Equity	2.9
Liabilities	1.5
Number of employees	0¹

Silezia1 Wind Farm Sp. z o.o.

Generation of renewable energy

Company code: 0000531275**Registered address:** Puławska St. 2A, 02-566 Warsaw, Poland**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: PLN 78,414,050.00**Website:** [link](#)**Performance, EURm**

Revenue	7.6
Expenses	(2.3)
Adjusted EBITDA	5.2
Net profit	1.4
Investments	0.0
Assets	89.8
Equity	52.5
Liabilities	37.3
Number of employees	0¹

Tuuleenergia osaühing

Generation of renewable energy

Company code: 10470014**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Liivalaia tn 45, 10145**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 499,488.00**Website:** [link](#)**Performance, EURm**

Revenue	4.6
Expenses	(0.7)
Adjusted EBITDA	3.8
Net profit	1.2
Investments	0.0
Assets	22.9
Equity	4.6
Liabilities	18.3
Number of employees	1

Ignitis Renewables Polska sp. z o. o.

Development of renewable energy projects

Company code: 0000871214**Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland**Effective ownership interest:**

UAB "Ignitis renewables" - 100%

Share capital: PLN 37,500.00**Website:** [link](#)**Performance, EURm**

Revenue	1.7
Expenses	(4.6)
Adjusted EBITDA	(2.9)
Net profit	(2.3)
Investments	0.0
Assets	30.4
Equity	28.9
Liabilities	1.5
Number of employees	43

¹ There was no employment contract. A company is represented by elected board member.

Ignitis Res Dev sp. z o. o.

Development of renewable energy projects

Company code: 0000873356**Registered address:** Puławska St. 2B, 02-566
Warsaw, Poland**Company's shares controlled by:**

Ignitis Renewables Polska sp. z o. o. - 100%

Share capital: PLN 5,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.4)
Adjusted EBITDA	(0.4)
Net profit	(0.4)
Investments	0.3
Assets	1.6
Equity	(0.9)
Liabilities	2.5
Number of employees	0¹

UAB Vilniaus kogeneracinė jėgainė

Electricity and Heat Generation

Company code: 303782367**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

AB "Ignitis grupė" - 100%

Share capital: EUR 52,300,000.12**Website:** [link](#)**Performance, EURm**

Revenue	107.5
Expenses	(54.1)
Adjusted EBITDA	53.3
Net profit	27.3
Investments	1.9
Assets	427.4
Equity	119.1
Liabilities	308.2
Number of employees	130

Silesia2 Wind Farm S.A.

Generation of renewable energy

Company code: 0000508979**Registered address:** Puławska St. 2A, 02-566
Warsaw, Poland**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: PLN 102,567,311.00**Website:** [link](#)**Performance, EURm**

Revenue	33.9
Expenses	(5.9)
Adjusted EBITDA	14.6
Net profit	17.1
Investments	12.3
Assets	285.1
Equity	118.3
Liabilities	166.7
Number of employees	0¹

UAB Kauno kogeneracinė jėgainė

Electricity and Heat Generation

Company code: 303792888**Registered address:** Jėgainės St. 6, Biruliškės,
Karmėlava mun., Kaunas district**Effective ownership interest:**

AB "Ignitis grupė" – 51%, UAB Gren Lietuva – 49%

Share capital: EUR 40,000,000.00**Website:** [link](#)**Performance, EURm**

Revenue	55.4
Expenses	(16.4)
Adjusted EBITDA	39.0
Net profit	28.4
Investments	1.5
Assets	168.6
Equity	74.3
Liabilities	94.3
Number of employees	47

Estonia Offshore Wind DevCo OÜ

Development of renewable energy projects

Company code: 16827546**Registered address:** Harju maakond, Tallinn,
Kesklinna linnaosa, Hobujaama tn 4, 10151**Company's shares controlled by:** UAB "Ignitis
renewables projektai 11" – 50%, CI NMF Estonia
Sea I HoldCo Co öperatief U.A. – 50%**Share capital:** EUR 10,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.1)
Adjusted EBITDA	(0.1)
Net profit	(0.1)
Investments	5.2
Assets	9.8
Equity	(0.5)
Liabilities	10.2
Number of employees	0¹

AB "Ignitis gamyba"

Electricity Generation

Company code: 302648707**Registered address:** Elektrinės St. 21,
Elektrėnai**Effective ownership interest:**

AB "Ignitis grupė" - 100%

Share capital: EUR 90,000,000.12**Website:** [link](#)**Performance, EURm**

Revenue	453.3
Expenses	(231.3)
Adjusted EBITDA	222.2
Net profit	170.0
Investments	61.9
Assets	735.3
Equity	369.8
Liabilities	365.5
Number of employees	433

¹ There was no employment contract. A company is represented by elected board member.

AB “Energijos skirstymo operatorius”

Distribution System Operator

Company code: 304151376**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB "Ignitis grupė" - 100%

Share capital: EUR 259,442,796.57**Website:** [link](#)**Performance, EURm**

Revenue	710.0
Expenses	(518.9)
Adjusted EBITDA	265.9
Net profit	28.3
Investments	379.9
Assets	2,671.8
Equity	760.9
Liabilities	1,910.9
Number of employees	2,623

Ignitis Eesti OÜ

Supply and trading of energy, EV network development

Company code: 12433862**Registered address:** Narva St. 5, 10117 Tallinn, Estonia**Effective ownership interest:**

UAB "Ignitis" - 100%

Share capital: EUR 175,000.00**Website:** [link](#)**Performance, EURm**

Revenue	1.4
Expenses	(3.1)
Adjusted EBITDA	(1.7)
Net profit	(2.2)
Investments	6.1
Assets	17.7
Equity	4.8
Liabilities	12.9
Number of employees	18

UAB “Ignitis”

Supply and trading of energy, EV network development

Company code: 303383884**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB "Ignitis grupė" - 100%

Share capital: EUR 41,155,000.26**Website:** [link](#)**Performance, EURm Consolidated¹ Standalone**

Revenue	1,213.6	903.7
Expenses	(1,229.7)	(920.9)
Adjusted EBITDA	(48.5)	(49.6)
Net profit	(25.2)	(21.0)
Investments	29.0	11.0
Assets	467.1	407.6
Equity	57.5	57.6
Liabilities	409.5	350.1
Number of employees	487	385

Ignitis Polska sp. z o. o.

Supply and trading of energy

Company code: 0000681577**Registered address:** Puławska St. 2A, 02-566, Warsaw, Poland**Effective ownership interest:**

UAB "Ignitis" - 100%

Share capital: PLN 10,500,000.00**Website:** [link](#)**Performance, EURm**

Revenue	217.2
Expenses	(210.7)
Adjusted EBITDA	6.4
Net profit	4.4
Investments	0.0
Assets	47.0
Equity	10.9
Liabilities	36.0
Number of employees	32

Ignitis Latvija, SIA

Supply and trading of energy, EV network development

Company code: 40103642991**Registered address:** Gustava Zemgala St. 74A, Riga, Latvia**Company's shares controlled by:**

UAB "Ignitis" - 100%

Share capital: EUR 17,500,000.00**Website:** [link](#)**Performance, EURm**

Revenue	94.5
Expenses	(98.6)
Adjusted EBITDA	(4.1)
Net profit	(6.4)
Investments	11.9
Assets	58.8
Equity	11.2
Liabilities	47.5
Number of employees	50

Ignitis Suomi Oy

Supply and trading of energy

Company code: 3202810-4**Registered address:** Firdonkatu 2, Workery West, 6th floor 00520 Helsinki, Finland**Effective ownership interest:**

UAB "Ignitis" - 100%

Share capital: EUR 200,000.00**Website:** [link](#)**Performance, EURm**

Revenue	88.2
Expenses	(87.7)
Adjusted EBITDA	0.5
Net profit	(0.4)
Investments	0.0
Assets	20.0
Equity	0.5
Liabilities	19.5
Number of employees	2

¹ UAB "Ignitis" consolidated numbers include results of Ignitis Latvija SIA, Ignitis Eesti OÜ, Ignitis Polska Sp. z o. o., Ignitis Suomi Oy.

UAB “Ignitis grupės paslaugų centras”

Shared business support services

Company code: 303200016**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB “Ignitis grupė” - 100%

Share capital: EUR 12,269,066.25**Website:** [link](#)**Performance, EURm**

Revenue	59.4
Expenses	(48.4)
Adjusted EBITDA	11.0
Net profit	2.0
Investments	11.1
Assets	50.5
Equity	15.2
Liabilities	35.3
Number of employees	699

UAB “Transporto valdymas”

Transport Management

Company code: 304766704**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

AB “Ignitis grupė” - 100%

Share capital: EUR 2,359,371.20**Website:** [link](#)**Performance, EURm**

Revenue	4.2
Expenses	(2.0)
Adjusted EBITDA	2.3
Net profit	0.3
Investments	0.0
Assets	13.0
Equity	11.4
Liabilities	1.7
Number of employees	11

UAB Elektroninių mokėjimų agentūra

Payment Services

Company code: 136031358**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB “Ignitis grupė” - 100%

Share capital: EUR 1,000,000.00**Website:** [link](#)**Performance, EURm**

Revenue	1.0
Expenses	(0.7)
Adjusted EBITDA	0.2
Net profit	0.1
Investments	0.2
Assets	2.0
Equity	1.8
Liabilities	0.2
Number of employees	8

UAB “ARROW HOLDCO”

Development of renewable energy projects

Company code: 306147711**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.1)
Adjusted EBITDA	(0.1)
Net profit	0.3
Investments	137.6
Assets	125.2
Equity	25.3
Liabilities	99.9
Number of employees	1

UAB “Gamybos optimizavimas”

Commerce

Company code: 304972024**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

AB “Ignitis grupė” - 100%

Share capital: EUR 350,001.00**Website:** [link](#)**Performance, EURm**

Revenue	3.8
Expenses	(10.3)
Adjusted EBITDA	(6.5)
Net profit	(5.4)
Investments	0.0
Assets	3.4
Equity	0.3
Liabilities	3.1
Number of employees	12

UAB “Ignitis gamyba projektai”

Development of renewable energy projects

Company code: 306668333**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB “Ignitis gamyba” - 100%

Share capital: EUR 10,240,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	0.0
Investments	6.1
Assets	10.3
Equity	10.2
Liabilities	0.1
Number of employees	1

¹ UAB “Ignitis” consolidated numbers include results of Ignitis Latvija SIA, Ignitis Eesti OÜ, Ignitis Polska Sp. z o. o., Ignitis Suomi Oy.

UAB “Ignitis renewables projektai 9”

Development of renewable energy projects

Company code: 306734961**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 1,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.1)
Adjusted EBITDA	(0.1)
Net profit	(0.1)
Investments	0.1
Assets	0.3
Equity	(0.2)
Liabilities	0.5
Number of employees	1

Ignitis renewables Estonia OÜ

Development of renewable energy projects

Company code: 17035681**Registered address:** Narva St. 5, 10117 Tallinn, Estonia**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00¹**Website:** [link](#)**Performance, EURm**

Revenue	0.7
Expenses	(1.5)
Adjusted EBITDA	(0.8)
Net profit	(1.0)
Investments	0.2
Assets	3.4
Equity	0.8
Liabilities	2.6
Number of employees	12

UAB “Ignitis renewables projektai 10”

Development of renewable energy projects

Company code: 306735351**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 1,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.0
Equity	(0.0)
Liabilities	0.0
Number of employees	1

Ignitis renewables DevCo1 OÜ

Development of renewable energy projects

Company code: 17031447**Registered address:** Narva St. 5, 10117 Tallinn, Estonia**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 2,500.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.0
Assets	0.2
Equity	(0.0)
Liabilities	0.2
Number of employees	0²

UAB “Ignitis renewables projektai 11”

Development of renewable energy projects

Company code: 306741831**Registered address:** Laisvės Ave. 10, Vilnius**Company's shares controlled by:**

UAB “Ignitis renewables” - 100%

Share capital: EUR 1,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.2)
Adjusted EBITDA	(0.2)
Net profit	(0.2)
Investments	0.0
Assets	0.2
Equity	(0.2)
Liabilities	0.4
Number of employees	1

Sunrise 1 sp. z o.o.

Generation of renewable energy

Company code: 0000915519**Registered address:** Puławska St. 2A, 02-566, Warsaw, Poland**Effective ownership interest:**

UAB “Ignitis renewables” - 100%

Share capital: PLN 5,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.4
Expenses	(0.3)
Adjusted EBITDA	0.1
Net profit	(0.4)
Investments	0.3
Assets	6.2
Equity	(0.5)
Liabilities	6.7
Number of employees	0²

¹ On 22 January 2026, the share capital amount changed and is currently 2,002,500.00 EUR. ² There was no employment contract. A company is represented by elected board member.

Sunrise 2 sp. z o.o.

Generation of renewable energy

Company code: 0000915740**Registered address:** Puławska St. 2A, 02-566, Warsaw, Poland**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: EUR 5,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.4
Expenses	(0.3)
Adjusted EBITDA	0.1
Net profit	(0.3)
Investments	0.7
Assets	6.2
Equity	(0.3)
Liabilities	6.6
Number of employees	0¹

PÄRNU 1 ENERGIAPARK OÜ

Development of renewable energy projects

Company code: 17122500**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Effective ownership interest:**

Ignitis renewables DevCo1 OÜ - 50%,

RNW Projects OÜ - 50%

Share capital: EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.4
Assets	0.5
Equity	(0.0)
Liabilities	0.6
Number of employees	0¹

Sunrise 4 sp. z o.o.

Generation of renewable energy

Company code: 0000915737**Registered address:** Puławska St. 2A, 02-566, Warsaw, Poland**Company's shares controlled by:**

UAB "Ignitis renewables" - 100%

Share capital: PLN 5,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.3
Expenses	(0.4)
Adjusted EBITDA	(0.1)
Net profit	(0.5)
Investments	2.8
Assets	12.1
Equity	(0.5)
Liabilities	12.6
Number of employees	0¹

KADRINA 1 ENERGIAPARK OÜ

Development of renewable energy projects

Company code: 17122397**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Effective ownership interest:**

Ignitis renewables DevCo1 OÜ - 50%,

RNW Projects OÜ - 50%

Share capital: EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.1
Assets	0.2
Equity	(0.0)
Liabilities	0.2
Number of employees	0¹

TÕRVA 1 ENERGIAPARK OÜ

Development of renewable energy projects

Company code: 17122374**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Effective ownership interest:**

Ignitis renewables DevCo1 OÜ - 50%,

RNW Projects OÜ - 50%

Share capital: EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.3
Assets	0.5
Equity	(0.0)
Liabilities	0.5
Number of employees	0¹

Väike-Maarja 1 Energiapark OÜ

Development of renewable energy projects

Company code: 17122747**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Company's shares controlled by:**

UAB "Ignitis renewables" - 50%

Share capital: EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.4
Assets	0.8
Equity	(0.0)
Liabilities	0.9
Number of employees	0¹

¹ There was no employment contract. A company is represented by elected board member.

Pärnu 2 Energiapark OÜ

Development of renewable energy projects

Company code: 17122380**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Company's shares controlled by:**
DevCo1 OÜ - 50%, RNW Projects OÜ - 50%**Share capital:** EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.1
Assets	0.2
Equity	(0.0)
Liabilities	0.2
Number of employees	0¹

UAB „Nord Wind Park“

Development of renewable energy projects

Company code: 306084944**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB „Ignitis renewables“ - 100%

Share capital: EUR 310,000.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.2)
Adjusted EBITDA	(0.2)
Net profit	(0.2)
Investments	1.4
Assets	2.3
Equity	1.5
Liabilities	0.8
Number of employees	1

Haljala 1 Energiapark OÜ

Development of renewable energy projects

Company code: 17122411**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112, Estonia**Company's shares controlled by:**
UAB Ignitis renewables DevCo1 OÜ – 50 %
RNW Projects OÜ – 50 %**Share capital:** EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.1)
Investments	0.1
Assets	0.3
Equity	(0.1)
Liabilities	0.3
Number of employees	0¹

„SP Venta“ SIA

Development of renewable energy projects

Company code: 42403048591**Registered address:** Laisvės Ave. 10, Vilnius**Effective ownership interest:**

UAB ARROW HOLDCO – 100 %

Share capital: EUR 18,793,824.00**Website:** [link](#)**Performance, EURm**

Revenue	1.5
Expenses	(1.1)
Adjusted EBITDA	0.4
Net profit	(1.9)
Investments	49.9
Assets	160.5
Equity	37.3
Liabilities	123.2
Number of employees	0¹

Haapsalu 1 Energiapark OÜ

Development of renewable energy projects

Company code: 17122309**Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112,**Estonia Effective ownership interest:**
UAB Ignitis renewables DevCo1 OÜ – 50 %
RNW Projects OÜ – 50 %**Share capital:** EUR 100.00**Website:** [link](#)**Performance, EURm**

Revenue	0.0
Expenses	(0.0)
Adjusted EBITDA	(0.0)
Net profit	(0.0)
Investments	0.1
Assets	0.2
Equity	(0.0)
Liabilities	0.3
Number of employees	0¹

¹ There was no employment contract. A company is represented by elected board member.

7.5 Information on the auditors

Overview

“KPMG Baltics”, UAB (hereinafter – KPMG) on 30 March 2023 has been reappointed as the auditor by the General Meeting of the parent company to perform the audit of the financial statements of the parent company and the consolidated financial statements of the Group for the year 2023–2027. Based on the previous agreement, KPMG also audited the parent company’s financial statements, the Group’s consolidated financial statements and the Group companies financial statements for the years of 2021 and 2022.

All tenders related to the appointment of the independent auditors are conducted in line with prevailing best practices. In addition, as the parent company is subject to public procurement law, all audit tenders are carried out in accordance to them. The primary objective of public tenders is to ensure competitiveness, therefore, the only specific audit selection criterion permitted is prior experience in auditing companies within the energy sector. The selection process is overseen by the Audit and Risk Committee, while the independent auditor is appointed by the General Meeting of Shareholders of the parent company and subsequently by the General Meeting of Shareholders of each Group company.

Services and fees

During the period of 2024–2025, the following services have been provided to the Group by KPMG and its international partners. No additional services, not included in the statutory audit agreement, were performed during the period.

Independent auditors and financial period during which audit services have been provided

2021–2025

“KPMG Baltics”, UAB
Lvovo St. 101
LT-08104, Vilnius
Lithuania

Independent auditor's services and expenses incurred for the indicated period, EURk

	2025	2024
Annual financial statements audit	779	719
Interim financial statements audit	28	44
Assurance services	75	77
Other	14	-
Total	896	840

7.6 Compliance with the Corporate Governance Code

In this section, the parent company, acting in compliance with Article 12(3) of the Law on Securities of the Republic of Lithuania ([link in Lithuanian](#)) and paragraph 24.5 of the [Listing Rules of Nasdaq Vilnius](#), discloses how it complies with the Corporate Governance Code for the Companies listed on Nasdaq Vilnius AB as well as its specific provisions or recommendations. In case of non-compliance with thereof, the parent company explains the reasons.

All information about the corporate governance is provided in section '4 Governance' of this report and in the table below. The Group's disclosure was prepared in accordance with the current version of the [Corporate Governance Code for the Companies Listed on Nasdaq Vilnius](#), approved at the meeting of the Management Board of AB "Nasdaq Vilnius" on 15 January 2019 (Minutes No. 19–63) and at the meeting of the Bank of Lithuania on 7 January 2019 (Decision No. 241-3).



Ignitis Group employees

Principles / recommendations	Yes / No / Not applicable	Commentary
Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' rights The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.		
1.1. All shareholders should be provided with access to the information and/or documents established in the legal acts on equal terms. All shareholders should be furnished with equal opportunity to participate in the decision-making process where significant corporate matters are discussed.	Yes	All information that shall be public in accordance with legal acts is published in Lithuanian and English via informational system of stock-exchange Nasdaq Vilnius, London, Luxembourg and on the website of the parent company.
1.2. It is recommended that the company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all of their holders.	Yes	The parent company's authorised share capital consists of one class of shares, i.e., ordinary registered shares, with nominal value of EUR 22.33, which provide their holders equal property and non-property rights.
1.3. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	Yes	The rights, provided by the shares are indicated in the parent company's <u>Articles of Association</u> , which is publicly available on the parent company's website.
1.4. Exclusive transactions that are particularly important to the company, such as transfer of all or almost all assets of the company which in principle would mean the transfer of the company, should be subject to approval of the general meeting of shareholders.	Yes	The <u>Articles of Association</u> of the parent company provide that the General Meeting shall make decisions regarding the following: – the parent company becoming a founder or participant of other legal entities (except the decisions regarding becoming a founder or participant of associations); – the following actions regarding the Group companies which have the status of companies of importance to national security and engage in generation, distribution and supply activities in the energy sector as well as of companies directly managed by the parent company which engage in activities in the energy generation sector: – transfer, pledge, other restriction or disposal of shares or rights attached thereto; – increase or reduction of the authorised capital or other actions that may alter the structure of the authorised capital (e.g. issue of convertible bonds); – reorganise, separate, restructure, liquidate or perform other actions changing the status of these companies; – transfer of business or a substantial part of it.
1.5. Procedures for convening and conducting a general meeting of shareholders should provide shareholders with equal opportunities to participate in the general meeting of shareholders and should not prejudice the rights and interests of shareholders. The chosen venue, date and time of the general meeting of shareholders should not prevent active participation of shareholders at the general meeting. In the notice of the general meeting of shareholders being convened, the company should specify the last day on which the proposed draft decisions should be submitted at the latest.	Yes	The parent company convenes General Meetings and implements other meeting-related procedures in accordance with the procedure established in the <u>Law on Companies of the Republic of Lithuania</u> and provides all shareholders with equal opportunities to participate in the meeting, get familiarized with the draft resolutions and materials necessary for adopting the decisions. The notice of General Meetings specifies: the place, date and time of the General Meeting convened by the parent company is determined and announced in advance in order to enable all shareholders to participate in the decision-making process where relevant corporate matters are discussed and information about new draft resolutions on issues that are included or will be included in the agendas could be submitted at any time before or during the General Meeting in accordance to <u>Law on Companies of the Republic of Lithuania</u> .

Principles / recommendations	Yes / No / Not applicable	Commentary
1.6. With a view to ensure the right of shareholders living abroad to access the information, it is recommended, where possible, that documents prepared for the general meeting of shareholders in advance should be announced publicly not only in Lithuanian language but also in English and/or other foreign languages in advance. It is recommended that the minutes of the general meeting of shareholders after the signing thereof and/or adopted decisions should be made available publicly not only in Lithuanian language but also in English and/or other foreign languages. It is recommended that this information should be placed on the website of the company. Such documents may be published to the extent that their public disclosure is not detrimental to the company or the company's commercial secrets are not revealed.	Yes	All documents and information related to the General Meeting including notices of the meetings, draft decisions, decisions of the meetings are publicly announced in advance in Lithuanian and English via information system of Nasdaq Vilnius, Luxembourg, London stock exchange and on the parent company's website.
1.7. Shareholders who are entitled to vote should be furnished with the opportunity to vote at the general meeting of shareholders both in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.	Yes	All shareholders may exercise their right to attend the General Meeting under the procedure laid down in the legal acts and this right is not restricted. The Shareholders participate either by submitting completed voting ballots in advance or by attending the General Meeting on the day of the General Meeting. The parent company provides information on how to implement this right in the notice of General Meeting.
1.8. With a view to increasing the shareholders' opportunities to participate effectively at general meetings of shareholders, it is recommended that companies should apply modern technologies on a wider scale and thus provide shareholders with the conditions to participate and vote in general meetings of shareholders via electronic means of communication. In such cases the security of transmitted information must be ensured and it must be possible to identify the participating and voting person.	Yes	The parent company's <u>Articles of Association</u> have been amended to enable the option of attending and voting at the General Meeting by electronic means. However, at the moment the parent company does not comply with this recommendation as currently there are no means to ensure proper identification of the voting persons using electronic means of communication. Nevertheless, the parent company is actively looking for ways to address this issue.
1.9. It is recommended that the notice on the draft decisions of the general meeting of shareholders being convened should specify new candidatures of members of the collegial body, their proposed remuneration and the proposed audit company if these issues are included into the agenda of the general meeting of shareholders. Where it is proposed to elect a new member of the collegial body, it is recommended that the information about his/her educational background, work experience and other managerial positions held (or proposed) should be provided.	Yes	The draft decisions of the General Meeting being convened specify new candidatures of members of the collegial body, their proposed remuneration and the proposed audit company if these issues are included into the agenda of the General Meeting, and they are publicly disclosed with the notice of General Meeting via informational system of Nasdaq Vilnius, London, Luxembourg stock exchanges and on the website of the parent company.
1.10. Members of the company's collegial management body, heads of the administration ¹ or other competent persons related to the company who can provide information related to the agenda of the general meeting of shareholders should take part in the general meeting of shareholders. Proposed candidates to member of the collegial body should also participate in the general meeting of shareholders in case the election of new members is included into the agenda of the general meeting of shareholders.	Yes	Usually, General Meetings of the parent company are attended by members of management bodies and other competent persons in order to provide information related to the agenda of the General Meeting of Shareholders to the shareholders. The Annual General Meeting held on 25 March 2025 was attended by the Chair of the Supervisory Board of the parent company. The General Meeting held on 7 May 2025 was attended by the Member (civil servant) of the Supervisory Board of the parent company. Since seven of the former members of the Supervisory Board were re-elected and only two were new, shareholders did not actively participate in the General Meetings; therefore, no candidate presentations were held, and the detailed CVs were published publicly through the stock exchanges and on the parent company's website.

¹ For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.

Principles / recommendations	Yes / No / Not applicable	Commentary
Principle 2: Supervisory board		
2.1. Functions and liability of the supervisory board		
The supervisory board of the company should ensure representation of the interests of the company and its shareholders, accountability of this body to the shareholders and objective monitoring of the company's operations and its management bodies as well as constantly provide recommendations to the management bodies of the company. The supervisory board should ensure the integrity and transparency of the company's financial accounting and control system.		
2.1.1. Members of the supervisory board should act in good faith, with care and responsibility for the benefit and in the interests of the company and its shareholders and represent their interests, having regard to the interests of employees and public welfare.	Yes	All members of the Supervisory Board act in good will with respect to the parent company, with due regard to the parent company's interests and public welfare. The duties set out in this recommendation are embedded in the agreement on activities of a member of the Supervisory Board and agreement on activities of an independent member of the Supervisory Board.
2.1.2. Where decisions of the supervisory board may have a different effect on the interests of the company's shareholders, the supervisory board should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed about the company's strategy, risk management and control, and resolution of conflicts of interest.	Yes	The parent company's <u>Articles of Association</u> oblige the collegial bodies of the parent company and also each of their members to act on behalf of the parent company and its shareholders. Communication with the shareholders and obligations for them are established in accordance with requirements of legal acts.
2.1.3. The supervisory board should be impartial in passing decisions that are significant for the company's operations and strategy. Members of the supervisory board should act and pass decisions without an external influence from the persons who elected them.	Yes	The parent company's Supervisory Board is independent from the parent company's management bodies and takes decisions that are significant to the parent company's activities and strategy, acts independently in accordance with requirements of legal acts.
2.1.4. Members of the supervisory board should clearly voice their objections in case they believe that a decision of the supervisory board is against the interests of the company. Independent ¹ members of the supervisory board should: a) maintain independence of their analysis and decision-making; b) not seek or accept any unjustified privileges that might compromise their independence.	Yes	Members of the Supervisory Board have the right to express their opinion concerning all questions included to the agenda that, according to the Rules of Procedure of the Supervisory Board, must be properly reflected in the protocol of the meeting. The duties set out in this recommendation are embedded in the agreement on activities of a member of the Supervisory Board and agreement on activities of an independent member of the Supervisory Board as well as the Rules of Procedure of the Supervisory Board.
2.1.5. The supervisory board should oversee that the company's tax planning strategies are designed and implemented in accordance with the legal acts in order to avoid faulty practice that is not related to the long-term interests of the company and its shareholders, which may give rise to reputational, legal or other risks.	Yes	The Supervisory Board through its Audit and Risk Committee of the Supervisory Board performs this recommendation and submits opinion (if necessary).
2.1.6. The company should ensure that the supervisory board is provided with sufficient resources (including financial ones) to discharge their duties, including the right to obtain all the necessary information or to seek independent professional advice from external legal, accounting or other experts on matters pertaining to the competence of the supervisory board and its committees.	Yes	The parent company ensures that the Supervisory Board is supplied with all of the resources required for its activities (monitors technical aspects of the Supervisory Board meetings, provides all the required information and performs other functions specified in the Rule of Procedure of the Supervisory Board). Agreement of activities of a member of the Supervisory Board defines that the parent company commits to creating proper working conditions for the Supervisory Board and its members by supplying them with technical and administrative tools required for work. To ensure that Supervisory Board's activities are effective and aligned with the parent company's interests and after assessing Supervisory Board's needs, the parent company organises Supervisory Board' training at least once a year.

Principles / recommendations	Yes / No / Not applicable	Commentary
		The Articles of Association set out that the Supervisory Board has the right to apply to the Management Board and the CEO, asking for documents and information pertaining to the parent company's operations, and the Management Board and the CEO must ensure that the documents and the information requested are produced to the Supervisory Board within reasonable time. The provision regarding supply of information is also included in the agreement of activities of a member of the Supervisory Board.
2.2. Formation of the supervisory board The procedure of the formation of the supervisory board should ensure proper resolution of conflicts of interest and effective and fair corporate governance.		
2.2.1. The members of the supervisory board elected by the general meeting of shareholders should collectively ensure the diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance between the qualifications of the members of the supervisory board, it should be ensured that members of the supervisory board, as a whole, should have diverse knowledge, opinions and experience to duly perform their tasks.	Yes	Pursuant to the Law on Companies of the Republic of Lithuania , the Supervisory Board is elected and the qualification of its members is assessed at the General Meeting. In 2025, Supervisory Board's selection was carried out in compliance with the national law, EU directives and the Group Equal Opportunities and Diversity Policy. The majority of the members of the Supervisory Board bring extensive experience in corporate governance and the energy sector.
2.2.2. Members of the supervisory board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience.	Yes	The members of the Supervisory Board are elected according to the maximum term of office, specified in the Law on Companies of the Republic of Lithuania – for 4 years per term of office. The parent company's Articles of Association provide a possibility to revoke (dismiss) both separate members of the Supervisory Board and the whole Supervisory Board in corpore.
2.2.3. Chair of the supervisory board should be a person whose current or past positions constituted no obstacle to carry out impartial activities. A former manager or management board member of the company should not be immediately appointed as chair of the supervisory board either. Where the company decides to depart from these recommendations, it should provide information on the measures taken to ensure impartiality of the supervision.	Yes	According to the Articles of Association of the parent company, the CEO and the members of the Management Board cannot be members of the Supervisory Board. The Chair of the Supervisory Board is elected from among its members. In addition, candidates for independent member positions must meet statutory independence requirements, including a one-year cooling-off period from any prior executive, board, employee, or shareholder role in the SOE's or related entities.
2.2.4. Each member should devote sufficient time and attention to perform his duties as a member of the supervisory board. Each member of the supervisory board should undertake to limit his other professional obligations (particularly the managing positions in other companies) so that they would not interfere with the proper performance of the duties of a member of the supervisory board. Should a member of the supervisory board attend less than a half of the meetings of the supervisory board throughout the financial year of the company, the shareholders of the company should be notified thereof.	Yes	The Rules of Procedure of the Supervisory Board stipulate that members are required to attend its meetings. The members have actively participated and devoted sufficient time to their duties during the reporting period. The detailed information about the attendance of the Supervisory Board meetings is provided in section '4.4 Supervisory Board'.
2.2.5. When it is proposed to appoint a member of the supervisory board, it should be announced which members of the supervisory board are deemed to be independent. The supervisory board may decide that, despite the fact that a particular member meets all the criteria of independence, he/she cannot be considered independent due to special personal or company-related circumstances.	Yes	The Supervisory Board is elected by the General Meeting of the parent company. On 3 October 2025, the convening of the General Meeting regarding the election of the Supervisory Board for a new term was announced through the stock exchanges and on the parent company's website. Also, the Supervisory Board does not set the criteria for candidates for independent member positions. In accordance with legislation, this is carried out by the majority shareholder. The selection is carried out by the Selection Commission, which consists of one representative appointed by the Prime Minister, one by the Minister of Economy and Innovation, one from the Governance Coordination Centre, and two appointed by the Minister of Finance.

Principles / recommendations	Yes / No / Not applicable	Commentary
2.2.6. The amount of remuneration to members of the supervisory board for their activity and participation in meetings of the supervisory board should be approved by the general meeting of shareholders.	Yes	The General Meeting of the parent company passed <u>resolutions</u> on 24 October 2025 to determine the fixed remuneration per calendar month to be paid to the members of the new term of the Supervisory Board.
2.2.7. Every year the supervisory board should carry out an assessment of its activities. It should include evaluation of the structure of the supervisory board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the supervisory board, and evaluation whether the supervisory board has achieved its objectives. The supervisory board should, at least once a year, make public respective information about its internal structure and working procedures.	Yes	The Supervisory Board carries out an assessment of its activities every year. The Supervisory Board assesses the organisation of meetings, their efficiency, the need for competencies, mutual cooperation, and the sufficiency of the information provided by the management to make decisions. Information on the internal structure and working procedures of the Supervisory Board is published in the parent company's annual management reports and on its <u>website</u> . Good corporate governance practice calls for Supervisory Boards to conduct an evaluation of their Chair, Supervisory Board as a whole, its committees and individual members regularly, as well as an external review at least once every three years. In line with this practice, the parent company procures external review services at least every three years. External assessments were conducted in 2021 and 2024. Following these assessments, the Supervisory Board considered the recommendations and then prepared and approved an action plan to implement the suggested measures for improvement.
Principle 3: Management Board		
3.1. Functions and liability of the management board		
The management board should ensure the implementation of the company's strategy and good corporate governance with due regard to the interests of its shareholders, employees and other interest groups.		
3.1.1. The management board should ensure the implementation of the company's strategy approved by the supervisory board if the latter has been formed at the company. In such cases where the supervisory board is not formed, the management board is also responsible for the approval of the company's strategy.	Yes	According to the <u>Articles of Association</u> of the parent company, the Management Board analyses and assesses the Group's Strategic Plan and its implementation, while the Supervisory Board approves it.
3.1.2. As a collegial management body of the company, the management board performs the functions assigned to it by the Law and in the Articles of Association of the company, and in such cases where the supervisory board is not formed in the company, it performs inter alia the supervisory functions established in the Law. By performing the functions assigned to it, the management board should take into account the needs of the company's shareholders, employees and other interest groups by respectively striving to achieve sustainable business development.	Yes	Since the parent company has a Supervisory Board, the Management Board performs its collegial management functions. Each member of the Management Board signs a performance agreement obliging them to consider the interests of the company, shareholders, employees, and other stakeholders.
3.1.3. The management board should ensure compliance with the laws and the internal policy of the company applicable to the company or a group of companies to which this company belongs. It should also establish the respective risk management and control measures aimed at ensuring regular and direct liability of managers.	Yes	The Management Board of the parent company ensures compliance with the laws and the internal policies of the Group. Risk management and control measures are established in the Group Risk Management Policy, which is approved by the Management Board.
3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance ¹ on Internal Controls, Ethics and Compliance are applied at the company in order to ensure adherence to the applicable laws, rules and standards.	Yes	The Management Board of the parent company ensures that the measures included in the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance are applied at the Group and their adherence to the applicable laws, rules and standards.
3.1.5. When appointing the manager of the company, the management board should take into account the appropriate balance between the candidate's qualifications, experience and competence.	Yes	When appointing the CEO of the parent company the Management Board takes into account the balance of his/her qualifications, experience and competence as well as the opinion of the parent company's Supervisory Board.

Principles / recommendations	Yes / No / Not applicable	Commentary
3.2. Formation of the management board		
3.2.1. The members of the management board elected by the supervisory board or, if the supervisory board is not formed, by the general meeting of shareholders should collectively ensure the required diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance in terms of the current qualifications possessed by the members of the management board, it should be ensured that the members of the management board would have, as a whole, diverse knowledge, opinions and experience to duly perform their tasks.	Yes	According to the Articles of Association of the parent company and the legislation, the Management Board is elected by the Supervisory Board in compliance with the national law, EU directives, and the Group Equal Opportunities and Diversity Policy. The parent company's main activity is to perform its parent functions, and most Management Board members have experience in corporate governance and in the energy sector, where the parent company and its subsidiaries operate.
3.2.2. Names and surnames of the candidates to become members of the management board, information on their educational background, qualifications, professional experience, current positions, other important professional obligations and potential conflicts of interest should be disclosed without violating the requirements of the legal acts regulating the handling of personal data at the meeting of the supervisory board in which the management board or individual members of the management board are elected. In the event that the supervisory board is not formed, the information specified in this paragraph should be submitted to the general meeting of shareholders. The management board should, on yearly basis, collect data provided in this paragraph on its members and disclose it in the company's annual report.	Yes	Information on candidates for the Management Board of the parent company is provided in accordance with the procedures established by law. The selection procedures and requirements are set by separate legal acts. Details on a candidate's education, work experience, competence, current and former positions (CV), declaration of interests, and other documents specified in legal acts are presented at the meeting of the parent company's Supervisory Board, which elects the Management Board or its individual members. The collected information about the members of the Management Board, covering their identity, qualifications, experience, positions, obligations, and potential conflicts of interests is disclosed in the Group's integrated annual report (see section '4 Governance'), as well as on the parent company's website .
3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company.	Yes	After their election, the members of the Management Board are onboarded with the parent company's activities, organisational and management structure, strategy, activities and financial plans.
3.2.4. Members of the management board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience and sufficiently frequent reconfirmation of their status.	Yes	The members of the Management Board are elected according to the maximum term of office, specified in the Law on Companies of the Republic of Lithuania – for 4 years per term of office. Limitations concerning re-election of the members of the Management Board are not provided in the parent company's Articles of Association , nevertheless, limitations provided by valid legal acts are applied to candidates to members of the Management Board.
3.2.5. Chair of the management board should be a person who's current or past positions constitute no obstacle to carry out impartial activity. Where the supervisory board is not formed, the former manager of the company should not be immediately appointed as chair of the management board. When a company decides to depart from these recommendations, it should furnish information on the measures it has taken to ensure the impartiality of supervision.	Yes	Current or past positions of the Chair of the Management Board of the parent company do not create preconditions for possible impartiality. The Chair of the Management Board of the parent company is a member of the Management Board and CEO of the parent company, but in this case the impartiality of its activities is ensured, as there is the Supervisory Board formed in the parent company.
3.2.6. Each member should devote sufficient time and attention to perform his duties as a member of the management board. Should a member of the management board attend less than a half of the meetings of the management board throughout the financial year of the company, the supervisory board of the company or, if the supervisory board is not formed at the company, the general meeting of shareholders should be notified thereof.	Yes	The members of the Management Board of the parent company actively participate in the meetings of the Management Board and devoted sufficient time to the performance of their duties as a member of the collegial body. In 2025, all members of the Management Board participated in all meetings of the Management Board.

Principles / recommendations	Yes / No / Not applicable	Commentary
3.2.7. In the event that the management board is elected in the cases established by the Law where the supervisory board is not formed at the company, and some of its members will be independent ¹ , it should be announced which members of the management board are deemed as independent. The management board may decide that, despite the fact that a particular member meets all the criteria of independence established by the Law, he/she cannot be considered independent due to special personal or company-related circumstances.	Not applicable	The Supervisory Board is formed in the parent company.
3.2.8. The general meeting of shareholders of the company should approve the amount of remuneration to the members of the management board for their activity and participation in the meetings of the management board.	Not applicable	The Supervisory Board of the parent company has discretion to make and/or control substantive decisions related to the remuneration of the Management Board of the parent company. When deciding on matters related to the remuneration of the Management Board of the parent company, the SB is being guided by the Group Remuneration Policy and takes into account the opinion of the Nomination and Remuneration Committee.
3.2.9. The members of the management board should act in good faith, with care and responsibility for the benefit and the interests of the company and its shareholders with due regard to other stakeholders. When adopting decisions, they should not act in their personal interest; they should be subject to no-compete agreements and they should not use the business information or opportunities related to the company's operations in violation of the company's interests.	Yes	All members of the Management Board act in good faith when concerning the parent company and with due regard for the parent company's interests and public welfare. The duties set out in this recommendation are embedded in the agreement on the activities of a member of the Management Board.
3.2.10. Every year the management board should carry out an assessment of its activities. It should include evaluation of the structure of the management board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the management board, and evaluation whether the management board has achieved its objectives. The management board should, at least once a year, make public respective information about its internal structure and working procedures in observance of the legal acts regulating the processing of personal data.	Yes	Each year the members of the parent company's Management Board perform an assessment of their activities by completing the questionnaires, which include the evaluation of the work of the Management Board. Information on the internal structure and working procedures of the Management Board is published in the Group's integrated annual report and on its website .
Principle 4: Rules of procedure of the supervisory board and the management board of the company The rules of procedure of the supervisory board, if it is formed at the company, and of the management board should ensure efficient operation and decision-making of these bodies and promote active cooperation between the company's management bodies.		
4.1. The management board and the supervisory board, if the latter is formed at the company, should act in close cooperation in order to attain benefit for the company and its shareholders. Good corporate governance requires an open discussion between the management board and the supervisory board. The management board should regularly and, where necessary, immediately inform the supervisory board about any matters significant for the company that are related to planning, business development, risk management and control, and compliance with the obligations at the company. The management board should inform the supervisory board about any derogations in its business development from the previously formulated plans and objectives by specifying the reasons for this.	Yes	Legal acts, Articles of Association and rules of procedure governing activities of the parent company's supervisory and management bodies lay down the principles and procedure of cooperation between supervisory and management bodies of the parent company and ensure that management and supervisory bodies cooperate to attain the greatest possible benefit to the parent company and its shareholders.

Principles / recommendations	Yes / No / Not applicable	Commentary
4.2. It is recommended that meetings of the company's collegial bodies should be held at the respective intervals, according to the pre-approved schedule. Each company is free to decide how often meetings of the collegial bodies should be convened but it is recommended that these meetings should be convened at such intervals that uninterrupted resolution of essential corporate governance issues would be ensured. Meetings of the company's collegial bodies should be convened at least once per quarter.	Yes	Meetings of collegial bodies proceed according to the pre-approved schedule. An annual plan of meetings and their agendas are prepared for the Supervisory Board and its committees, which, with consideration to the activities of the Group and the processes going on in them, is supplemented in the course of the year. Meetings of the Supervisory Board are held at least twice a quarter, and meetings of the Management Board – once a week. Members of the Supervisory Board suggest issues to be discussed during meetings. Members of the Supervisory Board are familiarized with activities pursued not only by the parent company, but also those of subsidiary companies of the Group companies.
4.3. Members of a collegial body should be notified of the meeting being convened in advance so that they would have sufficient time for proper preparation for the issues to be considered at the meeting and a fruitful discussion could be held and appropriate decisions could be adopted. Along with the notice of the meeting being convened all materials relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body present at the meeting agree with such change or supplement to the agenda, or certain issues that are important to the company require immediate resolution.	Yes	Members of a collegial body are informed on the agenda of a meeting and receive the material necessary to make decisions on the issues on the agenda in advance. Members of a collegial body have a possibility to become familiar with it, also to ask questions before the meeting and during the meeting; they have the right to suggest that materials of the issue discussed should be supplemented, or ask to specify it. All members of the collegial bodies are informed about any comments or specifications received. In the course of the meeting, the agenda is not usually changed, unless its mutually agreed.
4.4. In order to coordinate the activities of the company's collegial bodies and ensure effective decision-making process, the chairs of the company's collegial supervision and management bodies should mutually agree on the dates and agendas of the meetings and close cooperate in resolving other matters related to corporate governance. Meetings of the company's supervisory board should be open to members of the management board, particularly in such cases where issues concerning the removal of the management board members, their responsibility or remuneration are discussed.	Yes	Meetings of the Supervisory Board are also usually attended by the Management Board of the parent company. Dates and agenda of the meetings are coordinated in such a way that they could be attended by all members of collegial bodies. The Supervisory Board and the Management Board cooperate in forming agendas of the meetings by including relevant issues on activities of the parent company or the Group's companies.
Principle 5: Nomination, remuneration and audit committees		
5.1. Purpose and formation of committees The committees formed at the company should increase the work efficiency of the supervisory board or, where the supervisory board is not formed, of the management board which performs the supervisory functions by ensuring that decisions are based on due consideration and help organise its work in such a way that the decisions it takes would be free of material conflicts of interest. Committees should exercise independent judgment and integrity when performing their functions and provide the collegial body with recommendations concerning the decisions of the collegial body. However, the final decision should be adopted by the collegial body.		
5.1.1. Taking due account of the company-related circumstances and the chosen corporate governance structure, the supervisory board of the company or, in cases where the supervisory board is not formed, the management board which performs the supervisory functions, establishes committees. It is recommended that the collegial body should form the nomination, remuneration and audit committees ¹ .	Yes	The Supervisory Board of the parent company has formed the following committees of the Supervisory Board: Audit and Risk Committee, Nomination and Remuneration Committee, and Sustainability Committee. All aforementioned committees operate at the Group level.
5.1.2. Companies may decide to set up less than three committees. In such case companies should explain in detail why they have chosen the alternative approach, and how the chosen approach corresponds with the objectives set for the three different committees.	Not applicable	See the comments for recommendation 5.1.1.

Principles / recommendations	Yes / No / Not applicable	Commentary
5.1.3. In the cases established by the legal acts the functions assigned to the committees formed at companies may be performed by the collegial body itself. In such case the provisions of this Code pertaining to the committees (particularly those related to their role, operation and transparency) should apply, where relevant, to the collegial body as a whole.	Not applicable	See the comments for recommendation 5.1.1.
5.1.4. Committees established by the collegial body should normally be composed of at least three members. Subject to the requirements of the legal acts, committees could be comprised only of two members as well. Members of each committee should be selected on the basis of their competences by giving priority to independent members of the collegial body. The chair of the management board should not serve as the chair of committees.	Yes	The Audit and Risk Committee is composed of 4 Supervisory Board members, at least 3 of whom must be independent. Other committees are composed of 3 Supervisory Board members, at least 2 of whom must be independent. The chair of each committee is independent member of Supervisory Board.
5.1.5. The authority of each committee formed should be determined by the collegial body itself. Committees should perform their duties according to the authority delegated to them and regularly inform the collegial body about their activities and performance on a regular basis. The authority of each committee defining its role and specifying its rights and duties should be made public at least once a year (as part of the information disclosed by the company on its governance structure and practice on an annual basis). In compliance with the legal acts regulating the processing of personal data, companies should also include in their annual reports the statements of the existing committees on their composition, the number of meetings and attendance over the year as well as the main directions of their activities and performance.	Yes	The Audit and Risk Committee, Nomination and Remuneration Committee, and Sustainability Committee are advisory bodies to the Supervisory Board. Their regulations are approved, and their members are elected from among the members of the Supervisory Board. Information on the composition of the committees, the number of meetings, member attendance and the main oversight areas and activities are disclosed in this report in the section '4 Governance' and on the parent company's website .
5.1.6. With a view to ensure the independence and impartiality of the committees, the members of the collegial body who are not members of the committees should normally have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or request that certain employees of the company or experts would participate in the meeting. Chair of each committee should have the possibility to maintain direct communication with the shareholders. Cases where such practice is to be applied should be specified in the rules regulating the activities of the committee.	Yes	All chairs of the committees are independent members of the Supervisory Board. Committee members are elected by the Supervisory Board from among its members. The members of the Supervisory Board and the Management Board have the right to attend the meetings of the committees. If necessary, at the invitation of the committees, particular employees or experts attend the meetings.
5.2. Nomination committee		
5.2.1. The key functions of the nomination committee should be the following: 1) to select candidates to fill vacancies in the membership of supervisory and management bodies and the administration and recommend the collegial body to approve them. The nomination committee should evaluate the balance of skills, knowledge and experience in the management body, prepare a description of the functions and capabilities required to assume a particular position and assess the time commitment expected; 2) assess, on a regular basis, the structure, size and composition of the supervisory and management bodies as well as the skills, knowledge and activity of its members, and provide the collegial body with recommendations on how the required changes should be sought; 3) devote the attention necessary to ensure succession planning.	Yes	The main functions of the Nomination and Remuneration Committee are described in the Regulations of the Nomination and Remuneration Committee of the Supervisory Board and conform with, including, but not limited to, the functions laid down in this principle.

Principles / recommendations	Yes / No / Not applicable	Commentary
5.2.2. When dealing with issues related to members of the collegial body who have employment relationships with the company and the heads of the administration, the manager of the company should be consulted by granting him/her the right to submit proposals to the Nomination Committee.	Yes	In accordance with the <u>Articles of Association</u> of the parent company, the Supervisory Board, taking into account the opinion of the Nomination and Remuneration Committee, has the competence to: (i) appoint and dismiss members of the parent company's Management Board; (ii) evaluate candidates for the position of the parent company's CEO and provide an opinion on who is most suitable for the position of the parent company's CEO; (iii) provide an opinion on candidates for the Boards and CEOs of the following subsidiaries: Energijos Skirstymo Operatorius; Ignitis Gamyba, Ignitis, and Ignitis Renewables. The parent company's Management Board has the competence to: (i) appoint and dismiss the parent company's CEO, taking into account the opinion of the Supervisory Board; and (ii) approve candidates for positions on the supervisory and management bodies of all Group companies, where applicable, taking into account the opinion of the Supervisory Board.
5.3. Remuneration committee		
5.3.1. The main functions of the remuneration committee should be as follows: 1) submit to the collegial body proposals on the remuneration policy applied to members of the supervisory and management bodies and the heads of the administration for approval. Such policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as conditions which would allow the company to recover the amounts or suspend the payments by specifying the circumstances under which it would be expedient to do so; 2) submit to the collegial body proposals regarding individual remuneration for members of the collegial bodies and the heads of the administration in order to ensure that they would be consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned; 3) review, on a regular basis, the remuneration policy and its implementation.	Yes	The main functions of the Nomination and Remuneration Committee are described in the <u>Regulations of the Nomination and Remuneration Committee</u> and comply with, including, but not limited to, the functions listed in this principle.
5.4. Audit committee		
5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee ¹ .	Yes	The main functions of the current Audit and Risk Committee are described in the <u>Regulations of the Audit and Risk Committee</u> and conform with the functions laid down in the legal acts regulating the activities of audit committees.
5.4.2. All members of the committee should be provided with detailed information on specific issues of the company's accounting system, finances and operations. The heads of the company's administration should inform the audit committee about the methods of accounting for significant and unusual transactions where the accounting may be subject to different approaches.	Yes	All members of the former Audit Committee and the current Audit and Risk Committee were/are provided with detailed information, including, but not limited to, the information listed in this principle.

¹ The legal acts may provide for the obligation to form a respective committee. For example, the Law on the Audit of Financial Statements of the Republic of Lithuania provides that public-interest entities (including but not limited to public limited liability companies whose securities are traded on a regulated market of the Republic of Lithuania and/or of any other Member State) are under the obligation to set up an audit committee (the legal acts provide for the exemptions where the functions of the audit committee may be carried out by the collegial body performing the supervisory functions).

Principles / recommendations	Yes / No / Not applicable	Commentary
5.4.3. The audit committee should decide whether the participation of the chair of the management board, the manager of the company, the chief finance officer (or senior employees responsible for finance and accounting), the internal and external auditors in its meetings is required (and, if required, when). The committee should be entitled, when needed, to meet the relevant persons without members of the management bodies present.	Yes	Meetings of the previous Audit Committee and the current Audit and Risk Committee were/are attended by, upon invitation of the committee, CFO of the Group, and, if necessary, by other employees when discussing specific issues. The previous Audit Committee and the current Audit and Risk Committee also cooperated/cooperates with other committees, and, if necessary, organised/organises joint meetings. If necessary, a meeting of the previous Audit Committee and the current Audit and Risk Committee was/is attended by representatives of the company conducting an independent audit of financial statements as well as limited assurance of the Sustainability statement.
5.4.4. The audit committee should be informed about the internal auditor's work program and should be furnished with internal audit reports or periodic summaries. The audit committee should also be informed about the work program of external auditors and should receive from the audit firm a report describing all relationships between the independent audit firm and the company and its group.	Yes	The previous Audit Committee and the current Audit and Risk Committee received/receives the information referred to in this paragraph, approved/approves the annual internal audit plan. The Group Internal Audit informed the previous Audit Committee and informs the current Audit and Risk Committee on the implementation of internal audit plans and submitted/submits quarterly reports on their implementation, as well as summaries on the results of the Group Internal Audit's audits and reports on implementation of its recommendations. Each year, the previous Audit Committee and the current Audit and Risk Committee was/is informed about the audit plan (work programme) of financial statements as well as limited assurance of the Sustainability statement by an independent audit company and was/is informed on the progress of audit plan's implementation in regular meetings of the previous Audit Committee and the current Audit and Risk Committee. The Audit and Risk Committee receives reports on auditor's independence.
5.4.5. The audit committee should examine whether the company complies with the applicable provisions regulating the possibility of lodging a complaint or reporting anonymously his/her suspicions of potential violations committed at the company and should also ensure that there is a procedure in place for proportionate and independent investigation of such issues and appropriate follow-up actions.	Yes	The previous Audit Committee and the current Audit and Risk Committee performed/performs these functions.
5.4.6. The audit committee should submit to the supervisory board or, where the supervisory board is not formed, to the management board its activity report at least once in every six months, at the time that annual and half-yearly reports are approved.	Yes	The previous Audit Committee submitted its performance reports to the Supervisory Board and the General Meeting at the time of approval of annual reports and to the Supervisory Board at the time of approval of six-month reports. The current Audit and Risk Committee submits its performance reports to the Supervisory Board at the time of approval of annual and six-month reports.
Principle 6: Prevention and disclosure of conflicts of interest The corporate governance framework should encourage members of the company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism of disclosure of conflicts of interest related to members of the supervisory and management bodies.		

Principles / recommendations	Yes / No / Not applicable	Commentary
6.1. Any member of the company's supervisory and management body should avoid a situation where his/her personal interests are or may be in conflict with the company's interests. In case such a situation did occur, a member of the company's supervisory or management body should, within a reasonable period of time, notify other members of the same body or the body of the company which elected him/her or the company's shareholders of such situation of a conflict of interest, indicate the nature of interests and, where possible, their value.	Yes	The parent company does observe the recommendations. According to the parent company's Articles of Association , each candidate to a member of the collegial body is obliged to provide a declaration of interest to the body electing him/her stating all of circumstances which could lead to a conflict of interests between the candidate and the parent company. In the event a new circumstance emerge that may give rise to a conflict of interest between a member of the collegial body and the parent company, a member of the collegial body must immediately inform in writing the parent company and the collegial body of such new circumstances. Besides, according to the parent company's Articles of Association , members of the Management Board may not have any other job or hold any other office that would be incompatible with their activity on the Management Board, including the holding of management positions in other legal entities (except for the position and work in the Group companies), work in civil service, statutory service. Members may hold any other position or have other job, except for the position held in the parent company and other legal entities the participant whereof the parent company is, also engage in educational, creative, or authorship activity only on receipt of prior consent from the Supervisory Board.
Principle 7: Remuneration policy of the company The remuneration policy and the procedure for review and disclosure of such policy established at the company should prevent potential conflicts of interest and abuse in determining remuneration of members of the collegial bodies and heads of the administration, in addition it should ensure the publicity and transparency of the company's remuneration policy and its long-term strategy.		
7.1. The company should approve and post the remuneration policy on the website of the company; such policy should be reviewed on a regular basis and be consistent with the company's long-term strategy.	Yes	The updated Group Remuneration Policy was approved by the decision of the General Meeting on 7 May 2025. It stipulates that long-term plans are aligned with the four-year strategic plan. The Group Remuneration Policy is published on the parent company's website .
7.2. The remuneration policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as the conditions specifying the cases where the company can recover the disbursed amounts or suspend the payments.	Yes	The Group Remuneration Policy defines all forms of remuneration.
7.3. With a view to avoid potential conflicts of interest, the remuneration policy should provide that members of the collegial bodies which perform the supervisory functions should not receive remuneration based on the company's performance.	Yes	The Group's Remuneration Policy sets out that remuneration for activities in collegial bodies of the parent company or the Group companies does not depend on the performance results of the parent company or the Group companies.
7.4. The remuneration policy should provide sufficient information on the policy regarding termination payments. Termination payments should not exceed a fixed amount or a fixed number of annual wages and in general should not be higher than the non-variable component of remuneration for two years or the equivalent thereof. Termination payments should not be paid if the contract is terminated due to inadequate performance.	Yes	The parent company follows this recommendation. The Group's Remuneration Policy sets out the severance payment procedure.
7.5. In the event that the financial incentive scheme is applied at the company, the remuneration policy should contain sufficient information about the retention of shares after the award thereof. Where remuneration is based on the award of shares, shares should not be vested at least for three years after the award thereof. After vesting, members of the collegial bodies and heads of the administration should retain a certain number of shares until the end of their term in office, subject to the need to compensate for any costs related to the acquisition of shares.	Not applicable	The Law on Companies of the Republic of Lithuania (link in Lithuanian) provides the possibility to grant company shares to employees, either for consideration or free of charge. However, since the parent company is the SOE, this exception does not apply to it under the applicable legislation.

Principles / recommendations	Yes / No / Not applicable	Commentary
7.6. The company should publish information about the implementation of the remuneration policy on its website, with a key focus on the remuneration policy in respect of the collegial bodies and managers in the next and, where relevant, subsequent financial years. It should also contain a review of how the remuneration policy was implemented during the previous financial year. The information of such nature should not include any details having a commercial value. Particular attention should be paid on the major changes in the company's remuneration policy, compared to the previous financial year.	Yes	Since the <u>Remuneration Policy</u> is approved by the General Meeting of the parent, every change of the remuneration policy is published on stock exchanges as well as on the parent company's <u>website</u> .
7.7. It is recommended that the remuneration policy or any major change of the policy should be included on the agenda of the general meeting of shareholders. The schemes under which members and employees of a collegial body receive remuneration in shares or share options should be approved by the general meeting of shareholders.	Yes	According to the <u>Articles of Association</u> , the General Meeting has the authority to adopt a decision on the approval of the <u>Remuneration Policy</u> . This means that the General Meeting approves all amendments to the <u>Remuneration Policy</u> . The current <u>Remuneration Policy</u> does not provide for share-based remuneration.
Principle 8: Role of stakeholders in corporate governance The corporate governance framework should recognize the rights of stakeholders entrenched in the laws or mutual agreements and encourage active cooperation between companies and stakeholders in creating the company value, jobs and financial sustainability. In the context of this principle the concept “stakeholders” includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interests in the company concerned.		
8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.	Yes	The parent company's management system provides protection for the rights of the stakeholders that are protected by laws. The parent company pursues the maximum possible transparency in its relations with all stakeholders and the compliance with the highest ethical requirements and principles – in its activities, because honest and open business activities are one of the key elements of impeccable business reputation. The parent company takes into account the changing customer needs, constantly improving its operational processes, empowering employees, taking care of the safety and health of its employees, seeking to maintain a close relationship with investors and ensure information accessible to all, continuously updating the information and posting it in the 'Investors' section of its <u>website</u> . The Group is determined to act justly and according to legislative requirements and international standards. All of the Group's activities are regulated in our policies, which are published on the parent company's <u>website</u> .
8.2. The corporate governance framework should create conditions for stakeholders to participate in corporate governance in the manner prescribed by law. Examples of participation by stakeholders in corporate governance include the participation of employees or their representatives in the adoption of decisions that are important for the company, consultations with employees or their representatives on corporate governance and other important matters, participation of employees in the company's authorized capital, involvement of creditors in corporate governance in the cases of the company's insolvency, etc.	Yes	The parent company observes these recommendations when establishing the general rules applied to the Group companies. Interest holders (e.g. trade unions of employees of subsidiary companies) may participate in the management of subsidiary companies to the extent provided for by the laws.
8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	Yes	The parent company does observe the recommendations. The stakeholders are given access to the necessary information.
8.4. Stakeholders should be provided with the possibility of reporting confidentially any illegal or unethical practices to the collegial body performing the supervisory function.	Yes	The parent company has a trust line, information can also be provided anonymously by e-mail: pasitikejimolinija@ignitis.lt .

Principles / recommendations	Yes / No / Not applicable	Commentary
Principle 9: Disclosure of information The corporate governance framework should ensure the timely and accurate disclosure of all material corporate issues, including the financial situation, operations and governance of the company.		
9.1. In accordance with the company's procedure on confidential information and commercial secrets and the legal acts regulating the processing of personal data, the information publicly disclosed by the company should include but not be limited to the following:		
9.1.1. operating and financial results of the company;	Yes	This information is published in quarterly management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.2. objectives and non-financial information of the company;	Yes	This mentioned information is published in management reports, strategic plans in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.3. persons holding a stake in the company or controlling it directly and/or indirectly and/or together with related persons as well as the structure of the group of companies and their relationships by specifying the final beneficiary;	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.4. members of the company's supervisory and management bodies who are deemed independent, the manager of the company, the shares or votes held by them at the company, participation in corporate governance of other companies, their competence and remuneration;	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.5. reports of the existing committees on their composition, number of meetings and attendance of members during the last year as well as the main directions and results of their activities;	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.6. potential key risk factors, the company's risk management and supervision policy;	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.7. the company's transactions with related parties;	Yes	This information is published in interim and annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.8. main issues related to employees and other stakeholders (for instance, human resource policy, participation of employees in corporate governance, award of the company's shares or share options as incentives, relationships with creditors, suppliers, local community, etc.);	Yes	The mentioned information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.9. structure and strategy of corporate governance;	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.1.10. initiatives and measures of social responsibility policy and anti-corruption fight, significant current or planned Investment projects.	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
This list is deemed minimum and companies are encouraged not to restrict themselves to the disclosure of information included into this list. This principle of the Code does not exempt companies from their obligation to disclose information as provided for in the applicable legal acts.		

Principles / recommendations	Yes / No / Not applicable	Commentary
9.2. When disclosing the information specified in paragraph 9.1.1 of recommendation 9.1, it is recommended that the company which is a parent company in respect of other companies should disclose information about the consolidated results of the whole group of companies.	Yes	The parent company discloses this information on a consolidated basis.
9.3. When disclosing the information specified in paragraph 9.1.4 of recommendation 9.1, it is recommended that the information on the professional experience and qualifications of members of the company's supervisory and management bodies and the manager of the company as well as potential conflicts of interest which could affect their decisions should be provided. It is further recommended that the remuneration or other income of members of the company's supervisory and management bodies and the manager of the company should be disclosed, as provided for in greater detail in Principle 7.	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges, as well as on the parent company's website.
9.4. Information should be disclosed in such manner that no shareholders or investors are discriminated in terms of the method of receipt and scope of information. Information should be disclosed to all parties concerned at the same time.	Yes	The parent company discloses the information via the information disclosure system used by the Nasdaq Vilnius, London and Luxembourg stock exchanges in Lithuanian and English languages simultaneously in accordance with legal regulations. The parent company complies with the Market abuse regulation (EU) No 596/2014 and always discloses inside information that may affect the price of financial instruments as soon as possible through the exchange information systems, and only then transmits it in other ways. The parent company observes the recommendation and announces its material events before or after a trading session on the Nasdaq Vilnius stock exchange, except for the cases provided for by legal acts, when the information should be disclosed as soon as possible.
Principle 10: Selection of the company's audit firm The company's audit firm selection mechanism should ensure the independence of the report and opinion of the audit firm.		
10.1. With a view to obtain an objective opinion on the company's financial condition and financial results, the company's annual financial statements and the financial information provided in its annual report should be audited by an independent audit firm.	Yes	The parent company complies with the requirement to carry out an annual independent audit of its parent and consolidated financial statements, including the verification of their consistency with the annual management report
10.2. It is recommended that the audit firm would be proposed to the general meeting of shareholders by the supervisory board or, if the supervisory board is not formed at the company, by the management board of the company.	Yes	The parent company complies with its <u>Articles of Association</u> , which state that Supervisory Board considers and submits proposals to the General Meeting regarding the auditor or audit firm and the terms of payment for audit services.
10.3. In the event that the audit firm has received remuneration from the company for the non-audit services provided, the company should disclose this publicly. This information should also be available to the supervisory board or, if the supervisory board is not formed at the company, by the management board of the company when considering which audit firm should be proposed to the general meeting of shareholders.	Yes	This information is published in annual management reports in Lithuanian and English via Nasdaq Vilnius, London, and Luxembourg stock exchanges.

7.7 Compliance with the Guidelines for Ensuring the Transparency of State-Owned Enterprises

In this section, the parent company, acting in compliance with Section 2 of the Guidelines for Ensuring the Transparency of the activities of State-Owned Enterprises ([link in Lithuanian](#)), discloses how it complies with the Guidelines for Ensuring the Transparency of State-Owned Enterprises. In case of non-compliance with thereof, the parent company explains the reasons.

All information about the corporate governance is provided in section '4 Governance' of this report and in the table below. The Group's disclosure was prepared in accordance with the current version of the Guidelines for Ensuring the Transparency of the activities of State-Owned Enterprises.

Point of the Description of the Guidelines for Ensuring the Transparency of the activities of SOEs (according to the wording of 30 April 2021) ([link in Lithuanian](#))

	Disclosure	Explanation
Section 2. Disclosure of information of a SOE		
5. The following data and information must be published on the website of a SOE:		
5.1. name;	Yes	Information is published on www.ignitisgrupe.lt
5.2. code and register that collects and stores data on the enterprise;	Yes	
5.3. registered office (address);	Yes	
5.4. legal status if a SOE is being reformed, reorganized (the method of reorganization shall be specified), liquidated, is facing bankruptcy or is bankrupt;	Yes	
5.5. name of the authority representing the State and a link to its website;	Yes	
5.6. operational goals, vision and mission;	Yes	
5.7. structure;	Yes	
5.8. details of the CEO;	Yes	
5.9. details of the Chair and of the members of the Management Board, if, according to the Articles of Association , the Management Board is formed	Yes	
5.10. details of the Chair and of the members of the Supervisory Board, if, according to the Articles of Association , the Supervisory Board is formed;	Yes	
5.11. names of the committees, details of their chairs and of the member, if committees are formed;	Yes	The special obligations are not applied for the parent company.
5.12. the sum of the nominal values of the state-owned shares (in euro to the nearest euro cent) and share (percentage) in the authorized capital of a SOE;	Yes	
5.13. special obligations being fulfilled, which are determined in accordance with the recommendations approved by the Minister of Economy and Innovation of the Republic of Lithuania: the purpose of the special obligations, the state budget appropriations allocated to their implementation in the current calendar year, and the legislation entrusting a State-owned company with the performance of a special obligation shall be indicated, the conditions for fulfilling a special obligation and/or regulated pricing shall be established;	Not applicable	Information is published on www.ignitisgrupe.lt
5.14. information on social responsibility initiatives and measures, important ongoing or planned Investment projects.	Ongoing	

	Disclosure	Explanation
6. For publicity purposes in connection with the management and supervisory bodies set up in State-owned companies, as well as in connection with the professionalism of the members of the committees, the following data of the persons specified in sub-clauses 5.8–5.11 of the Description are published: forename, surname, date of commencement of the current position, other management posts held in other legal entities, educational background, qualification, professional experience. If the person specified in Sub-clauses 5.9–5.11 of the Description is elected or appointed as an independent member, this shall be additionally specified along with his/her details.	Yes	Information is published on www.ignitisgrupe.it
7. The following documents must be published on the website of a state-owned company:	Yes	
7.1. <u>Articles of Association</u> ;	Yes	
7.2. an official letter from an authority representing the State on the setting state goals and expectations in a State-owned company	Yes	
7.3. operations strategy or its summary in cases where the operations strategy contains confidential information or information that is considered a commercial (industrial) secret;	Yes	Information is published on www.ignitisgrupe.it
7.4. document that establishes the remuneration policy covering determining the salary of the Head of a State-owned company and the remuneration of the members of collegial bodies and committees formed in a State-owned company.	Yes	
7.5. annual and interim reports of a state-owned company, annual and interim activity reports of a State Enterprise for a period of at least 5 years;	Yes	
7.6. sets of annual and interim financial statements for a period of at least 5 years and reports of an auditor of annual financial statements.	Yes	
8. If a state-owned company is the parent company, the structure of the Group of Companies, as well as the data referred to in Sub-clauses 5.1 to 5.3 of the Description of the subsidiaries and subsequent subsidiaries, website addresses, portion (percentage) of shares held by the parent company in their authorized capital, as well as annual consolidated financial statements and consolidated annual reports must be published on its website.	Yes	Information is published on www.ignitisgrupe.it
9. If a state-owned company is a participant of legal entities other than those specified in Point 8 of the Description, the data referred to in Sub-clauses 5.1–5.3 of the Description of those legal entities and the addresses of their websites must be published on its website.	Yes	
91. If a company is a subsidiary or a second tier subsidiary of a state-owned company, the data referred to in Sub-clauses 5.1–5.3 of the Description of the parent company and the link to the parent company's website must be published on its website.	Yes	Information is published on www.ignitisgrupe.it
10. Data, information and documents referred to in Points 5 and 6, Sub-clauses 7.1 to 7.4, and in Points 8, 9 and 91 of the Description, that have changed or in cases where incorrect data of this kind has been published, must be changed immediately on the website too.	Yes	
11. A set of annual financial statements of a state-owned company, annual report of a state-owned company, annual activity report of a State Enterprise, as well as report of an auditor of the annual financial statements of a state-owned company must be published on the website of a state-owned company within 10 working days from the approval of the set of annual financial statements of a state-owned company.	Yes	Information is published on the www.ignitisgrupe.it within the set deadline
12. The sets of interim financial statements of a State-owned company, the interim reports of a state-owned company and the interim activity reports of a State Enterprise must be published on the website of a State-owned company no later than 2 months after the end of the reporting period.	Yes	Information is published on the www.ignitisgrupe.it within the set deadline
13. The documents referred to in Point 7 of the Description shall be published in PDF format and technical possibilities for their printing shall be ensured.	Yes	Information is published in PDF format, printing possibility is ensured

	Disclosure	Explanation
Section 3. Preparation of sets of financial statements, reports and activity reports		
14. State-owned companies shall keep their accounts in such a way as to ensure the preparation of financial statements in accordance with international accounting standards.	Yes	The parent company keeps its accounts in accordance with IFRS
15. In addition to the set of annual financial statements, a state-owned company prepares a set of 6-month interim financial statements, while a State Company - sets of interim financial statements for 3, 6 and 9 months.	Yes	The parent company prepares sets of interim financial statements for 3, 6 and 9 months
16. A State-owned company, which according to the <u>Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania</u> , is classified as a public interest entity, in addition to the annual report, additionally prepares a 6-month interim report. A State Enterprise, which according to the <u>Law on Audit of Financial Statements of the Republic of Lithuania</u> , is classified as a public interest enterprise, in addition to the annual activity report, additionally prepares a 6-month interim report.	Yes	The parent company prepares a 6-month interim report
17. In addition to the content requirements established in the <u>Law on Financial Reporting by Undertakings and Groups of Undertakings</u> or in the <u>Law on State and Municipal Enterprises of the Republic of Lithuania</u> , in the annual report of a State-owned enterprise or in the annual activity report of a State enterprise additionally must be provided:	Yes	The parent company provides information in the integrated annual report
17.1. a brief description of the business model of a state-owned company;	Yes	The parent company provides information in the integrated annual report
17.2. information on significant events that occurred during and after the financial year (prior to the preparation of the annual report or the annual activity report) and which were essential to the operation of a state-owned company;	Yes	
17.3. results of the implementation of the objectives provided for in the operational strategy of a state-owned company;	Yes	
17.4. profitability, liquidity, asset turnover, debt indicators;	Yes	
17.5. fulfilment of special obligations;	Not applicable	
17.6. implementation of Investment policy, ongoing and planned Investment projects and Investments during the reporting year;	Yes	The parent company provides information in the integrated annual report
17.7. implementation of the risk management policy applied in a state-owned company;	Yes	
17.8. implementation of dividend policy in state-owned companies;	Yes	
17.9. implementation of remuneration policy;	Yes	
17.10. total annual payroll fund, average monthly salary by current position and/or units;	Yes	
17.11. information on compliance with the provisions of Sections 2 and 3 of the Description: shall be specified how they are implemented, which provisions are not complied with, and explanation as to why they are not complied with shall be provided.	Yes	

	Disclosure	Explanation
18. State-Owned companies and State Enterprises, that are not mandatory required to prepare social responsibility reports, are recommended to provide in the annual report or in the annual activity report, as appropriate, information related to environmental, social and personnel, human rights, fight against corruption and bribery matters.	Yes	The parent company prepares a Sustainability statement (integrated in the integrated annual report)
19. If information referred to in Point 17 of the Description is considered a commercial (industrial) secret or confidential information of a state-owned company, a state-owned company may not disclose such information. However, it must be specified in the annual report of a state-owned company or in the annual activity report of a State Enterprise, as appropriate, that this information is not being disclosed and the reason for the non-disclosure must be specified.	Yes	The parent company provides information in the integrated annual report
20. Other information not specified in this Description may also be specified in the annual report of a State-owned company or in the annual activity report of a State Enterprise.	Yes	Other relevant information is also provided in the integrated annual report
21. A state-owned company, which is the parent company, shall present in the consolidated annual report and, if it is not required by law to draw up a consolidated annual report, then in its annual report the structure of the Group of Companies, as well as the data referred to in Sub-clauses 5.1 to 5.3 of the Description of each subsidiary and second tier subsidiary, portion (percentage) of shares held in the authorized capital of a subsidiary, financial and non-financial performance for the financial year. If a State-owned company, which is the parent company, draws up a consolidated annual report, the requirements of Point 17 of the Description shall apply to it <i>mutatis mutandis</i> .	Yes	The parent company provides information in the integrated annual report
22. The interim report of a state-owned company or the interim activity report of a State Enterprise presents a brief description of the business model of a State-owned company, analysis of financial performance for the reporting period, information on significant events that occurred during the reporting period, as well as profitability, liquidity, asset turnover, debt indicators and their changes compared to the corresponding period of the previous year.	Yes	The parent company provides information in the interim reports

7.8 Other statutory information

This Integrated Annual Report 2025 includes a consolidated annual management report and the sets of consolidated as well as the parent company's annual financial statements, which provide information to shareholders, creditors and other stakeholders of the parent company about the operations of the parent company and its subsidiaries, which are collectively referred to as the Group companies (the Group or Ignitis Group), for the period of January–December 2025.

The parent company's CEO is responsible for the preparation of the consolidated annual management report and the sets of consolidated as well as the parent company's annual financial statements. The parent company's Management Board considers and approves the consolidated annual management report, which is submitted together with the sets of consolidated and the parent company's annual financial statements. The Supervisory Board submits the comments and proposals to the Annual General Meeting of Shareholders regarding the sets of consolidated and the parent company's annual financial statements, regarding the draft allocation of the parent company's profit (loss) and regarding the consolidated annual management report, as well as regarding the performance of the Management Board and the CEO of the parent company. On

On 24 February 2026, the Management Board of the parent company considered and approved the consolidated annual management report for the full-year 2025 as well as submitted it to the Supervisory Board. The Annual General Meeting of Shareholders, to be held on 25 March 2026, will make the decisions on the approval of the sets of consolidated and the parent company's annual financial statements as well as the allocation of the parent company's profit (loss).

This report has been prepared in accordance with the Law on Companies of the Republic of Lithuania ([link in Lithuanian](#)), the Law on Financial Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania ([link in Lithuanian](#)), the [Listing of Rules of Nasdaq Vilnius](#) as well as legal acts and recommendations of relevant supervisory authorities and operators of the regulated markets.

Information that must be published by the parent company according to the legal acts of the Republic of Lithuania is made public, depending on the disclosure requirements, either on our website, on the websites of [Nasdaq Vilnius](#), [London](#) and [Luxembourg](#) stock exchanges or both.



Ignitis Group employees

Compliance with the Transparency Directive	In compliance with Article 4 of the Transparency Directive introduced by the European Commission, the Group files the Integrated Annual Report 2025 in accordance with the European Single Electronic Format (ESEF) by providing consolidated financial statements, including notes, in the XHTML format, using block tagging with Inline eXtensible Business Reporting Language (iXBRL). For all intents and purposes, other than the XHTML, the Integrated Annual Report 2025 document is considered as non-official version, and ESEF version prevails in case of any issues or conflicts.
Material event notifications of the parent company	The parent company's securities are being traded on regulated markets, ensuring timely transparency, legal certainty and protection of the legitimate interests of market participants as well as fair price formation mechanism. In respect of this, regulated information, including the Group's management reports, financial reports, material events notifications, and other relevant information, is being published on London Stock Exchange , Nasdaq Vilnius and Luxembourg stock exchanges to ensure investors' right to access relevant and reliable information as soon as possible, as laid down in EU, Lithuanian and UK laws.
Information on the parent company's ordinary registered shares' account manager	AB SEB bankas (info@seb.lt) is appointed as the parent company's ordinary registered shares' account manager for the purposes, incl., accounting securities and paying dividends. The owners of global depositary receipts representing the ordinary registered shares of the parent company (hereinafter – GDR) must consult with the GDR issuer (the Bank of New York Mellon), its authorised party or their securities' account managers for GDR-related information. Relevant contact details of the Bank of New York Mellon are available here.
Alternative Performance Measures	Alternative Performance Measures (APM) are adjusted figures used in this report that refer to the measures used for internal performance management. As such, they are not defined or specified under International Financial Reporting Standards (IFRS), nor do they comply with IFRS requirements. Definitions of Alternative Performance Measures can be found in section '7.2 Alternative Performance Measures' of this report and on the Group's website .
Internal control and risk management systems involved in the preparation of the financial statements	The Group's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The employees of the company providing accounting services to the parent company ensure that the financial statements are prepared properly and that all the data is collected in a timely and accurate manner. The preparation of the Group companies' financial statements, internal control and financial risk management systems are monitored and managed based on the legal acts governing the preparation of financial statements.
Related-party transactions	Related-party transactions concluded during the reporting period are disclosed in section '9 Parent company's financial statements' of this report and on our website . More detailed information regarding our related-party transaction policy is available here .
Compliance with the Code of Corporate Governance	This Integrated Annual Report 2025 has been prepared in accordance with Article 12(3) of the Law on Securities of the Republic of Lithuania (link in Lithuanian) and paragraph 24.5 of the Listing Rules of Nasdaq Vilnius . For detailed information of how the parent company complies with the Corporate Governance Code for the Companies listed on Nasdaq Vilnius as well as its specific provisions or recommendations, see section '7.6 Compliance with the Corporate Governance Code' of this report.
Compliance with the Guidelines for Ensuring the Transparency of State-Owned Enterprises	This Integrated Annual Report 2025 has been prepared in accordance with the Guidelines for Ensuring the Transparency of State-Owned Enterprises (link in Lithuanian). For detailed information of how the parent company complies with the Guidelines for Ensuring the Transparency of State-Owned Enterprises, see section '7.7 Compliance with the Guidelines for Ensuring the Transparency of State-Owned Enterprises' of this report.

Information on significant arrangements to which the parent company is a party and which may take effect, be amended or terminated in the event of changes in the parent company's control, and their impact, except whereby reason of the nature of the arrangements, disclosure would cause material prejudice to the parent company	Significant arrangements concluded by the parent company during the reporting period which may take effect, be amended or terminated in the event of changes in the parent company's control: 1. 2 June 2025: <u>Ignitis Group concluded a EUR 60 million financing agreement with the European Bank for Reconstruction and Development;</u>
Information on agreements concluded between the parent company, the members of the management and supervisory bodies or employees that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in control of the parent company (official offer)	There were no agreements concluded between the parent company, the members of the management and supervisory bodies or employees that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in control of the parent company.
Information on restrictions on the transfer of securities of the parent company imposed by law, articles of association or shareholders' agreements	There were no restrictions on the transfer of securities of the parent company imposed by law, articles of association or shareholders' agreements.
Information on the parent company's branches and representative offices and research and development activities	The parent company has no branches and representative offices, and the parent company does not carry out research and development activities.
Information on delisted companies	Since September 2021, the parent company owns 100% of shares of <u>ESO</u> (Networks) and <u>Ignitis Gamyba</u> (Reserve Capacities and Green Generation). On 21 May 2020, Nasdaq Vilnius delisted the shares of ESO and Ignitis Gamyba from trading on the Baltic Main List (the last trading day was on 30 June 2020). More information about the delisted companies, including the details of the share buy-out, is available on our <u>website</u> .
Notice on the language	In the event of any discrepancy between the Lithuanian and the English versions of the document, the English version shall prevail.

7.9 Terms and abbreviations

AML	Anti-money laundering	ESG	Environmental, social and corporate governance
APM	Alternative performance measure (link)	ESO (Energijos Skirstymo Operatorius)	AB "Energijos skirstymo operatorius"
Awarded / Contracted	Green Capacities projects that meet at least one of the following criteria: (i) awarded through government auctions or tenders, including mechanisms such as Contracts for Difference (CfD), Feed-in Premium (FiP), Feed-in Tariff (FiT), or seabed with grid connection, or (ii) secured offtake through Power Purchase Agreements (PPA) or similar instruments, where the total secured offtake covers at least 50% of the project's expected annual generation volume	ESRS	European Sustainability Reporting Standards
B2B	Business to business	FBS	Fixed base salary
B2C	Business to consumer	Final Investment Decision (FID)	A decision by a relevant governance body to make significant financial commitments related to the project
BESS	Battery energy storage system	FiT	Feed-in tariff
BICG	Baltic Institute of Corporate Governance	FIP	Feed-in premium, a fixed premium to the electricity market price
CCGT	Combined Cycle Gas Turbine	FTE	Full-time equivalent
CfD	Contract for difference	GDR	Global depositary receipt
CHP	Combined heat and power (cogeneration) plant	General Meeting (GM)	General meeting of shareholder of AB "Ignitis grupė"
Clean Spark Spread	The difference between the combined cost of gas and emissions allowances and the price of electricity	GHG	Greenhouse gas
Commercial Operation Date (COD)	Green Capacities projects that have achieved Installed Capacity	GPC	UAB "Ignitis grupės paslaugų centras"
CPI	Consumer Price Index	Green Electricity Generated (net)	Electricity generated by wind farms, solar farms, biomass and WtE CHPs, hydroelectric power plants (including Kruonis Pumped Storage Hydroelectric Power Plant)
CSRD	Corporate Sustainability Reporting Directive	Green Share of Generation	Green Share of Generation is calculated as follows: Green Electricity Generated (including Kruonis Pumped Storage Hydroelectric Power Plant) divided by the total electricity generated by the Group
DMA	Double Materiality Assessment	GRI	Global Reporting Initiative
Electricity Generated (net)	Electricity generated and sold by wind farms, solar farms, biomass and WtE CHPs, hydropower plants (including Kruonis Pumped Storage Hydroelectric Power Plant) and Elektrėnai Complex	Group or Ignitis Group	AB "Ignitis grupė" and its directly and indirectly controlled legal entities
EMIT	European Market Infrastructure Regulation	Heat Generated (net)	Heat generated by biomass and WtE CHPs
eNPS	Employee Net Promoter Score	HPP	Hydroelectric power plant
		IFRS	International Financial Reporting Standards

Ignitis	UAB “Ignitis”	RAB	Regulated asset base
Ignitis Gamyba	UAB “Ignitis gamyba”	RES	Renewable energy sources
Ignitis Group Service Centre	UAB “Ignitis grupės paslaugų centras”	REMIT	Regulation of the European parliament on wholesale energy market integrity and transparency
Ignitis Renewables	UAB “Ignitis renewables”	ROI	Return on Investment
Installed Capacity	The date on which all equipment of Green Capacities project is: (1) installed, (2) connected, (3) authorised by the competent authority to generate/store energy, and (4) commissioned. Performance testing may still be ongoing	SAIDI	Average duration of unplanned interruptions in electricity or gas transmission
ILO	International Labour Organisation	SAIFI	Average number of unplanned long interruptions per customer
ISIN	International Securities Identification Number	SBTi	Science Based Targets initiative
Kaunas CHP	UAB Kauno kogeneracinė jėgainė	Secured Capacity	Green Capacities projects at the following stages: (i) Installed Capacity, (ii) Under Construction, or (iii) Awarded / Contracted
LRAIC	Long-run average incremental cost	SF	Solar farm
LTIP	Long-Term Incentive Programme	Taxonomy-eligible	An economic activity that is described in the delegated acts supplementing Regulation (EU) 2020/852, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts
LTIR	Lost Time Injury Rate	Taxonomy-non-eligible	Any economic activity that is not described in the delegated acts supplementing Regulation (EU) 2020/852
LTM	Last twelve months	Taxonomy-aligned	An economic activity that complies with the requirements laid down in Article 3 of Regulation (EU) 2020/852
MAR	Market Abuse Regulation	TCFD	Task Force on Climate-Related Financial Disclosures
NERC	National Energy Regulatory Council	TRIR	Total Recordable Incident Rate
New connection points and upgrades	Number of new customers connected to the network and capacity upgrades of the existing connection points	Under Construction	Green Capacities projects with building permits secured or permitting in process, and meeting at least one of the following criteria: (i) a notice to proceed has been given to the first contractor, or (ii) a Final Investment Decision has been made
NPS	Net promoter score	UDHR	Universal Declaration of Human Rights
OECD	Organisation for Economic Co-operation and Development	UN SDGs	United Nations Sustainable Development Goals
OHS	Occupational health and safety	UNGC	United Nations Global Compact
Other activities and eliminations	Includes consolidation adjustments, related-party transactions and financial results	Vilnius CHP	UAB Vilniaus kogeneracinė jėgainė
Parent company	AB “Ignitis grupė”	WACC	Weighted average cost of capital
PPA	Power purchase agreement	WF	Wind farm
PPE	Property, plant and equipment	WtE	Waste-to-energy
PSHP	Pumped-storage hydroelectric power plant		
Public supply	Electricity supply activity performed in accordance with the procedure and terms established by legal acts by an entity holding a public supply licence		

7.10 Legal notice

This document has been prepared by the parent company solely for informational purposes and must not be relied upon, disclosed or published, or used in part for any other purpose.

The document should not be treated as investment advice or provide basis for valuation of the parent company's securities and should not be considered as a recommendation to buy, hold, or sell of any of its securities, or any of the businesses or assets referenced in the document.

The information in this document may comprise information which is neither audited nor reviewed by independent third parties and should be considered as preliminary and potentially subject to change.

This document may also contain certain forward-looking statements, including but not limited to, the statements and expectations regarding anticipated financial and operational performance. These statements are based on the management's current views, expectations, assumptions, and information as of the date of this document announcement as well as the information that was accessible to the management at that time. Statements herein, other than the statements of historical fact, regarding the parent company's future results of operations, financials, business strategy, plans and future objectives are forward-looking statements. Words such as 'forecast', 'expect', 'intend', 'plan', 'will', 'may', 'should', 'continue', 'predict' or variations of these words,

as well as other statements regarding the matters that are not a historical fact or regarding future events or prospects, constitute forward-looking statements.

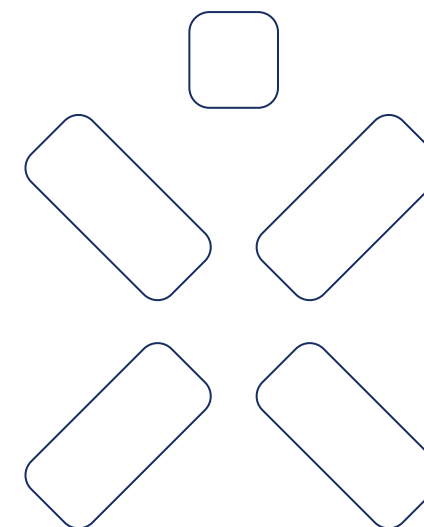
The parent company bases its forward-looking statements on its current views, which involve a number of risks and uncertainties, which may be beyond the parent company's control or difficult to predict, and could cause the actual results to differ materially from those predicted and from the past performance of the parent company. The estimates and projections reflected in the forward-looking statements may prove materially incorrect and the actual results may materially differ due to a variety of factors, including, but not limited to, legislative and regulatory factors, geopolitical tensions, economic environment and industry development, commodity and market factors, environmental factors, finance-related risks as well as expansion and operation of generation assets. Therefore, a person should not rely on these forward-looking statements. For further risk-related information, please see section '4.2 Risk management update' of our latest interim report and '4.7 Risk management' section of this report, all available at <https://ignitisgrupe.lt/en/reports-presentations-and-fact-sheets>.

Certain financial and statistical information presented in this document is subject to rounding adjustments. Accordingly, any discrepancies between the listed totals and the sums of the amounts are due to rounding. Certain financial

information and operating data relating to the parent company presented in this document has not been audited and, in some cases, is based on the management's information and estimates, and is subject to change. This document may also include certain non-IFRS measures (e.g., Alternative Performance Measures, described in section '7.2 Alternative performance measures' of this report and at <https://ignitisgrupe.lt/en/reports-presentations-and-fact-sheets>, which have not been subjected to a financial audit for any period.

In the event of any discrepancy between the Lithuanian and the English versions of the document, the English version shall prevail.

No responsibility or liability will be accepted by the parent company, its affiliates, officers, employees, or agents for any loss or damage resulting from the use of forward-looking statements in this document. Unless required by the applicable law, the parent company is under no duty and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Consolidated financial statements

8.1 Consolidated statement of profit or loss	342
8.2 Consolidated statement of comprehensive income	343
8.3 Consolidated statement of financial position	344
8.4 Consolidated statement of changes in equity	345
8.5 Consolidated statement of cash flows	346
8.6 Notes	347
8.7 Accompanying information	392

8 Consolidated financial statements

**Prepared for the year
ended 31 December 2025
in accordance with IFRS
Accounting Standards as
adopted by the European
Union**

8.1 Consolidated statement of profit or loss	342	20 Trade receivables	369
8.2 Consolidated statement of comprehensive income	343	21 Cash and cash equivalents	370
8.3 Consolidated statement of financial position	344	22 Equity	370
8.4 Consolidated statement of changes in equity	345	23 Reserves	371
8.5 Consolidated statement of cash flows	346	24 Financing	372
8.6 Notes	347	25 Grants and subsidies	374
1 General information	347	26 Provisions	375
2 Basis of preparation	347	27 Deferred income and advances received	376
3 Changes in material accounting policies	347	28 Trade payables	376
4 Significant accounting estimates and judgments used in the preparation of the financial statements	348	29 Other current liabilities	377
5 Business segments	349	30 Derivatives	377
6 Revenue	351	31 Composition of the Group	378
7 Expenses	353	32 Contingent liabilities and commitments	381
8 Finance activity	353	33 Temporary regulatory differences	383
9 Income taxes	354	34 Related-party transactions	386
10 Other comprehensive income	357	35 Risk management	387
11 Intangible assets	358	36 Fair values of financial instruments	390
12 Property, plant, and equipment	360	37 Events after the reporting period	391
13 Impairments	364	8.7 Accompanying information	392
14 Right-of-use assets	365	1 Material accounting policies	392
15 Other receivables	367		
16 Other financial assets	367		
17 Other assets	368		
18 Inventories	368		
19 Contract balances	368		

8.1 Consolidated statement of profit or loss

For the year ended 31 December 2025

EURm	Note	2025	2024
Revenue from contracts with customers	6	2,473.0	2,295.6
Other income	6	24.7	11.4
Total revenue		2,497.7	2,307.0
Purchases of electricity, natural gas and other services	7	(1,625.1)	(1,444.7)
Salaries and related expenses	7	(189.1)	(163.1)
Repair and maintenance expenses	7	(77.5)	(66.5)
Other expenses	7	(123.9)	(100.0)
Total expenses		(2,015.6)	(1,774.3)
EBITDA	5	482.1	532.7
Depreciation and amortisation	11, 12, 14, 25	(219.8)	(178.3)
Write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets	11, 12, 13, 14, 25	(10.9)	(4.4)
Operating profit (EBIT)	5	251.4	350.0
Finance income	8	11.0	23.2
Finance expenses	8	(72.3)	(64.9)
Finance activity, net		(61.3)	(41.7)
Profit (loss) before tax		190.1	308.3
Income tax (expenses)/benefit	9	(26.2)	(32.1)
Net profit for the year		163.9	276.2
Attributable to:			
Shareholders in AB "Ignitis grupė"		163.9	276.2
Non-controlling interest		-	-
Basic and diluted earnings per share (EUR)	22.5	2.26	3.82
Weighted average number of shares	22.5	72,388,960	72,388,960

8.2 Consolidated statement of comprehensive income

For the year ended 31 December 2025

EURm	Note	2025	2024
Net profit for the year		163.9	276.2
Revaluation of property, plant and equipment		(0.1)	(0.2)
Change in actuarial assumptions		-	-
Items that will not be reclassified to profit or loss in subsequent periods (net of tax), total		(0.1)	(0.2)
Cash flow hedges – effective portion of change in fair value	30	7.8	(3.4)
Cash flow hedges – reclassified to profit or loss	30	(6.7)	1.8
Foreign operations – foreign currency translation differences		2.8	5.3
Items that may be reclassified to profit or loss in subsequent periods (net of tax), total		3.9	3.7
Total other comprehensive income (loss) for the year		3.8	3.5
Total comprehensive income (loss)		167.7	279.7
Attributable to:			
Shareholders in AB "Ignitis grupė"		167.7	279.7
Non-controlling interests		-	-

8.3 Consolidated statement of financial position

As at 31 December 2025

EURm	Note	31 December 2025	31 December 2024
Assets			
Intangible assets	11	293.2	305.8
Property, plant and equipment	12	4,699.2	4,027.4
Right-of-use assets	14	123.5	77.6
Prepayments for non-current assets		39.7	236.1
Investment property		4.4	6.6
Non-current receivables	15.1	20.5	27.4
Other financial assets	16	31.3	35.2
Other non-current assets	17.1	19.5	4.0
Deferred tax assets	9.9	49.1	31.9
Non-current assets		5,280.4	4,752.0
Inventories	18	240.0	247.7
Prepayments and deferred expenses		14.6	17.1
Trade receivables	20	272.2	294.0
Other receivables	15.2	161.1	145.2
Other financial assets	16	-	-
Other current assets	17.2	7.2	9.4
Prepaid income tax		1.1	5.5
Cash and cash equivalents	21	296.3	234.5
Assets held for sale		6.0	0.6
Current assets		998.5	954.0
Total assets		6,278.9	5,706.0

EURm	Note	31 December 2025	31 December 2024
Equity and liabilities			
Share capital	22.2	1,616.4	1,616.4
Reserves	23	264.3	258.7
Retained earnings		614.0	561.7
Equity attributable to shareholders in AB "Ignitis grupė"		2,494.7	2,436.8
Non-controlling interests		-	-
Equity		2,494.7	2,436.8
Non-current loans and bonds	24.1	1,888.1	1,711.6
Non-current lease liabilities	24.2	97.8	68.1
Grants and subsidies	25	272.5	287.5
Deferred tax liabilities	9.9	90.3	84.7
Provisions	26	160.3	100.5
Deferred income	27.1	342.4	289.9
Other non-current liabilities		24.4	18.2
Non-current liabilities		2,875.8	2,560.5
Loans	24.1	212.7	61.1
Lease liabilities	24.2	9.8	6.0
Trade payables	28	220.7	246.1
Advances received	27.2	106.9	75.5
Income tax payable		28.2	16.1
Provisions	26	60.4	28.5
Deferred income	27.1	17.2	20.6
Other current liabilities	29	252.5	254.8
Current liabilities		908.4	708.7
Total liabilities		3,784.2	3,269.2
Total equity and liabilities		6,278.9	5,706.0

8.4 Consolidated statement of changes in equity

For the year ended 31 December 2025

EURm	Note	Share capital	Legal reserve	Revaluation reserve	Hedging reserve	Treasury shares reserve	Other reserves	Retained earnings	Shareholders in AB "Ignitis grupė" interest	Non-controlling interest	Total
Balance as at 1 January 2024		1,616.4	160.7	67.8	(1.7)	37.7	19.9	362.6	2,263.4	-	2,263.4
Net profit for the year		-	-	-	-	-	-	276.2	276.2	-	276.2
Other comprehensive income (loss)	10	-	-	(0.2)	(1.6)	-	5.4	(0.1)	3.5	-	3.5
Total comprehensive income (loss) for the year		-	-	(0.2)	(1.6)	-	5.4	276.1	279.7	-	279.7
Transfer of revaluation reserve (net of tax)		-	-	(7.7)	-	-	-	7.7	-	-	-
Transfers to legal reserve		-	16.1	-	-	-	-	(16.1)	-	-	-
Transfers to treasury shares reserve	23.4	-	-	-	-	(37.7)	-	37.7	-	-	-
Dividends	22.3	-	-	-	-	-	-	(94.5)	(94.5)	-	(94.5)
Dividends paid to non-controlling interest	22.4	-	-	-	-	-	-	(11.8)	(11.8)	-	(11.8)
Balance as at 31 December 2024		1,616.4	176.8	59.9	(3.3)	-	25.3	561.7	2,436.8	-	2,436.8
Balance as at 1 January 2025		1,616.4	176.8	59.9	(3.3)	-	25.3	561.7	2,436.8	-	2,436.8
Net profit for the year		-	-	-	-	-	-	163.9	163.9	-	163.9
Other comprehensive income (loss)	10	-	-	(0.1)	1.2	-	2.8	(0.1)	3.8	-	3.8
Total comprehensive income (loss) for the year		-	-	(0.1)	1.2	-	2.8	163.8	167.7	-	167.7
Transfer of revaluation reserve (net of tax)		-	-	(7.4)	-	-	-	7.4	-	-	-
Transfers to legal reserve		-	9.1	-	-	-	-	(9.1)	-	-	-
Transfers to treasury shares reserve	23.4	-	-	-	-	-	-	-	-	-	-
Dividends	22.3	-	-	-	-	-	-	(97.4)	(97.4)	-	(97.4)
Dividends paid to non-controlling interest	22.4	-	-	-	-	-	-	(12.4)	(12.4)	-	(12.4)
Balance as at 31 December 2025		1,616.4	185.9	52.4	(2.1)	-	28.1	614.0	2,494.7	-	2,494.7

8.5 Consolidated statement of cash flow

For the year ended 31 December 2025

EURm	Note	2025	2024
Net profit for the year		163.9	276.2
Adjustments for:			
Depreciation and amortisation expenses	11,12,13	237.3	195.2
Depreciation and amortisation of grants	25	(17.5)	(16.9)
Impairment (reversal) of intangible assets, property, plant and equipment and goodwill		17.7	1.8
Impairment/(reversal of impairment) of financial assets		(1.8)	-
Fair value changes of derivatives	30.1	(15.0)	(1.4)
Fair value change of financial instruments	8	8.3	5.7
Income tax expenses/(benefit)	9	26.2	32.1
Increase/(decrease) in provisions	26	73.8	43.4
Inventory write-off to net realizable value/(reversal)	18	2.2	(13.2)
Fair value change of investment property		(0.2)	-
Loss/(gain) on disposal/write-off of assets held for sale and property, plant and equipment		6.4	5.5
Interest income	8	(11.0)	(14.0)
Interest expenses	8	52.0	46.6
Other expenses/(income) of financing activities		12.0	4.0
Other non-monetary adjustments		0.4	(0.7)
Changes in working capital:			
(Increase)/decrease in trade receivables and other receivables		28.8	21.7
(Increase)/decrease in inventories, prepayments and deferred expenses, other current and non-current assets and other financial assets		6.3	48.0
Increase/(decrease) in trade payables, deferred income, advances received, other non-current and current liabilities		54.8	35.0
Income tax (paid)/received		(29.5)	(7.8)
Net cash flows from operating activities		615.1	661.2
Acquisition of property, plant and equipment and intangible assets		(715.0)	(773.8)
Proceeds from sale of property, plant and equipment, assets held for sale and intangible assets		4.4	3.2
Investments in subsidiaries, net of cash acquired	31.3	-	(0.7)
Loans granted		(3.2)	(1.1)
Grants received	25	2.5	4.3
Interest received	8.1	4.8	6.2
Finance lease payments received		1.7	2.4
(Increase)/decrease of deposits	24.2	-	109.0
(Investments in)/return from investment funds	16.1	(4.3)	(3.8)
Contingent considerations payments		(1.7)	-
Net cash flows from investing activities		(710.8)	(654.3)

EURm	Note	2025	2024
Loans received	24.2.2	245.7	110.9
Repayments of loans	24.2.2	(52.1)	(48.6)
Overdrafts net change	24.2.2	132.2	122.8
Lease payments	24.2.2	(10.1)	(7.4)
Interest paid	24.2.2	(51.7)	(46.3)
Dividends paid	22.3	(94.6)	(94.5)
Dividends paid to non-controlling interest	22.4	(12.4)	(11.8)
Loans assumed through business combination		0.5	-
Other increases/(decreases) in cash flows from investing activities		-	(2.8)
Net cash flows from financing activities		157.5	22.3
Increase (decrease) in cash and cash equivalents		61.8	29.2
Cash and cash equivalents at the beginning of the period		234.5	205.3
Cash and cash equivalents at 31 December	21	296.3	234.5

8.6 Notes

For the year ended 31 December 2025

1 General information

AB "Ignitis grupė" (hereinafter referred to as 'the parent company') is a public limited liability company registered in the Republic of Lithuania. The parent company's registered office address is Laisvės Ave. 10, LT-04215, Vilnius, Lithuania. The parent company was registered on 28 August 2008 with the Register of Legal Entities managed by the State Enterprise Centre of Registers. The parent company's code is 301844044. The parent company has been founded for an indefinite period.

AB "Ignitis grupė" is a parent company, which is responsible for the management and coordination of activities of the group of companies it controls directly and the group of companies it controls indirectly through its subsidiaries. The parent company and its directly and indirectly controlled companies are hereinafter collectively referred to as 'the Group'. The Group's core business is focused on managing and developing its green generation and green flexibility capacities (Green Capacities) and operating Lithuania's electricity distribution network (Networks). The Group also manages strategically important reserve capacities (Reserve Capacities) and provide services to its customers (Customers & Solutions), including the supply, trading of electricity and natural gas, and developing EV charging network for private (hereinafter referred to as 'B2C') and business (hereinafter referred to as 'B2B') customers.

Information on the Group's structure is provided in Note 31.

These are consolidated financial statements of the Group. The parent company also prepares separate financial statements in accordance with IFRS Accounting Standards (hereinafter referred to as 'IFRS') as adopted by the EU as required by local legislation.

2 Basis of preparation

2.1 Basis of accounting

These consolidated financial statements (hereinafter referred to as 'financial statements') have been prepared in accordance with IFRS issued by International Accounting Standards Board (hereinafter referred to as 'IASB') and endorsed for application in the European Union.

Financial statements as at and for the year ended 31 December 2025 have been prepared on a going concern basis by applying the measurements based on historical cost, except for certain items of property, plant and equipment (see Note 36.1), investment property and certain financial instruments measured at fair value.

The financial statements provide comparative information in respect of the previous period.

Details of the Group's Material accounting policies, including changes thereto, are included in Note 3 and section '[Accompanying information](#)' of these financial statements.

2.2 Functional and presentation currency

These financial statements are presented in euros, which is the Group's functional currency, and all values are rounded to the nearest million (EURm), except when indicated otherwise.

2.3 ESEF reporting

The Group is required to file annual report in the European Single Electronic Format ('ESEF') using the XHTML format and to tag the consolidated financial statements including notes using Inline eXtensible Business Reporting Language (iXBRL). The prepared financial statements comply with 2025 taxonomy. Where a financial statement line item or text block is not defined in the ESEF taxonomy, an extension to the taxonomy has been created.

2.4 Alternative performance measures

The Group presents financial measures in the financial statements which are not defined according to IFRS. The Group uses these alternative performance measures (hereinafter referred to as 'APM') as it believes that these financial measures provide valuable information to stakeholders and the management.

The financial measures should not be considered a replacement for the performance measures as defined under IFRS, but rather as supplementary information.

The APM may not be comparable to similar-titled measures presented by other companies as the definitions and calculations may be different.

The APM most commonly used in the Group's financial statements: EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT, Investments, Net Debt.

For more information on the APM, see Note 5.

3 Changes in material accounting policies

3.1 Changes in accounting policy and disclosures

The accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the preparation of the Group's annual financial statements for the year ended 31 December 2024, with the exception for the adoption of new standards effective as of 1 January 2025. The Group has not applied any standard, interpretation, or amendment for which the early application is permitted but is not yet effective.

Information about new standards is available in Note 8.7 section '[Accompanying information](#)' of these financial statements.

4 Significant accounting estimates and judgments used in the preparation of the financial statements

While preparing these financial statements, the management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, costs and contingencies. Changes in the underlying assumptions of such estimates and judgements may have a material effect on financial statements in the future.

Estimates and judgements with underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments, where appropriate. Revisions to the estimates and judgements are recognised prospectively.

Significant accounting estimates and judgements used in the preparation of the financial statements are described in this note. For other estimates and judgements used herein, refer to other notes of these financial statements.

Significant accounting estimates and judgments	Note	Estimate/judgment
Principal or an Agent in relation to electricity transmission and distribution services	6.4.1.	Judgment
Principal or an Agent in relation to natural gas distribution services	6.4.2.	Judgment
Principal or an Agent in relation to natural gas transmission services	6.4.3.	Judgment
Deferred tax assets from temporary differences	9.9	Estimate/judgment
Revaluation of property, plant and equipment used in electricity distribution	12.1	Estimate
Impairment of goodwill and intangible assets	13.1.1	Estimate/judgment
Impairment of property, plant and equipment	13.1.2	Judgment
Expected credit losses of trade receivables and other receivables: collective assessment of ECL applying provision matrix and individual assessment of ECL	15.2.4/20.2.	Estimate/judgment
Fair value of Investment funds – at FVTPL	16.2	Estimate
Leases: determining the lease term of contracts with renewal and termination options	24.3.1.	Judgment
Leases: estimating the incremental borrowing rate	24.3.2.	Estimate
Determining whether statutory and contractual servitudes are a lease	24.3.3	Judgment
Provisions for rights to servitudes	26.2.1.	Estimate
Provision for servitudes of real estate	26.1	Estimate
Control over UAB Kauno kogeneracinė jėgainė and put option valuation	29.1	Estimate/judgment
Regulated activity: accrual of income and regulatory provision from services ensuring isolated operation of the power system and capacity reserve	33.2.2.1.	Estimate
Regulated activity: accrual of income and regulatory provision from public electricity supply	33.2.2.2.	Estimate

5 Business segments

EURm	Green Capacities	Networks	Reserve Capacities	Customers & Solutions	Other activities and eliminations	Total adjusted	Adjustments	Total reported
2025								
Total revenue	514.0	782.2	228.8	1,215.4	(178.7)	2,561.7	(64.0)	2,497.7
Purchases of electricity, natural gas and other services	(105.8)	(335.1)	(157.8)	(1,208.9)	182.5	(1,625.1)	-	(1,625.1)
Salaries and related expenses	(32.5)	(86.2)	(14.2)	(25.3)	(30.9)	(189.1)	-	(189.1)
Repair and maintenance expenses	(20.9)	(46.0)	(11.6)	(0.3)	1.3	(77.5)	-	(77.5)
Other expenses	(63.3)	(51.5)	(7.5)	(29.4)	27.8	(123.9)	-	(123.9)
EBITDA	291.5	263.4	37.7	(48.5)	2.0	546.1	(64.0)	482.1
Depreciation and amortization	(62.0)	(129.5)	(11.4)	(6.4)	(10.5)	(219.8)	-	(219.8)
Write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets	(7.4)	(4.0)	0.1	0.2	0.2	(10.9)	-	(10.9)
EBIT	222.1	129.9	26.4	(54.7)	(8.3)	315.4	(64.0)	251.4
Finance activity, net						(53.0)	(8.3)	(61.3)
Income tax expenses						(36.7)	10.5	(26.2)
Net profit						225.7	(61.8)	163.9
Investments	285.9	382.5	10.7	29.4	11.8	720.3	-	720.3
2024								
Total revenue	412.9	718.1	149.9	1,215.8	(194.5)	2,302.2	4.8	2,307.0
Purchases of electricity, natural gas and other services	(75.1)	(316.8)	(83.1)	(1,165.2)	195.5	(1,444.7)	-	(1,444.7)
Salaries and related expenses	(24.1)	(82.2)	(11.9)	(20.9)	(24.0)	(163.1)	-	(163.1)
Repair and maintenance expenses	(15.1)	(44.4)	(6.7)	(0.3)	-	(66.5)	-	(66.5)
Other expenses	(36.2)	(54.8)	(6.2)	(22.3)	19.5	(100.0)	-	(100.0)
EBITDA	262.4	219.9	42.0	7.1	(3.5)	527.9	4.8	532.7
Depreciation and amortization	(42.7)	(111.6)	(11.6)	(3.0)	(9.4)	(178.3)	-	(178.3)
Write-offs, revaluation and impairment losses of property, plant and equipment and intangible assets	(2.0)	(3.2)	0.7	-	0.1	(4.4)	-	(4.4)
EBIT	217.7	105.1	31.1	4.1	(12.8)	345.2	4.8	350.0
Finance activity, net						(36.0)	(5.7)	(41.7)
Income tax expenses						(31.7)	(0.4)	(32.1)
Net profit						277.5	(1.3)	276.2
Investments	434.5	337.0	2.6	25.2	12.7	812.0	-	812.0

Business segments (equal to Operating segments in accordance with IFRS 8) are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Board.

The Group is divided into four business segments based on their core activities. For more information about the segments and their main sources of revenue, see the Integrated Annual Report's sections '2.1 Business model' and '3.5 Results by business segment'. The list of entities assigned to each segment is provided in Note 31.

The chief operating decision-maker monitors the results with reference to the financial reports that have been prepared using the same accounting policies as those used for the preparation of these financial statements. The primary APM is Adjusted EBITDA. Additionally, the management also analyses Investments of each individual segment. All measures are calculated using the data presented in the financial statements, and selected items which are not defined by IFRS are adjusted by the management. The Group's management calculates the main performance measures as described by the definitions of Alternative Performance Measures, which can be found in section '7.2 Alternative Performance Measures' of the Integrated Annual Report 2025.

5.1 EBITDA

Management's adjustments include:

- temporary regulatory differences (if any);
- significant one-off gains or losses (if any).

In the management's view, Adjusted EBITDA more accurately presents the results of the operations and enable a better comparison of the results between the periods as they indicate the amount that was actually earned by the Group in the reporting year by eliminating the differences between the permitted return set by NERC and the actual return for the period (temporary regulatory differences) as well as significant one-off gains.

The management's adjustments used in calculating the Adjusted EBITDA and Adjusted EBIT:

	2025	2024	Δ	Δ, %
EBITDA APM	482.1	532.7	(50.6)	(9.5%)
<i>Adjustments</i>				
Temporary regulatory differences¹	77.4	5.0	72.4	n/a
Networks	74.8	17.3	57.5	332.4%
Customers & Solutions	2.4	(11.2)	13.6	n/a
Reserve Capacities	1.3	(0.2)	1.5	n/a
Green Capacities	(1.1)	(0.9)	(0.2)	22.2%
Significant one-off gains or losses	(13.4)	(9.8)	(3.6)	(36.7%)
Green Capacities	(13.4)	(9.8)	(3.6)	(36.7%)
Total EBITDA adjustments	64.0	(4.8)	68.8	n/a
Adjusted EBITDA APM	546.1	527.9	18.2	3.9%
Adjusted EBITDA Margin APM	21.3%	22.9%	(1.6 pp)	n/a

¹ Temporary regulatory differences – elimination of the difference between the actual profit earned during the reporting period and the profit allowed by the regulator.

Adjustments related to the Networks segment's temporary regulatory differences (EUR +74.8 million) include:

- eliminating the higher-than-allowed current-year profit of EUR -31.1 million (EUR -36.1 million in 2024), which will be returned during the future periods. The amounts for the current year are based on the management's estimate arising from comparison between the return on investments permitted by NERC and estimated by the management using actual financial and operating data for the current period;
- adding back the higher-than-allowed profit earned during the previous periods of EUR 105.9 million (EUR 53.4 million in 2024), which is returned to the customers through the tariffs for the current period. These amounts are based on the resolutions passed by NERC.

Adjustments related to the Customers & Solutions segment's temporary regulatory differences (EUR +2.4 million) include:

- eliminating the higher-than-allowed profit (EUR -3.0 million), which is established in the calculation methodology used by NERC, from natural gas designated supply activities (EUR -11.9 million in 2024);
- adding back the lower-than-allowed return (EUR 5.4 million), which is established in the calculation methodology used by NERC, from natural gas public supply activities (EUR 0.7 million in 2024);

Adjustments related to the Reserve Capacities segment's temporary regulatory differences (EUR +1.3 million) include:

- adding back the lower-than-allowed return (EUR +1.3 million), which is established in the calculation methodology used by NERC, from Elektrėnai complex's regulated services (EUR -0.2 million in 2024).

Adjustments related to the Green Capacities segment's temporary regulatory differences (EUR -1.1 million) include:

- eliminating the higher-than-allowed return (EUR -1.1 million), which is established in the calculation methodology used by NERC, from Kruonis pumped storage power plant's regulated services (EUR -0.9 million in 2024);

Adjustments related to significant one-off gains or losses in 2025 include:

- the amount of EUR -13.4 million eliminated in the Green Capacities segment as the fair value changes in the power purchase agreement valuation were recognised, while in 2024 include the amount of EUR -9.8 million eliminated in the Green Capacities segment as the discount effect on non-current liabilities related to CfD (contract for difference) was recognised. CfDs are settled in Poland under the Renewable Energy Sources (RES) Act. Normally, CfD settlements occur within a three-year period. However, since regulatory changes in the RES Act occurred after Pomerania WF's CfD contract was signed, the payment of the first settlement period is deferred until the end of the contract (year 2036). Due to this reason, the discounting effect of the liability related to Pomerania's CfD is treated as a significant one-off item that does not reflect the Group's regular operating performance.

5.2 Operating profit (EBIT)

Operating profit (EBIT) adjustments, EUR:

	2025	2024	Δ	Δ, %
Operating profit (EBIT) APM	251.4	350.0	(98.6)	(28.2%)
<i>Adjustments</i>				
Total EBITDA adjustments	64.0	(4.8)	68.8	n/a
Total Operating profit (EBIT) adjustments	64.0	(4.8)	68.8	n/a
Adjusted EBIT APM	315.4	345.2	(29.8)	(8.6%)

5.3 Net profit

Net profit adjustments, EUR:

	2025	2024	Δ	Δ, %
Net profit	163.9	276.2	(112.3)	(40.6%)
<i>Adjustments</i>				
Total EBITDA adjustments	64.0	(4.8)	68.8	n/a
One-off financial activity adjustments	8.3	5.7	2.6	45.6%
Change in fair value of World fund	1.4	1.5	(0.1)	(6.7%)
Change in fair value of Smart fund	6.9	4.2	2.7	64.3%
Adjustments' impact on income tax	(10.5)	0.4	(10.9)	n/a
Total net profit adjustments	61.8	1.3	60.5	n/a
Adjusted Net Profit APM	225.7	277.5	(51.8)	(18.7%)

Adjustments related to one-off financial activity (EUR + 8.3 million) include:

- one-off financial activity adjustments for 2025 include elimination of investment funds' decrease in fair value (EUR 8.3 million). One-off financial activity adjustments for 2024 include elimination of investment funds' decrease in fair value (EUR 5.7 million).

Adjustments related to the impact on income tax (EUR -10.5 million) include:

- an additional income tax adjustment of 16% (statutory income tax rate in Lithuania) is applied to all of the above net profit adjustments.

6 Revenue

6.1 Revenue by type

EURm	2025	2024
Revenue from the sale of electricity	619.6	574.7
Revenue from electricity transmission and distribution	578.3	571.8
Revenue from sale of produced electricity	487.8	410.1
Revenue from services ensuring the isolated operation of power system and capacity reserve	160.0	81.5
Revenue from public electricity supply	53.0	43.9
Revenue from other electricity related activity	32.2	10.8
Electricity related revenue	1,930.9	1,692.8
Revenue from natural gas sales	383.3	398.3
Revenue from natural gas distribution	60.4	69.2
Revenue of LNGT security component	-	31.8
Revenue from other gas related activity	1.6	1.5
Gas related revenue	445.3	500.8
Revenue from sale of heat energy	66.4	55.4
Other revenue	30.4	46.6
Other revenue from contracts with customers	96.8	102.0
Total revenue from contracts with customers	2,473.0	2,295.6
Other	24.7	11.4
Other income	24.7	11.4
Total revenue	2,497.7	2,307.0

6.2 Revenue by geographic segment

In 2025, the Group earned 83.3% (82.7% in 2024) of its revenue in Lithuania (EUR 2,080.9 million). The Group's revenue from other countries comprised 16.7% and reached EUR 416.9 million (17.3% and EUR 398.0 million in 2024). The increase in Lithuania and Poland was primarily due to new assets launched and new services provided.

EURm	2025	2024
Lithuania	2,080.8	1,909.0
Poland	213.4	167.5
Latvia	108.8	99.7
Finland	87.7	85.5
Estonia	6.9	11.5
Other countries	0.1	33.8
Total	2,497.7	2,307.0

6.3 Revenue from contracts with customers by timing

EURm	2025	2024
Performance obligation settled over time	2,452.6	2,231.0
Performance obligation settled at a specific point in time	20.4	64.6
Total	2,473.0	2,295.6

6.4 Significant accounting estimates and judgements**6.4.1 Determining whether the Group acts as a Principal or an Agent in relation to electricity transmission and distribution services**

In providing electricity transfer services, which include transmission and distribution services, to end-users, the Group in Lithuania and Latvia acquires electricity transmission services from the transmission system operator (not a part of the Group), and in Latvia it acquires electricity distribution services from the distribution system operator (not a part of the Group). The management of the Group analysed the related contracts with the electricity transmission and distribution system operators and the contracts with customers, and also evaluated the applicable regulatory environment to conclude whether the Group is acting as a Principal or as an Agent in relation to the electricity transmission services in Lithuania and the electricity transfer (includes both transmission and distribution) services in Latvia. The management has concluded that the Group acts:

- as an Agent in relation to the electricity transmission and distribution services acquired from the Latvian operator of the electricity transmission system;
- as a Principal in relation to the electricity transmission services acquired from the Lithuanian operator of the transmission system.

6.4.2 Determining whether the Group acts as a Principal or an Agent in relation to natural gas distribution services

When providing natural gas distribution services to customers in Lithuania, the Group uses its own distribution network, in Latvia – the Group acquires these services from the company which is not a part of the Group. The management of the Group analysed the related contracts with the Latvian natural gas distribution system operator and the contracts with customers, evaluated the applicable regulatory environment and, to conclude whether the Group is acting as a Principal or as an Agent in relation to the natural gas distribution services in Latvia, the management has considered the following arguments:

- the Group is not ultimately responsible for natural gas distribution services since, according to the laws and regulations and agreements with customers, the owner of the distribution grid takes full responsibility;
- the Group also does not bear the inventory risk since the price of distribution services is determined based on meter readings, i.e., the distribution fee is charged to the Group only to the amount of gas consumed by the end customer;
- the price of the distribution component is determined by the system operator, which is not a part of the Group, and approved by the regulator.

Following the arguments presented above, the management has applied a significant judgement and concluded that the Group acts as an Agent in relation to the natural gas distribution services acquired from the operator of the Latvian natural gas distribution system.

6.4.3 Determining whether the Group acts as a Principal or an Agent in relation to natural gas transmission services

The Group provides natural gas supply services to customers and collects payments from them for natural gas transmission services that are provided by the transmission system operator (not a part of the Group). The management has applied a significant judgment and concluded that the Group acts as an Agent in relation to collecting the transmission service component from customers due to the following argumentation:

- the Group is not ultimately responsible for natural gas transmission services since, according to the laws and regulations, the owner of the transmission grid takes full responsibility;
- the Group also does not bear the inventory risk since the price of transmission services is determined based on meter readings, i.e., the transmission fee is charged to the Group only to the amount of natural gas consumed by the end customer;
- the price of the transmission component is determined by the transmission system operator, which is not a part of the Group, and approved by the regulator.

Following the arguments presented above, the management has applied a significant judgement and concluded that the Group acts as an Agent in relation to natural gas transmission services for which the Group collects payments from the end customers.

7 Expenses

7.1 Purchases of electricity, natural gas and other services

EURm	2025	2024 ¹
Purchases of electricity and related services	1,055.7	927.3
Purchases of natural gas and related services	492.1	451.3
Other purchases	77.3	66.1
Total	1,625.1	1,444.7

¹Part of the amounts do not reconcile with the financial statements issued for the year 2024 due to a different presentation of emission allowances of EUR 18.5 million between "Purchases of electricity and related services" and "Other purchases".

The Group's purchase of electricity, natural gas and other purchases amounted to EUR 1,625.1 million in 2025 and increased by 12.5% compared to 2024. The increase was caused by higher purchase of natural gas and related services (EUR 40.8 million), mainly impacted by higher volume sold and higher market prices. Expenses from purchase of electricity and related services increased by 13.8% (EUR 128.4 million), mostly impacted by higher electricity sales volumes.

7.2 Salaries and related expenses

EURm	2025	2024
Fixed wages and salaries	186.3	159.5
Variable wages and salaries	29.7	28.6
Other wages and salaries expenses	6.4	5.5
Attributable cost to property, plant and equipment and intangible assets	(33.3)	(30.5)
Total	189.1	163.1

In 2025, salaries and related expenses were EUR 26.0 million (15.9%) higher compared to 2024, which increased mainly due to the growth in Group's average salary and headcount.

7.3 Repairs and maintenance expenses

EURm	2025	2024
Electricity network	39.4	40.1
Electricity and heat power generation equipment	32.0	20.6
Natural gas network	4.1	4.2
Other	2.0	1.6
Total	77.5	66.5

7.4 Other expenses

EURm	2025	2024
Asset management and administration	16.4	19.4
Telecommunications and IT services	16.1	14.4
Taxes (other than income taxes)	15.1	11.8
Customer service	10.3	10.1
People and culture	7.7	7.4
Finance and accounting	7.5	7.0
Insurance	6.6	1.3
Communication	6.5	4.2
Legal	2.6	3.9
Other	35.1	20.5
Total	123.9	100.0

8 Finance activity

EURm	2025	2024
Interest income at the effective interest rate	11.0	14.0
Gain from foreign currency exchange differences	-	5.9
Fair value change of derivatives	-	0.7
Other income from financing activities	-	2.6
Total finance income	11.0	23.2
Interest expenses	48.4	44.9
Investments funds – at FVTPL (Note 16.1)	8.3	5.7
Amounts under trade finance agreements	5.6	5.8
Interest and discount expense on lease liabilities	3.6	1.7
Loss from foreign currency exchange differences	1.5	-
Fair value change of derivatives	-	0.2
Other expenses of financing activities	4.9	6.6
Total financial expenses	72.3	64.9
Finance activity, net	(61.3)	(41.7)

8.1 The Group's interest income

In 2025, the Group received in cash EUR 4.8 million (2024: EUR 6.2 million) in interest income, which is presented in the Statement of cash flows under 'Interest received'.

9 Income taxes

9.1 Overview

The Group adheres to all applicable tax laws and regulations in every jurisdiction where it operates. The Group collaborates with tax authorities, legal advisors, and external experts to ensure that decisions, internal policies, and processes are updated and appropriately aligned.

The Group ensures that taxes are paid in the jurisdictions where economic activities and value generation actually occur. This means that the tax obligations reflect the true location of the business's operations, employees, and assets, ensuring that tax payments align with the economic contribution made by the Group in each region. By doing so, the Group supports local economies, maintains compliance with tax laws, and promotes a fair distribution of tax revenue, contributing to the communities in which it operates.

The Group's tax experts are involved in significant business developments, allowing for the timely assessment of potential tax consequences and the provision of optimal tax advice. This approach reduces potential tax exposure areas and enables the implementation of measures to mitigate financial, operational, and reputational risks.

9.2 Risk management

The Group avoids tax planning that involve complex or artificial arrangements designed solely to minimize tax liability without genuine business purpose. Any tax structures that do not have a legitimate commercial reason or fail to reflect real economic activities are avoided.

The Group avoids misleading tax practices and ensures that its tax disclosures accurately reflect its true economic activities, thereby reinforcing trust and credibility with tax authorities and the public.

The Group is applying only tax incentives that are legally approved and aligned with the applicable tax laws. Any tax incentives utilized must have a legitimate economic purpose. The Group ensures full transparency in claiming tax benefits and adheres to both local and international standards to maintain compliance, integrity, and responsible tax practices.

The Group aims to ensure that tax decisions are carefully assessed for potential risks and clearly documented to support these decisions. Proper documentation includes identifying potential tax risks, assessing their impact and ensuring that the Group's tax decisions are lawful, transparent and in compliance with legal requirements.

To prevent tax disputes, minimize tax risks, and gain clarity on unusual transactions, the Group proactively seeks advance confirmation from tax authorities through inquiries in writing or binding rulings. This approach ensures compliance with tax regulations, provides legal certainty, and helps avoid potential issues.

9.3 Amounts recognised in profit or loss

EURm	2025	2024
Income tax expenses (benefit) for the year	43.9	40.3
Deferred tax expenses (benefit)	(17.7)	(9.4)
Global minimum top-up tax	-	1.2
Total	26.2	32.1

9.4 Amounts recognised in other comprehensive income

Income taxes in 2025 recognised in other comprehensive income comprise EUR -0.3 million in income tax expenses and EUR -1.2 million in deferred tax expenses (2024: EUR 1.3 million in income tax benefit and EUR -2.1 million in deferred tax expenses).

9.5 Effective tax rate

EURm	2025	2025	2024	2024
Profit (loss) before tax		190.0		308.3
Income tax expenses (benefit) at tax rate of 16% (2024: 15%)	16.00%	30.4	15.00%	46.2
Income tax expenses related to global minimum top-up tax	-	-	0.39%	1.2
Effect of tax rates in foreign jurisdictions	2.00%	3.8	0.45%	1.4
Non-taxable income and non-deductible expenses	4.94%	9.4	0.48%	1.5
Income tax relief for the investment project	(10.95%)	(20.8)	(4.77%)	(14.7)
Adjustments in respect of prior years	(0.26%)	(0.5)	0.13%	0.4
Other	0.95%	1.8	(1.26%)	(3.9)
Income tax expenses (benefit)	12.68%	24.1	10.42%	32.1

Income tax on the Group's profit before tax differs from the theoretical amount that would arise using the effective tax rates applicable to profit of the Group.

Standard income tax rate of 16% was applicable to the companies in Lithuania (starting from 2026 – 17%), in Poland – 19%, in Finland and Latvia – 20%. Standard income tax rate in Estonia is 22% (starting from 2026 – 24%), on the gross amount of the distribution. 'Income tax relief for the investment project' included the income tax relief for the investment projects in 2025 and the income tax relief from previous periods, for which the deferred tax assets were not recognized.

9.6 Global minimum tax

In December 2021, the Organisation for Economic Co-operation and Development (OECD) introduced the Pillar 2 model rules, aimed at overhauling international corporate taxation. The primary objective of these regulations is to guarantee that large multinational enterprises, specifically those with global revenues surpassing EUR 750 million, are subject to a minimum effective tax rate of 15%. These rules need to be incorporated into the national laws of the countries that choose to adopt them.

Finland implemented the Global Minimum Tax legislation effective from 1 January 2024. Poland implemented the Global Minimum Tax legislation effective from 1 January 2025. Lithuania, Latvia, and Estonia have exercised the option provided under the EU directive to defer the implementation of the Global Minimum Tax until 2029.

The Group's effective income tax rate in Lithuania for the financial year 2025 is above the minimum threshold of 15% and profit before taxes is less than the Substance Based Income Exclusion (SBIE) amount. In other countries where the Group operates, namely Latvia, Estonia, Poland, and Finland, the Group's effective income tax rate exceeds 15% or the activities result in a loss or SBIE is more than profit before taxes.

As a result, the Group is not subject to top-up tax obligations in Finland and Poland for the financial year 2025. Also, no top-up tax obligations arise in Lithuania, Latvia, and Estonia due to the deferred implementation of the Global Minimum Tax in these jurisdictions.

For the year 2025, the Group did not calculate any top-up tax (2024: EUR 1.2 million). No deferred tax was recognized related to top-up tax.

9.7 Information on income tax

In accordance with the provisions of Directive (EU) 2021/2101 and Commission Implementing Regulation (EU) 2024/2952 of 29 November 2024, report on income tax information is provided in the section '10 Report on income tax information' of the Integrated Annual Report.

9.8 Taxes paid by the Group

The Group discloses the taxes paid by the Group for the fiscal year. This includes indirect, income, payroll and other taxes. By providing a detailed breakdown of the Group's tax contributions, the Group aims to offer stakeholders a clear view of financial practices and a role in supporting public finances. This disclosure reflects the Group's dedication to ethical business conduct and contribution to the economic development of the jurisdictions in which the Group operates.

	Lithuania		Poland		Latvia		Estonia		Finland		Total	
EURm	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Indirect taxes	207.9	203.0	30.1	(1.8)	13.0	12.4	(1.1)	0.4	21.5	15.4	271.4	229.4
Income tax	23.3	3.7	4.7	3.2	0.1	-	1.2	0.9	-	-	29.3	7.8
Payroll taxes	82.5	76.8	2.2	1.2	1.6	1.4	0.8	0.2	0.1	0.1	87.2	79.7
Other taxes	5.5	3.3	3.6	0.9	0.6	-	0.1	-	-	-	9.8	4.2
Total taxes	319.2	286.8	40.6	3.5	15.3	13.8	1.0	1.5	21.6	15.5	397.7	321.1
Dividends to the State	73.1	70.9	-	-	-	-	-	-	-	-	73.1	70.9
Total to the State	392.3	357.7	40.6	3.5	15.3	13.8	1.0	1.5	21.6	15.5	470.8	392.0

Indirect taxes

Indirect taxes include taxes on the production and consumption of goods and services (VAT) and excise duties.

Most indirect taxes consist of VAT, amounting to EUR 268.3 million, while the remaining amount of EUR 3.0 million is attributed to excise duties. The indirect taxes paid by the Group in 2025 increased by EUR 201.1 million (33.4 %) compared to 2024. This increase was primarily related to new assets and new activities.

Income tax

Income taxes include taxes on the Group companies' profits, including withholding taxes and taxes that are ultimately borne by the parent company.

The income taxes paid by the Group in 2025 increased by EUR 21.7 million compared to 2024. The increase is due to the fact that in 2024 a more significant amount of accrued tax losses was used from 2023 to cover that payable income tax.

Payroll taxes

Payroll taxes include taxes on employment (personal income tax) and social security contributions.

In 2025, the Group paid social security contributions of EUR 49.4 million and personal income tax (PIT) of EUR 37.9 million. The social security contributions and PIT paid by the Group in 2025 increased by EUR 7.6 million (9.5%) compared to 2024. The increase in social security contributions and PIT was driven by the increasing wages of the Group's employees and the growing number of employees.

9.9 Deferred tax

EURm	As at 31 December 2023	Recognise d in profit or loss	Recognised in other comprehen sive income	Deferred taxes assumed through business combinations and recognised directly in equity	Set off with income tax	Differenc e on exchange rate	As at 31 December 2024	Recognise d in profit or loss	Recognised in other comprehen sive income	Deferred taxes assumed through business combinations and recognised directly in equity	Set off with income tax	Difference on exchange rate	As at 31 December 2025
Deferred tax assets													
Revaluation of property, plant and equipment (PPE)	17.3	0.7	(0.8)	-	-	-	17.2	0.4	(0.8)	-	-	-	16.8
Difference on recognition of income from new customers' connection and upgrade fees	11.3	-	-	-	-	-	11.3	(0.1)	-	-	-	-	11.2
Inventories write down to NRV	1.2	(1.1)	-	-	-	-	0.1	0.5	-	-	-	-	0.6
Income tax relief for the investment project	9.6	9.8	-	-	-	-	19.4	15.6	-	-	-	-	35.0
Lease liability (IFRS16)	8.4	2.1	-	-	-	0.1	10.6	4.6	-	-	-	-	15.2
Accrued expenses	4.3	1.1	-	-	-	-	5.4	3.0	-	-	-	-	8.4
Impairment of trade receivables	1.8	-	-	-	-	-	1.8	0.2	-	-	-	-	2.0
Tax losses carry forward	36.0	8.3	1.4	-	(28.5)	-	17.2	25.4	(1.6)	-	(6.7)	-	34.3
Impairment of PPE	0.8	(0.1)	-	-	-	-	0.7	(0.1)	-	-	-	-	0.6
Other	6.9	-	-	-	-	0.1	7.0	(0.2)	-	-	-	2.1	8.9
Deferred tax asset	97.6	20.8	0.6	-	(28.5)	0.2	90.7	49.3	(2.4)	-	(6.7)	2.1	133.0
Deferred tax liabilities													
Differences of financial and tax value (PPE)	84.5	8.5	-	-	-	0.1	93.1	23.5	-	-	-	-	116.6
Difference of financial and tax value of assets acquired through business combination	25.7	(0.3)	-	0.7	-	-	26.1	1.1	-	0.3	-	-	27.5
Right-of-use asset (IFRS16)	7.2	3.7	-	-	-	0.1	11.0	5.5	-	-	-	-	16.5
Derivatives	-	(0.4)	2.5	-	-	-	2.1	2.9	(1.3)	-	-	-	3.7
Write-off grants	3.2	0.2	-	-	-	-	3.4	0.2	-	-	-	-	3.6
Other	7.9	(0.3)	0.2	-	-	-	7.8	(1.6)	0.1	-	-	-	6.3
Deferred tax liability	128.5	11.4	2.7	0.7	-	0.2	143.5	31.6	(1.2)	0.3	-	-	174.2
Deferred tax, net	(30.9)	9.4	(2.1)	(0.7)	(28.5)	-	(52.8)	17.7	(1.2)	(0.3)	(6.7)	2.1	(41.2)

The Group's Statement of financial position as at 31 December 2025 presents separately deferred tax assets of EUR 49.1 million and deferred tax liabilities of EUR 90.3 million related to different subsidiaries. The net balance of deferred tax is liability of EUR 41.2 million. Deferred tax assets and liabilities arising from the same entity are presented on the net basis in the Statement of financial position (as at 31 December 2024 deferred tax asset was EUR 31.9 million, deferred tax liability – EUR 84.7 million).

As at 31 December 2025, the Group did not recognise the deferred tax assets from temporary differences of EUR 40.9 million (e.g. investment tax relief, taxable losses), as it is not clear whether future taxable profits will be available against which they can be used (in 31 December 2024, the Group did not recognise deferred tax assets on investment tax relief in the amount of EUR 88.5 million). The group will be able to benefit from investment project incentives, for which they did not recognize deferred income tax, over the next three years, until 2028 inclusive.

In Lithuania, tax losses can be carried forward for an indefinite period, except for losses incurred as a result of disposal of securities and/or derivatives. Such carrying forward is disrupted if the Group changes the activities due to which these losses are incurred, except for cases when the Group does not continue its activities due to the reasons which do not depend on the Group itself. The losses from the disposal of securities and/or derivatives can be carried forward for 5 consecutive years and can only be used to reduce the taxable income earned from the transactions of the same nature. In terms of utilising the tax losses carried forward, the amount may not exceed 70% of the taxpayer's taxable profits in a given year. Deferred tax asset has been recognized on the assumption that the Group expects to utilize tax losses over the next 10 years.

In Poland, losses that could not have been set off may be carried forward for the maximum period of 5 years. Up 50% of loss may be utilised in a given year. It is also possible to reduce the losses by the amount not exceeding PLN 5.0 million at a time, with the amount not deducted being settled in the remaining years over the five-year period, provided that the amount of the reduction in any of those years may not exceed 50% of the amount of the losses.

10 Other comprehensive income

EURm	Revaluation reserve	Hedging reserve	Other reserves	Retained earnings	Total
Items that will not be reclassified to profit or loss in subsequent periods					
Revaluation of property, plant and equipment	0.6	-	-	-	0.6
Result of change in actuarial assumptions	-	-	-	(0.1)	(0.1)
Tax	(0.8)	-	-	-	(0.8)
Items that may be reclassified to profit or loss in subsequent periods					
Cash flow hedges – effective portion of change in fair value	-	(3.9)	-	-	(3.9)
Cash flow hedges – reclassified to profit or loss	-	2.1	-	-	2.1
Foreign operations – foreign currency translation differences	-	-	5.6	-	5.6
Tax	-	0.2	(0.2)	-	-
Total as at 31 December 2024	(0.2)	(1.6)	5.4	(0.1)	3.5
Items that will not be reclassified to profit or loss in subsequent periods					
Revaluation of property, plant and equipment	0.7	-	-	-	0.7
Result of change in actuarial assumptions	-	-	-	(0.1)	(0.1)
Tax	(0.8)	-	-	-	(0.8)
Items that may be reclassified to profit or loss in subsequent periods					
Cash flow hedges – effective portion of change in fair value	-	9.8	-	-	9.8
Cash flow hedges – reclassified to profit or loss	-	(8.0)	-	-	(8.0)
Foreign operations – foreign currency translation differences	-	-	2.9	-	2.9
Tax	-	(0.6)	(0.1)	-	(0.7)
Total as at 31 December 2025	(0.1)	1.2	2.8	(0.1)	3.8

Total amount of taxes recognised in other comprehensive income in 2025 was EUR -1.5 million. This amount includes EUR -0.3 million in income tax expenses and EUR -1.2 million in deferred tax expenses (9.9 Note) (the total amount of taxes recognised in 2024 was EUR -0.8 million. This amount includes EUR 1.3 million in income tax benefit and EUR -2.1 million in deferred tax expenses).

11 Intangible assets

EURm	Patents and licences	Computer software	Goodwill	Servitudes and security zones	Licenses and rights to produce electricity	Other intangible assets	Total
Acquisition cost at 1 January 2025	0.3	109.0	18.7	16.8	219.3	15.0	379.1
Additions	-	1.0	-	1.0	-	19.3	21.3
Write-offs	-	(0.9)	-	-	-	(0.1)	(1.0)
Reclassifications between categories	-	14.8	-	-	-	(14.8)	-
Reclassifications (to)/from property, plant & equipment	-	-	-	-	-	1.3	1.3
Re-measurement of provision related to rights to servitudes and security zones	-	-	-	(0.2)	-	-	(0.2)
Acquisition through business combination (Note 31.3.1)	-	-	0.4	-	1.9	-	2.3
Foreign currency exchange difference	-	-	-	-	0.6	-	0.6
Acquisition cost at 31 December 2025	0.3	123.9	19.1	17.6	221.8	20.7	403.4
Accumulated amortisation at 1 January 2025	(0.3)	(51.4)	(2.0)	-	(14.6)	(5.0)	(73.3)
Amortisation	-	(19.5)	-	-	(5.3)	(0.3)	(25.1)
Impairment (Note 13)	-	-	(1.1)	-	(11.6)	-	(12.7)
Reclassifications between categories	-	0.1	-	-	-	(0.1)	-
Write-offs	-	0.9	-	-	-	0.1	1.0
Foreign currency exchange difference	-	-	-	-	(0.1)	-	(0.1)
Accumulated amortisation at 31 December 2025	(0.3)	(69.9)	(3.1)	-	(31.6)	(5.3)	(110.2)
Carrying amount at 31 December 2025	-	54.0	16.0	17.6	190.2	15.4	293.2
Acquisition cost at 1 January 2024	0.3	68.8	15.9	20.9	218.1	45.3	369.3
Additions	-	0.5	-	1.0	-	18.7	20.2
Write-offs	-	(1.4)	-	-	-	(0.1)	(1.5)
Reclassifications between categories	-	35.4	-	-	-	(35.4)	-
Reclassifications (to)/from property, plant & equipment	-	5.7	-	-	-	0.8	6.5
Re-measurement of provision related to rights to servitudes and security zones	-	-	-	(5.1)	-	-	(5.1)
Acquisition through business combination	-	-	2.0	-	-	-	2.0
Reclassifications (to)/from other items of Statement of financial position	-	-	0.7	-	-	(14.3)	(13.6)
Foreign currency exchange difference	-	-	0.1	-	1.2	-	1.3
Acquisition cost at 31 December 2024	0.3	109.0	18.7	16.8	219.3	15.0	379.1
Accumulated amortisation at 1 January 2024	(0.3)	(36.4)	-	-	(12.4)	(4.8)	(53.9)
Amortisation	-	(16.4)	-	-	(2.3)	(0.3)	(19.0)
Impairment (Note 13)	-	-	(2.0)	-	-	-	(2.0)
Write-offs	-	1.4	-	-	-	0.1	1.5
Foreign currency exchange difference	-	-	-	-	0.1	-	0.1
Accumulated amortisation at 31 December 2024	(0.3)	(51.4)	(2.0)	-	(14.6)	(5.0)	(73.3)
Carrying amount at 31 December 2024	-	57.6	16.7	16.8	204.7	10.0	305.8

11.1 Goodwill

Change in goodwill identified through business combination mainly relates to the acquisition of new subsidiaries in 2025 (Note 31.3.1) and the recognition of impairment losses (Note 13.1.1).

11.2 Fully amortised intangible assets

The acquisition cost of fully amortised intangible assets used by the Group were as follows:

EURm	31 December 2025	31 December 2024
Patents and licences	0.3	0.1
Computer software	7.6	7.4
Other intangible assets	0.6	0.8
Acquisition cost of fully amortised assets, total	8.5	8.3

11.3 Acquisition commitments

The Group’s acquisition commitments amounted to EUR 6.5 million as at 31 December 2025 (31 December 2024: EUR 8.7 million).

12 Property, plant, and equipment

EURm	Land	Buildings	Electricity networks and their structures	Gas distribution pipelines, gas technological equipment and installations	Assets of Hydro Power Plant, Pumped Storage Hydroelectric Power Plant	Combined Cycle Gas Turbine and Reserve Power Plant	Wind and solar power farms and their installations	Cogeneration plants	Other property, plant and equipment	Construction-in-progress	Total
Acquisition cost or revalued amount at 1 January 2025	3.9	0.9	2,074.7	322.1	217.8	775.5	397.6	522.5	117.5	705.4	5,137.9
Additions	2.7	-	10.7	-	0.2	0.2	-	0.1	7.0	863.2	884.1
Revaluation	-	-	-	-	-	-	-	-	(0.2)	-	(0.2)
Disposals	-	-	(4.8)	-	-	-	-	-	(0.1)	-	(4.9)
Write-offs	-	-	(4.7)	(0.2)	-	(0.5)	-	(0.3)	(1.2)	(0.7)	(7.6)
Re-measurement of decommissioning provision	-	-	-	-	-	-	0.2	-	-	-	0.2
Reclassifications from constructions in-progress	0.1	-	355.2	9.3	1.0	-	805.3	2.4	24.9	(1,198.2)	-
Reclassifications (to)/from other items of Statement of financial position	-	-	0.6	-	0.1	0.3	-	(0.1)	(11.4)	(1.0)	(11.5)
Other movement	-	-	-	-	-	-	4.4	-	-	-	4.4
Acquisitions through business combination (Note 31.3.1)	-	-	-	-	-	-	-	-	-	0.3	0.3
Foreign currency exchange difference	-	-	-	-	-	-	0.7	-	-	2.1	2.8
Acquisition cost or revalued amount at 31 December 2025	6.7	0.9	2,431.7	331.2	219.1	775.5	1,208.2	524.6	136.5	371.1	6,005.5
Accumulated depreciation and impairment losses at 1 January 2025	-	(0.5)	(242.8)	(44.7)	(133.3)	(520.8)	(58.4)	(57.9)	(51.9)	(0.2)	(1,110.5)
Depreciation	-	-	(104.0)	(7.5)	(5.2)	(19.4)	(26.6)	(25.7)	(13.4)	-	(201.8)
Revaluation and/or impairment	-	-	-	-	-	(0.1)	-	-	0.9	(4.8)	(4.0)
Disposals	-	-	1.4	-	-	-	-	-	0.1	-	1.5
Write-offs	-	-	0.7	0.1	-	0.5	-	0.2	1.2	-	2.7
Reclassifications (to)/from other items of Statement of financial position	-	(0.1)	0.2	-	-	-	-	0.1	5.8	-	6.0
Foreign currency exchange difference	-	-	-	-	-	-	(0.2)	-	-	-	(0.2)
Accumulated depreciation and impairment losses at 31 December 2025	-	(0.6)	(344.5)	(52.1)	(138.5)	(539.8)	(85.2)	(83.3)	(57.3)	(5.0)	(1,306.3)
Carrying amount at 31 December 2025	6.7	0.3	2,087.2	279.1	80.6	235.7	1,123.0	441.3	79.2	366.1	4,699.2

Continued on the next page

EURm	Land	Buildings	Electricity networks and their structures	Gas distribution pipelines, gas technological equipment and installations	Assets of Hydro Power Plant, Pumped Storage Hydroelectric Power Plant	Combined Cycle Gas Turbine and Reserve Power Plant	Wind and solar power farms and their installations	Cogeneration plants	Other property, plant and equipment	Construction-in-progress	Total
Acquisition cost or revalued amount at 1 January 2024	3.2	0.8	1,752.6	311.8	213.6	777.5	300.6	268.9	110.4	575.1	4,314.5
Additions	0.7	0.1	4.5	-	-	0.4	1.7	0.2	8.7	812.6	828.9
Revaluation	-	-	-	-	-	-	-	-	(0.6)	-	(0.6)
Disposals	-	-	(4.8)	(0.1)	-	(0.5)	-	-	(0.1)	-	(5.5)
Write-offs	-	-	(3.0)	(0.3)	(0.3)	(1.4)	-	(0.4)	(0.6)	(0.8)	(6.8)
Re-measurement of decommissioning provision	-	-	-	-	-	-	(0.3)	-	-	-	(0.3)
Reclassifications from constructions in-progress	-	-	323.0	10.7	4.3	0.2	84.4	244.8	15.5	(682.9)	-
Other reclassifications between categories	-	-	2.4	-	-	-	-	9.0	(11.4)	-	-
Reclassifications (to)/from other items of Statement of financial position	-	-	-	-	0.2	(0.7)	-	-	(4.4)	(6.5)	(11.4)
Acquisitions through business combination	-	-	-	-	-	-	8.7	-	-	6.6	15.3
Foreign currency exchange difference	-	-	-	-	-	-	2.5	-	-	1.3	3.8
Acquisition cost or revalued amount at 31 December 2024	3.9	0.9	2,074.7	322.1	217.8	775.5	397.6	522.5	117.5	705.4	5,137.9
Accumulated depreciation and impairment losses at 1 January 2024	-	(0.5)	(155.2)	(37.5)	(128.5)	(504.1)	(45.2)	(32.7)	(48.1)	(0.2)	(952.0)
Depreciation	-	-	(88.4)	(7.3)	(5.1)	(19.6)	(13.0)	(24.5)	(11.1)	-	(169.0)
Revaluation and/or impairment	-	-	-	-	-	0.2	-	-	1.2	-	1.4
Disposals	-	-	1.2	-	-	0.5	-	-	0.1	-	1.8
Write-offs	-	-	0.4	0.1	0.3	1.4	-	0.3	0.6	-	3.1
Other reclassifications between categories	-	-	(0.8)	-	-	-	-	(1.0)	1.8	-	-
Reclassifications (to)/from other items of Statement of financial position	-	-	-	-	-	0.8	-	-	3.6	-	4.4
Foreign currency exchange difference	-	-	-	-	-	-	(0.2)	-	-	-	(0.2)
Accumulated depreciation and impairment losses at 31 December 2024	-	(0.5)	(242.8)	(44.7)	(133.3)	(520.8)	(58.4)	(57.9)	(51.9)	(0.2)	(1,110.5)
Carrying amount at 31 December 2024	3.9	0.4	1,831.9	277.4	84.5	254.7	339.2	464.6	65.6	705.2	4,027.4

12.1 Revaluation of property, plant and equipment used in electricity distribution

A major part of assets presented in 'Electricity networks and their structures' are used in electricity distribution activities performed by AB "Energijos skirstymo operatorius" and attributable to electricity distribution CGU in the Group. The carrying amount of PPE allocated to this CGU (incl. construction in progress and assets in other groups) is EUR 2,151.1 million as at 31 December 2025 (EUR 1,908.9 million as at 31 December 2024).

Taking into account the fact that there were no significant changes in the legal regulatory environment related to electricity, after evaluating all related assumptions, the Group determined that the carrying amount of the property, plant and equipment used in electricity distribution as at 31 December 2025 would change insignificantly (up to 0.1%). Taking this into account, the Group's management decided not to carry out a full revaluation of such assets in order to represent them at their new fair value

For this, the Group analysed whether the assumptions made in the full revaluation in 2021 had not changed significantly – it was noted that only several assumptions changed:

- discount rate (after-tax) was 4.79% (5.77% pre-tax);
- rate of return set by NERC for 2026 – 5.77% (approximates the pre-tax discount rate);
- the advance schedule for returning the EUR 117.8 million regulatory difference, which has formed due to the long run average increase costs ('LRAIC') model, will reduce the Group's revenue by EUR 117.8 million in 2026–2031.
- changes to the calculation of the additional component were made, which will allow to keep the sustainable debt level of 5.5x, as determined in the approved methodology.

However, these changes did not significantly impact the fair value of property, plant and equipment used in electricity distribution. Other assumptions did not change significantly and were used in the valuation in 2025 accordingly.

The following key assumptions were used in 31 December 2025 valuation:

- discount rate (after-tax) was 4.79% (5.77% pre-tax);
- WACC (rate of return set by NERC) for 2026 – 5.77%, (approximates the pre-tax discount rate);
- an additional tariff component was established for funding investments, on the basis whereof the amount will be included annually in the Group's regulated income for the period of 2026 and subsequent periods, which will allow to maintain the sustainable debt level, which was determined in the approved methodology. According to the management's assessment, even though there is a possibility that after the forecast period (2026–2040) the additional component will remain, thus maintaining a sustainable debt level of 5.5x in accordance with the methodology over the entire period, an additional tariff component is not included in the measurement of a continuous value;
- a long-term forecast for investments in the electricity segment was applied, including their funding according to the 10-year investment plan of the Group;
- according to the measurement model, the calculated return adjustment, amounting to EUR 117.8 million, formed due to the main network elements' depreciation and investment return level being optimized and not optimized by the long run average increase costs ('LRAIC') model and due to the actual depreciation and investment return level, will reduce the Group's revenue by EUR 117.8 million in 2026–2031 and, in addition, the interest will be charged on the outstanding portion on a yearly basis;
- the fair value of assets was determined using the revenue model when forecasting cash flows until 2040, taking into consideration the projected adjustments of investment returns due to the LRAIC asset depreciation and the expected repayment term of return differences in 2018–2021.

The fair value assessment analysis of unobservable inputs variation, relying on sensitivity of variation of discount rate (WACC) indicated that reasonably possible variance would change the valuation by 141 EUEm (-50 bps WACC) and -152 EURm (+50 bps WACC).

12.2 Revalued property, plant and equipment

If property, plant and equipment had not been revalued, the carrying amount of the Group's property, plant and equipment would have been following:

EURm	Electricity networks and their structures	Other property, plant and equipment	Total
As at 31 December 2024	1,933.6	9.5	1,943.1
As at 31 December 2025	2,159.4	27.4	2,186.8

The table below includes the information on the results of impairment loss and/or revaluation of property, plant and equipment conducted in 2025:

EURm	Recognised in Statement of comprehensive income and revaluation reserve in equity	Recognised in profit or loss	Total revaluation effect
Increase (decrease) in carrying amount	0.7	-	0.7
Total	0.7	-	0.7

Results of impairment loss and/or revaluation of property, plant and equipment conducted in 2024:

EURm	Recognised in Statement of comprehensive income and revaluation reserve in equity	Recognised in profit or loss	Total revaluation effect
Increase (decrease) in carrying amount	0.6	-	0.6
Total	0.6	-	0.6

12.3 Acquisitions and disposals of property, plant and equipment

Acquisitions of property, plant and equipment in 2025 include the following major acquisitions for the construction in progress:

- acquisitions related to the development of the electricity distribution network;
- acquisitions for the wind farm construction and other renewable energy projects;
- acquisitions related to the development and modernisation of reserve generation capacities.

The Group has significant acquisition commitments of property, plant and equipment, which will have to be fulfilled during the later years. The Group's acquisition and construction commitments amounted to EUR 526.8 million as at 31 December 2025 (31 December 2024: EUR 548.1 million).

In 2025, the Group capitalised EUR 3.2 million of interest expenses on loans and bonds intended to finance the development of non-current assets (2024: EUR 2.9 million). The average capitalised interest rate was 2.16% in 2025 and 3.71% in 2024.

12.4 Fully depreciated property, plant and equipment

The cost or revalued amount of fully depreciated property, plant and equipment, but still used by the Group, were as follows:

EURm	31 December 2025	31 December 2024
Buildings	-	-
Electricity networks and their structures	30.8	21.8
Natural gas distribution pipelines, gas technological equipment and installations	20.3	16.8
Assets of Hydro Power Plant, Pumped Storage Power Plant	19.9	20.0
Combined Cycle Unit and Reserve Power Plant	80.6	80.8
Cogeneration plants	0.9	
Other property, plant and equipment	13.2	13.3
Total	165.7	152.7

12.5 Fair value hierarchy of property, plant and equipment

In the opinion of the Group's management, the carrying amount of substantially all assets stated at the revalued amount as at 31 December 2025 and 2024 did not differ significantly from their fair value.

The table below presents the allocation between the fair value hierarchy levels of the Group's property, plant and equipment that was stated at the revalued amount as at 31 December 2025 (refer to Note 1.18 in 'Material accounting policies' for the description of the fair value hierarchy levels). The last full revaluation was performed in 2023 for other property, plant and equipment, in 2021 for land, buildings and electricity networks and their structures.

EURm	Level 1	Level 2	Level 3	Total
	Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Electricity networks and their structures	-	-	2,047.2	2,047.2
Other property, plant and equipment	-	-	27.6	27.6
Total	-	-	2,074.8	2,074.8

The table below presents the allocation between the fair value hierarchy levels of the Group's property, plant and equipment that was stated at the revalued amount as at 31 December 2024:

EURm	Level 1	Level 2	Level 3	Total
	Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Electricity networks and their structures	-	-	1,813.6	1,813.6
Other property, plant and equipment	-	-	12.0	12.0
Total	-	-	1,825.6	1,825.6

Assets are attributed to level 3 in the fair value hierarchy if the value is determined using either the income method, comparative value, cost method, depreciated replacement method or a mix of these approaches.

12.6 Pledged property, plant and equipment

As at 31 December 2025, the Group had pledged to the banks its property, plant and equipment in the carrying amount of EUR 726.3 million (31 December 2024: EUR 621.1 million).

13 Impairments

EURm	31 December 2025		31 December 2024		Sensitivity impact			
	Impairment losses	Recoverable amount	Impairment losses	Recoverable amount	-5 % average captured electricity price	+5 % average captured electricity price	-50 bps WACC	+50 bps WACC
CGUs								
Jurbarkas WF	-	31.3	-	41.3	(2.3)	2.3	1.4	(1.3)
Pomerania WF	-	231.4	-	192.8	(5.5)	5.5	11.8	(10.9)
Mažeikiai WF	-	84.6	-	164.3	(5.9)	5.9	8.6	(7.9)
Venta PV	-	207.1	-	178.0	(23.4)	23.4	28.0	(25.1)
Kurzeme I hybrid ¹	6.9	-	-	21.1	n/a	n/a	n/a	n/a
Kurzeme II hybrid	-	23.4	-	41.6	(6.3)	6.3	6.2	(5.6)
Plungė WF ¹	0.3	-	-	49.8	n/a	n/a	n/a	n/a
Kelme WF I	-	218.8	-	244.3	(16.7)	16.7	18.4	(16.4)
Kelme WF II	-	393.8	-	397.0	(7.0)	7.0	13.1	(12.0)
Pasvalys hybrid	-	2.2	-	n/a	(7.3)	7.3	6.9	(6.1)
Sunrise PV	-	n/a	2,1	n/a	n/a	n/a	n/a	n/a
Silesia I WF	-	83.2	-	n/a	(6.3)	6.3	13.9	(12.9)
Silesia II WF	-	276.4	-	n/a	(13.2)	13.2	23.6	(21.6)

¹ net impairment amount including write-off of contingent consideration

13.1 Significant accounting estimates related to impairment of intangible assets and property plant and equipment

13.1.1 Impairment of intangible assets

The Group performed an impairment test of goodwill and other intangible assets recognised on acquisitions of the subsidiaries and determined that no impairment is needed as at 31 December 2025 except for impairment of assets identified through business combination of subsidiaries Plungės vējo enerģija UAB, which was acquired in 2022 and BRVE SIA, acquired in 2023 (Note 31.2.1). The Group recognised an impairment loss associated with those assets in the amount of EUR 7.2 million (net of deferred tax liability).

The impairment test was performed using the discounted cash flow method for each Cash-Generating Unit (CGU), which for impairment testing purposes is treated to be every individual Green Capacities project acquired, using the following key assumptions:

- the cash flow forecast covered the period from 2025 until 2046–2060, with reference to the typical operational period of 30 years.;
- the cash flow forecast also included the envisaged capital expenditure amounts required to complete the projects under development or under construction for the period from 2026 until 2027-2030 based on actually signed contracts, as well as taking into account inflation and learning curve developments provided by reputable market forecasters;
- The production volume is forecasted according to (1) internal analysis for early stage projects, (2) third-party studies for projects ready for final investment decisions or final investment decisions achieved; and (3) actual production capacity for operational assets or third-party studies, if actual production data is less than 3 years;

- The price of electricity is set at the agreed tariff if the project is awarded in government auctions or tenders, or offtake is secured through PPA (Power Purchase Agreement) or similar instruments. Otherwise, a third-party electricity price forecast is applied;
- A discount rate of 5.45–7.02% after tax (weighted average costs of capital after tax) (6.32–8.36% pre-tax) was used to calculate the discounted cash flows.

Management has performed a sensitivity analysis to assess the impact of a reasonably possible change in the key assumptions. If the discount rate applied to the cash flow projections had been increased by 50 bps, the carrying amounts of Silesia II WF would exceed the recoverable amount by 12.7 EURm and Kurzeme II hybrid by 7.0 EURm resulting in an additional impairment charge of 19.7 EURm.

13.1.2 Impairment of property, plant and equipment

During the assessment, the Group's management determined that during the year 2025 there were no significant changes in the legal regulatory environment and did not identify any significant impairment indications related to property, plant and equipment. Accordingly, no impairment test was performed for 2025 and no additional impairment loss or reversal was recognised as at 31 December 2025

14 Right-of-use assets

14.1 The Group's right-of-use assets

EURm	Land	Buildings	Other property, plant and equipment	Total
Acquisition cost at 1 January 2025	56.5	37.9	5.9	100.3
Additions	9.3	25.5	4.2	39.0
Write-offs	(0.2)	(0.7)	(0.1)	(1.0)
Reclassifications between categories	2.5	-	(2.5)	-
Remeasurement of decommissioning provision	13.4	-	-	13.4
Remeasurement of right-of-use assets	2.2	1.9	0.3	4.4
Foreign currency exchange difference	-	-	-	-
Acquisition cost at 31 December 2025	83.7	64.6	7.8	156.1
Accumulated depreciation at 1 January 2025	(3.9)	(17.2)	(1.6)	(22.7)
Depreciation	(2.4)	(7.1)	(0.9)	(10.4)
Write-offs	-	0.3	0.1	0.4
Reclassifications between categories	-	-	0.1	0.1
Foreign currency exchange difference	-	-	-	-
Accumulated depreciation at 31 December 2025	(6.3)	(24.0)	(2.3)	(32.6)
Carrying amount at 31 December 2025	77.4	40.6	5.5	123.5
Acquisition cost at 1 January 2024	28.4	33.6	3.4	65.4
Additions	25.6	4.3	2.5	32.4
Write-offs	(0.2)	-	-	(0.2)
Acquisition through business combination	1.3	-	-	1.3
Remeasurement of right-of-use assets	0.9	-	-	0.9
Foreign currency exchange difference	0.5	-	-	0.5
Acquisition cost at 31 December 2024	56.5	37.9	4.3	100.3
Accumulated depreciation at 1 January 2024	(2.6)	(12.0)	(0.9)	(15.5)
Depreciation	(1.3)	(5.2)	(0.7)	(7.2)
Accumulated depreciation at 31 December 2024	(3.9)	(17.2)	(1.6)	(22.7)
Carrying amount as at 31 December 2024	52.6	20.7	4.3	77.6

The Group's major lease contracts are for land and buildings. As at 31 December 2025, the carrying amount of land lease liability amounted to EUR 63.3 million, building lease liability – EUR 44.3 million (31 December 2024: EUR 50.6 million and EUR 21.8 million respectively).

The most significant part of land leases is for wind and solar power plants and electric vehicles stations. These leases typically run for a period of 30 – 60 years. Some of the land lease contracts provide additional rent payments that are based on the level of sales by the lessee. The difference between the fixed payment and the variable payment is recognised in the Statement of profit or loss (Note 14.2). Also, some of the land lease contracts provide payments to landowners indexed by the inflation rate each year, therefore, the Group performs remeasurement of the lease liability and right-of-use assets at the same time when the new inflation index is applied for factual payments.

The lease liability for buildings mainly consists of a lease of the main offices in Lithuania, Latvia, Estonia and Poland. As at 31 December 2025 the carrying amount of this lease liability amounted to EUR 38,305 million (31 December 2024: EUR 17.3 million), the remaining lease term of these contracts as at 31 December 2025 run from is 6 to 10 years, for most part of the contracts the lease payments are indexed each year by inflation rate.

In 2025 and 2024, the Group capitalised a not significant amount of lease interest expenses on property, plant and equipment construction in progress.

14.2 Expenses related to lease agreements recognised in the Statement of profit or loss

The Group's lease expenses recognised in Statement of profit or loss were as follows:

EURm	2025	2024
Depreciation	10.4	7.2
Interest expenses	3.6	2.1
Expenses related to short-term leases (other expenses)	0.8	0.6
Expenses related to leases of low value assets (other expenses)	-	0.1
Variable lease payment expenses	0.5	0.2
Lease remeasurement result (Lease modification gain (-)/loss (+))	(0.1)	-
Other rent expenses	0.2	0.5
Lease expenses, total	15.4	10.7

14.3 Future expenses related to lease agreements

The Group's future lease expenses:

EURm	31 December 2025	31 December 2024
Future expenses related to short-term and low value leases	-	0.1
Future variable lease payments	9.0	19.3
Future cash outflow for leases not recognised due to termination option	-	213.7
Future cash outflow for leases not yet commenced to which the lessee is committed	10.1	44.1
Future lease expenses, total	19.1	277.2

15 Other receivables

15.1 Other non-current receivables

EURm	31 December 2025	31 December 2024
Cash reserved for guarantees	9.3	14.9
Finance lease	5.8	7.8
Loans granted	4.6	1.1
Other non-current amounts receivable	0.8	3.6
Total:	20.5	27.4
Less: loss allowance	-	-
Carrying amount	20.5	27.4

Financial assets comprise EUR 20.5 million of the total Other non-current receivables (31 December 2024: EUR 27.4 million).

15.2 Other current receivables

EURm	31 December 2025	31 December 2024
Loans granted	68.3	64.0
Value added tax	33.2	18.1
Accrued revenue from electricity related sales	13.1	11.1
Regulatory differences of electricity	12.5	-
Deposits for electricity related derivatives in electricity market	7.8	13.3
Deposits for gas related derivatives to commodity traders	7.2	19.7
Accrued revenue from natural gas related sales	1.6	1.5
Other accrued revenue	1.3	1.9
Public supply regulatory differences of electricity	1.2	-
Other receivables	15.2	15.9
Total	161.4	145.5
Less: loss allowance	(0.3)	(0.3)
Carrying amount	161.1	145.2

Financial assets comprise EUR 98.1 million of the total 'Other receivables' (31 December 2024: EUR 112.6 million). 'Value added tax', 'Accrued revenue from electricity related sales', 'Accrued revenue from natural gas related sales' and 'Other accrued revenue' are not financial assets.

15.2.1 Deposits for electricity and gas related derivatives

The Group has made deposits for derivative instruments as assurance of contractual obligations with the commodities exchange and commodity traders for trading derivatives linked to electricity and gas market prices. Deposits are in a form of cash collateral and the value moves on a daily basis, i.e., depends on the market prices. The Group estimates that the whole amount of cash collateral will be recovered because the amounts payable are related to the realisation of the future hedge, and the sales contracts will be realised together with the hedge, thus invoices for derivative instruments will be covered with the sales income and, after this payment, the cash collateral will be returned.

15.2.2 Loans granted

In 2025, the repayment date of the loan granted to Moray West Holdings Limited was extended to 1 July 2026 (from 1 July 2025). No impairment loss was recognised for the loan granted in 2025.

15.2.3 Significant accounting estimates and judgements: expected credit losses of other receivables

ECL for other receivables and contract assets are calculated using an individual assessment.

15.2.4 Individual assessment of ECL

Decision to assess the amounts receivable on an individual basis depends on the possibility to obtain the information on the credit history of a particular client/borrower, its financial position as at the date of the assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular client, thus enabling to make a judgement on the recognition of the lifetime expected credit losses in respect of that particular client/borrower. These accounting estimates require significant judgement. The judgement is based on the information about the substantial financial difficulties experienced by the debtor, the probability that the debtor will enter bankruptcy or any other reorganisation, default of delinquency in payments.

In the absence of reliable sources of information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information, the Group assesses the debt on a collective basis.

16 Other financial assets

EURm	31 December 2025	31 December 2024
Other non-current financial assets		
Investment funds - at FVTPL	26.1	30.1
Equity securities - at FVOCI	5.0	5.0
Other	0.2	0.1
Carrying amount	31.3	35.2
Other current financial assets		
Short-term deposits	-	-
Carrying amount	-	-

16.1 Movement of fair value in investment funds

EURm	31 December 2025	31 December 2024
Carrying amount as at 1 January	30.1	32.0
Additional investments	4.8	3.8
Return from investments	(0.5)	-
Change in fair value	(8.3)	(5.7)
Carrying amount	26.1	30.1

16.2 Significant accounting estimates: Investment funds – at FVTPL

The Group has invested into investment funds. The funds are managed by independent entities (managers), which are responsible for the investment decisions. Accordingly, in the Group management's view, the Group does not have the power to manage the activities of the funds and does not have the control over them.

As at 31 December 2025, the carrying value of the Smart Energy Fund amounted to EUR 11.6 million (31 December 2024: EUR 18.6 million), the carrying value of the World Fund amounted to EUR 14.5 million (31 December 2024: EUR 11.5 million).

The fair value of the funds was determined by reference to the exits of investments, new investment rounds or other recent events and data (Note 36).

Fair value of the funds corresponds to Level 3 in the fair value hierarchy.

17 Other assets

17.1 Other non-current assets

EURm	31 December 2025	31 December 2024
Other non-current assets	5.1	1.7
Derivatives (Note 30.1)	14.4	2.3
Carrying amount	19.5	4.0

17.2 Other current assets

EURm	31 December 2025	31 December 2024
Deposit related to buyout of shares in subsidiaries	3.5	3.5
Derivatives (Note 30.1)	3.1	2.9
Other current assets	0.4	0.3
Deposits related to guarantee independent electricity suppliers activity	0.2	2.7
Carrying amount	7.2	9.4

18 Inventories

EURm	31 December 2025	31 December 2024
Natural gas	168.5	194.4
Emission allowances	54.1	36.8
Consumables, raw materials and spare parts	13.4	11.8
Other	4.0	4.7
Carrying amount	240.0	247.7

The carrying amount of natural gas decreased during 2025 due to lower inventory quantity and lower inventory cost per MWh. As at 31 December 2025, the Group had 2,126,412 units of emission allowances (31 December 2024: 1,926,285 units). The Group's inventories were not pledged as security for any bank borrowings.

The Group's inventories expensed were as follows:

EURm	2025	2024 ¹
Natural gas	484.0	440.6
Emission allowances	37.8	18.4
Biofuel	27.7	25.4
Other inventories	11.6	16.6
Total	561.1	501.0

¹Due to changes in presentation, comparative emission allowance amount was added to 2024 column. As a result, the total amount has changed.

Movements on the account of inventory write-down to net realisable value were as follows:

EURm	2025	2024
Carrying amount at 1 January	4.2	17.4
Additional write-down to net realisable value	4.3	2.8
Reversal of write-down to net realisable value	(2.1)	(16.0)
Carrying amount at 31 December	6.4	4.2

In 2025, the additional of write-down to net realisable value was recognised because market price of natural gas was lower than costs.

The write-down is included in 'Purchase of electricity, natural gas and other services' in the Statement of profit or loss.

19 Contract balances

EURm	Note	31 December 2025	31 December 2024
Trade receivables	20	271.1	294.0
Accrued revenue from electricity related sales	15	13.1	11.1
Accrued revenue from natural gas related sales	15	1.6	1.5
Other accrued revenue	15	1.3	1.9
Contract assets		16.0	14.5
Advances received	27.2	106.5	75.1
Deferred income	27.1	359.6	310.5
Contract liabilities		466.1	385.6
Non-current contract liabilities	27.1	342.4	289.9
Current contract liabilities	27.1, 27.2	123.7	95.7

19.1 Contract assets

There has been no change in the estimation techniques or significant assumptions made during the current reporting period while assessing the loss allowance for the amounts due from customers under the contracts. Recognised expected credit losses (if any) are disclosed in Notes 15 and 20.

19.2 Remaining performance obligations

The remaining performance obligations expected to be recognised after the end of the financial year are related to the deferred income of new customer connection and upgrade fees. The maturity of the remaining performance obligations is as follows:

EURm	31 December 2025	31 December 2024
After more than one year	383.7	289.9
Within one year	17.2	20.6
Remaining performance obligations	400.9	310.5

20 Trade receivables

EURm	31 December 2025	31 December 2024
Amounts receivable under contracts with customers		
Receivables from electricity related sales	197.1	204.6
Receivables from gas related sales	64.9	76.8
Other trade receivables	18.5	23.8
Amounts receivable under other contracts	1.1	-
Total	281.6	305.2
Less: loss allowance	(9.4)	(11.2)
Carrying amount	272.2	294.0

As at 31 December 2025 and 2024, the Group had not pledged the claim rights to trade receivables.

No interest is charged on trade receivables and the regular settlement period is between 15 and 30 days. Trade receivables for which the settlement period is more than 30 days comprise insignificant part of the total trade receivables. The Group doesn't provide the settlement period longer than 1 year. The Group didn't identify any significant financing components. For terms and conditions on settlements between related parties, see Note 34.

20.1 Loss allowance of amounts receivable (lifetime expected credit losses)

The Group's trade receivables from Networks and Customers & Solutions segments are usually assessed on a collective basis, and trade receivables in other segments – on an individual basis.

The table below presents information on the Group's trade receivables under contracts with customers as at 31 December 2025 that are assessed on a collective basis using the loss ratio matrix:

EURm	Loss ratio, %	Trade receivables	Loss allowance
Not past due	0.37	190.4	0.7
Up to 30 days	1.91	20.9	0.4
30–60 days	9.52	2.1	0.2
60–90 days	11.11	0.9	0.1
90–120 days	20.00	0.5	0.1
More than 120 days	44.13	17.9	7.9
As at 31 December 2025	4.04	232.7	9.4

The table below presents information on the Group's trade receivables under contracts with customers as at 31 December 2024 that are assessed on a collective basis using the loss ratio matrix:

EURm	Loss ratio, %	Trade receivables	Loss allowance
Not past due	0.41	218.8	0.9
Up to 30 days	1.74	11.5	0.2
30–60 days	5.41	3.7	0.2
60–90 days	2.94	3.4	0.1
90–120 days	16.67	0.6	0.1
More than 120 days	56.14	17.1	9.6
As at 31 December 2024	4.35	255.1	11.1

The table below presents information on the Group's trade receivables under contracts with customers that are assessed on an individual basis:

	31 December 2025		31 December 2024	
EURm	Trade receivables	Loss allowance	Trade receivables	Loss allowance
Not past due	44.9	-	48.8	-
Up to 30 days	2.8	-	1.2	-
30–60 days	0.1	-	-	-
60–90 days	-	-	-	-
90–120 days	-	-	-	-
More than 120 days	-	-	0.1	0.1
Carrying amount	47.8	-	50.1	0.1

Movements in the account of loss allowance of trade receivables:

EURm	2025	2024
Carrying amount as at 1 January	11.2	12.0
Impairment loss of the year	2.5	3.5
Reversal of loss allowance	(4.3)	(4.3)
Carrying amount at 31 December	9.4	11.2

Impairment loss of receivables was recognised in line item 'Other expenses' in the Statement of profit or loss.

20.2 Significant accounting estimates and judgements

20.2.1 Expected credit losses of trade receivables

The Group's uses a provision matrix to calculate the expected credit losses for trade receivables. The Group accounts for the expected credit losses (hereinafter referred to as 'ECL') by assessing the amounts receivable on an individual basis or on a collective basis and applying the provision matrixes adopted by the Group companies in respect of their customers.

ECL for other receivables and contract assets are calculated using an individual assessment.

For short-term trade receivables without a significant financing component, the Group applies a simplified approach required by IFRS 9 and measures the loss allowance at the expected lifetime credit losses from the initial recognition of the receivables.

20.2.2 Collective assessment of ECL applying provision matrix

The Group companies use provision matrixes to calculate the ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type).

The provision matrixes are initially based on the Group companies' historical observed default rates. The Group companies calibrate the matrixes to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., changes in gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the observed historical default rates are updated and the changes in the forward-looking estimates are analysed. The assessment of the correlation between the observed historical default rates, the forecast economic conditions and the ECL is a significant estimate. The amount of the ECL is sensitive to the changes in circumstances and the forecast of economic conditions. The Group's historical credit loss experience and the forecast of economic conditions may also not be representative of the customer's actual default in the future.

20.2.3 Individual assessment of ECL

Decision to assess the amounts receivable on an individual basis depends on the possibility to obtain the information on the credit history of a particular client/borrower, its financial position as at the date of the assessment, including the forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular client, thus enabling to make a judgement on the recognition of the lifetime ECL in respect of that particular client/borrower. These accounting estimates require significant judgement. The judgement is based on the information about substantial financial difficulties experienced by the debtor, the probability that the debtor will enter bankruptcy or any other reorganisation, default of delinquency in payments.

In the absence of reliable sources of information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information, the Group assesses its debt on a collective basis.

21 Cash and cash equivalents

EURm	31 December 2025	31 December 2024
Cash balances in bank accounts	232.9	191.4
Deposits less than 3 months	40.2	20.7
Restricted cash	23.2	22.4
Carrying amount	296.3	234.5

Under the loan agreements signed with banks, the Group has pledged a part of the current and future cash inflows. As at 31 December 2025, the balance of cash pledged amounted to EUR 36.1 million (31 December 2024: EUR 17.4 million).

22 Equity

22.1 Capital management

For the purpose of capital management, the management uses equity as reported in the Statement of financial position.

Pursuant to the Republic of Lithuania Law on Companies, the share capital of a public limited liability company must be not less than EUR 25 thousand, the share capital of a private limited liability company must not be less than EUR 2.5 thousand, and the shareholders' equity must be not lower than 50% of the company's share capital. Foreign subsidiaries are subject for compliance with capital requirements according to the regulation adopted in those foreign countries.

22.2 Share capital

The Group's share structure and shareholders were as follows:

Shareholder of the Group	31 December 2025		31 December 2024	
	Share capital, EURm	%	Share capital, EURm	%
Republic of Lithuania represented by the Ministry of Finance of the Republic of Lithuania	1,212.1	74.99	1,212.1	74.99
Other shareholders	404.3	25.01	404.3	25.01
Total	1,616.4		1,616.4	

As at 31 December 2025, the Group's share capital comprised EUR 1,616.4 million (31 December 2024: 1,616.4 million) and was divided into 72,388,960 ordinary shares with a EUR 22.33 nominal value per share (31 December 2024: 72,388,960 ordinary registered shares with a EUR 22.33 nominal value per share).

Reconciliation of the number of shares at the beginning and at the end of the year:

	2025	2024
Number of authorised shares as at 1 January	72,388,960	72,388,960
Number of authorised shares as at 31 December	72,388,960	72,388,960

22.3 Dividends

Dividends declared by the parent company during the year:

EURm	2025	2024
AB "Ignitis grupė"	97.4	94.5

In total, the Group paid EUR 97.4 million dividends in cash during 2025 (EUR 94.5 million during 2024).

Dividends declared per share:

Declared on, EURm	Period for which dividends are allocated	Dividends per share, EUR	Amount of dividends declared
September 2025	2025 I half-year	0.683	49.4
March 2025	2024 II half-year	0.663	48.0
Total declared during 2025		1.346	97.4
September 2024	2024 I half-year	0.663	48.0
March 2024	2023 II half-year	0.643	46.5
Total declared during 2024		1.306	94.5

22.4 Dividends declared to non-controlling interest

The Group uses the anticipated-acquisition method for recognising the put option redemption liability because, under the anticipated-acquisition method, the interests of the non-controlling shareholders are derecognised when the financial liability is recognised, therefore, the underlying interests are presented as already owned by the equity holders of the parent company both in the Statement of financial position and in the Statement of profit or loss and other comprehensive income, even though legally they are still the non-controlling interest.

Due to the above, dividends declared in 2025 by the Group's subsidiary UAB Kauno kogeneracinė įėgainė for the non-controlling interest in the amount of EUR 12.4 million (2024: EUR 11.8 million) were presented as dividends to the non-controlling interest.

22.5 Earnings per share

The Group's earnings per share and diluted earnings per share were as follows:

EURm	2025	2024
Net profit for the year	163.9	276.2
Attributable to:		
Shareholders in AB "Ignitis grupė"	163.9	276.2
Non-controlling interests	-	-
Weighted average number of nominal shares (units)	72,388,960	72,388,960
Basic and diluted earnings/(loss) per share attributable to shareholders in AB "Ignitis grupė" (EUR)	2.26	3.82

Basic and diluted earnings per share indicators have been calculated based on 72,388,960 the weighted average number of ordinary shares as at 31 December 2025 (31 December 2024: 72,388,960).

23 Reserves

23.1 Legal reserve

The legal reserve is a compulsory reserve under the Lithuanian legislation. Companies in Lithuania are required to transfer 5% of the net profit from their distributable profit until the total reserve reaches 10% of their share capital. The legal reserve shall not be used for payment of dividends and is formed to cover the future losses only.

The Group's legal reserve as at 31 December 2025 and 2024 was not fully formed.

23.2 Revaluation reserve

The revaluation reserve arises from the revaluation of property, plant and equipment due to the increase in value. The revaluation cannot be used to cover losses.

23.3 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

23.4 Treasury shares reserve

At the Annual General Meeting of Shareholders held on 27 March 2024, it was decided to cancel the reserve for the acquisition of own ordinary registered shares and to transfer EUR 37.7 million from the 'Treasury shares reserve' to 'Retained earnings'.

23.5 Other reserves

Other reserves are formed based on the decision of the shareholders and can be redistributed on the appropriation of the next year's profit.

As at 31 December 2025, the Group accounted for the result of the translation of the Group's net investments in Poland-based companies indirectly controlled by the Group in the amount of EUR 28.1 million into the Group's presentation currency within the item of other reserves (31 December 2024: EUR 25.2 million). No other reserves were formed by the Group as at 31 December 2025 and 2024.

24 Financing

24.1 Loans, bonds and lease liabilities

EURm	31 December 2025	31 December 2024
Bonds issued	895.2	893.5
Bank loans	813.4	682.8
Bank overdrafts, credit line	179.5	135.3
Lease liabilities	97.8	68.1
Total non-current	1,985.9	1,779.7
Current portion of non-current loans received	115.2	51.9
Bank overdrafts, credit line	88.4	-
Current portion of bonds issued	9.1	9.2
Lease liabilities	9.8	6.0
Total current	222.5	67.1
Total	2,208.4	1,846.8

Loans, bonds and lease liabilities by maturity:

EURm	31 December 2025	31 December 2024
Up to 1 year	222.5	67.1
From 1 to 2 years	769.8	270.1
From 2 to 5 years	792.9	772.9
After 5 years	423.2	736.7
Total	2,208.4	1,846.8

Loans and lease liabilities of the Group are denominated in euros or Polish zlotys, bonds – in euros.

24.1.1 Covenants

The loan agreements provide for financial and non-financial covenants that the individual Group companies and the Group as whole are obliged to comply with. As at 31 December 2025, all Group companies and the Group as a whole, except for one subsidiary, for which a waiver was subsequently obtained from the lender. All Group companies and the Group as whole complied with the covenants as at 31 December 2024.

24.2 Net Debt

Net Debt is a non-IFRS liquidity metric used to determine the value of debt against highly liquid assets owned by the Group. The management is monitoring the Net Debt metric as a part of its risk management strategy. Only the debts to financial institutions, issued bonds and related interest payables and lease liabilities are included in the Net Debt calculation. The management defines the Net Debt measure for the purpose of these financial statements in the manner as presented below:

Net Debt balances:

EURm	31 December 2025	31 December 2024
Cash and cash equivalents	(296.3)	(234.5)
Non-current portion	1,985.9	1,779.7
Current portion	222.5	67.1
Net Debt	1,912.1	1,612.3

24.2.1 Liquidity reserve

The Group manages liquidity risks by entering in credit line, overdraft agreements with banks. As of 31 December 2025, there were eight credit line facilities available in six separate banks with a total limit of EUR 841.9 million. The disbursed amount was EUR 512.6 million (31 December 2024: 135.5 million). The credit line facilities are committed, i.e., the funds must be paid by the bank upon request.

EURm	31 December 2025	31 December 2024 ¹
Credit line agreements	120.0	270.0
Overdraft agreements	62.5	164.7
Unwithdrawn balances of loan contracts	146.8	105.0
Total unwithdrawn balances	329.3	539.7
Cash balances in bank accounts	273.1	212.1
Total cash and cash equivalents²	273.1	212.1
Total liquidity reserve	602.4	751.8

¹ Due to changes in loan contract internal usage assessment, balances for 31 December 2024 were adjusted to include additional EUR 105.0 million loan contract unwithdrawn balance.

² Comparative figures as of 31 December 2024 were restated due to a reclassification, with EUR 22.4 million of restricted cash previously included in the liquidity reserve removed from 'Cash and cash equivalents'.

24.2.2 Reconciliation of the Group's Net Debt balances and cash flows from financing activities

EURm	Loans and bonds		Lease liabilities		Assets		Total
	Non-current	Current	Non-current	Current	Cash and cash equivalents	Short-term deposits	
Net Debt at 1 January 2024	1,521.2	64.5	42.3	5.2	(205.3)	(110.4)	1,317.5
Cash changes							
(Increase) decrease in cash and cash equivalents	-	-	-	-	79.8	-	79.8
Proceeds from loans	102.9	8.0	-	-	-	-	110.9
Repayments of loans	-	(48.6)	-	-	-	-	(48.6)
Lease payments	-	-	-	(7.4)	-	-	(7.4)
Interest paid	-	(45.1)	-	(1.2)	-	-	(46.3)
Overdrafts net change	135.3	(12.5)	-	-	-	-	122.8
Received interest	-	-	-	-	-	3.1	3.1
Reclassifications between items	-	-	-	-	(109.0)	109.0	-
Non-cash changes							
Lease contracts concluded	-	-	29.4	2.1	-	-	31.5
Accrual of interest receivable	-	-	-	-	-	(1.7)	(1.7)
Accrual of interest payable	1.5	45.8	-	2.1	-	-	49.4
Remeasurement of lease liabilities	-	-	0.8	0.1	-	-	0.9
Reclassifications between items	(48.8)	48.8	(5.2)	5.2	-	-	-
Assumed through business combination	-	-	1.3	-	-	-	1.3
Other non-monetary changes	(1.9)	-	(0.2)	-	-	-	(2.1)
Change in foreign currency	1.4	0.2	(0.3)	(0.1)	-	-	1.2
Net Debt at 31 December 2024	1,711.6	61.1	68.1	6.0	(234.5)	-	1,612.3
Net Debt at 1 January 2025	1,711.6	61.1	68.1	6.0	(234.5)	-	1,612.3
Cash changes							
(Increase) decrease in cash and cash equivalents	-	-	-	-	(61.8)	-	(61.8)
Proceeds from loans	187.6	58.1	-	-	-	-	245.7
Repayments of loans	-	(52.1)	-	-	-	-	(52.1)
Lease payments	-	-	-	(10.1)	-	-	(10.1)
Interest paid	-	(48.2)	-	(3.5)	-	-	(51.7)
Overdrafts net change	44.2	88.0	-	-	-	-	132.2
Non-cash changes							
Lease contracts concluded	-	-	34.3	4.7	-	-	39.0
Accrual of interest payable	1.9	48.7	-	4.7	-	-	55.3
Remeasurement of lease liabilities	-	-	2.5	1.9	-	-	4.4
Reclassifications between items	(56.3)	56.3	(6.4)	6.4	-	-	-
Assumed through business combination (Note 31.3.1)	-	0.5	-	-	-	-	0.5
Other non-monetary changes	(1.7)	0.3	(0.4)	(0.4)	-	-	(2.2)
Change in foreign currency	0.8	-	(0.3)	0.1	-	-	0.6
Net Debt at 31 December 2025	1,888.1	212.7	97.8	9.8	(296.3)	-	1,912.1

24.3 Significant accounting estimates and judgements

24.3.1 Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease, if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all the relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group included the renewal period as part of the lease term for leases of shorter non-cancellable period (i.e., one to three, three to five, five to seven years, etc.). The Group usually exercises its option to renew for these leases. Lease of the state-owned land is not subject to an extension clause after which the lessee has a pre-emptive right to extend the lease. The periods covered by the termination options are included as part of the lease term only when they are reasonably certain to be exercised.

34.3.2.1 Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (hereinafter 'IBR') to measure the lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain the asset of a similar value to the right-of-use asset in a similar economic environment.

The major new lease contracts that were recognised in 2025 and 2024 by the Group are for land and buildings. To measure the lease liability of those contracts, the following incremental borrowing rate¹ was used:

Type of leased asset	2025	2024
Land lease (including contracts acquired through business combination)	6.04%	7.26%
Buildings lease	3.86%	3.45%

¹ incremental borrowing rate is presented as weighted average.

24.3.3 Determining whether statutory and contractual servitudes are a lease

The management of the Group analysed whether perpetual statutory and contractual servitudes are in scope of IFRS 16 Leases. The management concluded that the statutory servitudes are not in scope since they are not limited in time and can be used by the Group for an indefinite period of time. Perpetual arrangement lacks an essential characteristic of a lease, i.e., it does not meet the definition of a lease because it does not convey a right to use an underlying asset for a specified period of time. Having analysed the contractual servitudes, the management concluded that part of them share the same characteristics as the statutory ones and thus do not convey a right to use an underlying asset for a specified period of time.

For contractual servitudes with a clear term or when the term can be reliably determined, or when the term is renewable on a period-by-period basis, IFRS 16 Leases is applied when all other criteria listed in IFRS16 are met.

25 Grants and subsidies

EURm	Asset-related grants – projects for renovation, improvement of environmental and safety standards	Asset-related grants – other projects of the Group	Total
Carrying amount as at 1 January 2024	198.1	102.0	300.1
Depreciation and amortisation	(9.3)	(7.6)	(16.9)
Grants received	4.3	-	4.3
Carrying amount as at 31 December 2024	193.1	94.4	287.5
Carrying amount as at 1 January 2025	193.1	94.4	287.5
Depreciation and amortisation	(9.9)	(7.6)	(17.5)
Grants received	2.5	-	2.5
Carrying amount as at 31 December 2025	185.7	86.8	272.5

Amortisation of grants is accounted for under depreciation and amortisation in the Statement of profit or loss and reduces the depreciation expenses of the related property, plant and equipment.

26 Provisions

EURm	31 December 2025	31 December 2024
Non-current	160.3	100.5
Current	60.4	28.5
Total	220.7	129.0

Movement of the Group's provisions was as follows:

EURm	Emission allowance	Employee benefits	Servitudes (Note 26.2.1)	Regulatory difference of isolated power system operations and system services (Note 33.2.2.1)	Regulatory differences of public electricity supply activity (Note 33.2.2.2)	Dismantling	Other	Total
Balance as at 1 January 2024	8.8	6.0	5.5	46.3	13.1	4.8	3.8	88.3
New provisions that were not calculated before	-	-	-	-	-	-	0.2	0.2
Increase (decrease) during the year	18.8	1.3	-	42.4	(11.0)	1.7	2.3	55.5
Utilised during the year	(9.3)	(0.4)	-	(1.2)	-	-	(6.5)	(17.4)
Result of change in assumptions	-	0.1	(4.7)	-	(1.4)	0.7	-	(5.3)
Discount effect	-	-	-	2.1	-	0.2	-	2.3
Reclassification from other categories	-	-	-	-	-	-	5.2	5.2
Foreign currency exchange difference	-	-	-	-	-	(2.5)	2.7	0.2
Balance as at 31 December 2024	18.3	7.0	0.8	89.6	0.7	4.9	7.7	129.0
Balance as at 1 January 2025	18.3	7.0	0.8	89.6	0.7	4.9	7.7	129.0
New provisions that were not calculated before	-	-	-	-	-	20.0	1.8	21.8
Increase (decrease) during the year	37.7	1.1	-	50.1	-	-	0.7	89.6
Utilised during the year	(18.3)	0.1	-	(0.1)	(0.7)	-	(0.8)	(19.8)
Result of change in assumptions	-	(0.1)	(0.3)	3.7	-	(1.9)	(1.3)	0.1
Discount effect	-	0.1	-	(1.8)	-	0.6	-	(1.1)
Reclassification between items	-	-	-	-	-	2.6	(2.6)	-
Reclassification from other categories	-	-	-	-	-	-	1.3	1.3
Foreign currency exchange difference	-	-	-	-	-	-	(0.2)	(0.2)
Balance as at 31 December 2025	37.7	8.2	0.5	141.5	-	26.2	6.6	220.7
Non-current	-	6.1	0.4	127.4	-	26.2	0.2	160.3
Current	37.7	2.1	0.1	14.1	-	-	6.4	60.4

The total change in the provisions in 2025 was EUR 91.7 million. The change recognised in the Statement of profit or loss was EUR 73.8 million, capitalised to Right-of-use assets was EUR 13.4 million, recognised in the Statement of other comprehensive income was EUR 0.1 million, recognised in the Intangible assets was EUR -0.3 million and recognised in the Property, plan and equipment was EUR 4.7 million (the total change in the provisions in 2024 was EUR 40.7 million. The change recognised in the Statement of profit or loss was EUR 43.4 million, capitalised to Right-of-use assets was EUR 0.9 million, recognised in the Statement of other comprehensive income was EUR 0.1 million, recognised in the Intangible assets was EUR -5.1 million and recognised in the Property, plan and equipment was EUR 1.4 million).

The largest share of provision change in 2025, amounting to EUR 99.2 million, is from accrued regulatory difference due to the regulator (NERC) adopting a new mechanism for distributing additional profit earned. It was applied to the new manual frequency restoration reserve (mFRR) services, whose market was launched in 2025, provided by Kruonis PSHP and Kaunas HPP and to the isolated system operation services provided by Elektrėnai Complex. For additional information, see section '2.4 Business environment' under 'Regulatory environment' of the Integrated annual report.

26.1 Description of the Group's provisions and the expected timing of resulting outflows of economic benefits

Provisions for employee benefits include a statutory retirement benefit, payable to the Group's employees (Material accounting policies, Note 1.17.3). The period of non-current provision is calculated according to each employee using actuarial assumptions that include the age of employee, mortality probability, index of staff turnover, discount rate (3.26% as at 31 December 2025, 3.56% as at 31 December 2024), long-term salary increase rate (5% as at 31 December 2025, 5% as at 31 December 2024).

The provision for servitudes relates to the compensation of easements to third parties when the distribution system operator (a Group company) installs electricity networks on land belonging to them. A one-time compensation for the use of statutory easements is paid to compensate for losses when a third party applies the request for compensation. The Group's management estimated that the period during which third parties will apply for compensation is 10 years starting from 2023. An additional 1-year deadline for the payment of compensation from the date of submission of the application was applied (the methodology of servitude-related compensations provides two years for the payment from the date of submission of the application, but in fact the Group pays them within one year).

The provision for isolated power system operation and system services relates to regulatory activities that give rise to regulatory differences, which are reimbursed during the next years. On 30 April 2025, NERC adopted amendments to the pricing methodology, introducing additional adjustment mechanisms that may give rise to regulatory differences (Note 33.2.2). The regulatory differences and the period of reimbursement is determined and confirmed by NERC.

The provision for the dismantling of wind farms is related to the Group's legal obligations to dismantle the wind power plants. The expected timing of resulting outflows of economic benefits is the date when operation ends. The useful life of wind power plants is between 20 and 30 years.

26.2 Significant accounting estimates and judgements

26.2.1 Provision for compensations for the Special Land Use Conditions (Protected Areas)

In addition to the above, the Ministry of Environment has prepared a methodology for the calculation and payment of compensation for the application of special land use conditions in the territories specified in the Law on Special Land Use Conditions of the Republic of Lithuania, established in the public interest, which entered into force on 8 April 2020. In the light of the letter of the Ministry of Energy of the Republic of Lithuania issued on 18 June 2020, the provisions of the methodology apply to both the existing network and the newly built network. According to the provisions of the methodology, compensation for protection zones would be paid upon registration of protection zones, i.e., this would happen after 2023 under a simplified procedure, and the amount of compensation is of an evaluative nature, while taking into account the main purpose of the plot, the scope of restrictions, the specific losses incurred and/or incurred by the plot owners based on the supporting documents.

In view of these Methodological requirements and the data available to the Group, the Group cannot reliably estimate future compensation for registered Special Land Use Conditions (Protected Areas), therefore, in accordance with IAS 37, this liability does not qualify for recognition and is therefore not recognised in the financial statements. In addition, the management is not able to provide a quantitative assessment of a possible contingency without having all the necessary information.

27 Deferred income and advances received

27.1 Deferred income

EURm	2025			2024		
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Deferred income under contracts with customers						
Deferred income related to new customers connection and upgrade fees	17.2	342.4	359.6	14.5	289.9	304.4
Deferred income related to natural gas	-	-	-	5.8	-	5.8
Other deferred income	-	-	-	0.3	-	0.3
Total	17.2	342.4	359.6	20.6	289.9	310.5

Movement in the Group's deferred income:

EURm	2025			2024		
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Balance as at 1 January	20.6	289.9	310.5	35.2	241.6	276.8
Increase during the year	2.7	70.2	72.9	2.7	60.9	63.6
Recognised as revenue	(23.8)	-	(23.8)	(29.9)	-	(29.9)
Reclassifications between items	17.7	(17.7)	-	12.6	(12.6)	-
Balance as at 31 December	17.2	342.4	359.6	20.6	289.9	310.5

Revenue from new customer connection and upgrade fees is recognised over the average useful life of related items of property, plant and equipment (Material accounting policies, Note 1.4.3.1).

27.2 Advances received

EURm	31 December 2025	31 December 2024
Current prepayments under contracts with customers (contract liabilities)	106.5	75.1
Current prepayments under other contracts	0.4	0.4
Total	106.9	75.5

28 Trade payables

EURm	31 December 2025	31 December 2024
Amounts payable for gas	146.9	180.7
Amounts payable for electricity	46.4	34.2
Other trade payables	27.4	31.2
Carrying amount	220.7	246.1

29 Other current liabilities

EURm	31 December 2025	31 December 2024
Amounts payable for property, plant and equipment	57.0	68.4
Accrued expenses	39.7	29.5
Taxes (other than income tax)	39.3	28.7
Put option redemption liability (Note 29.1)	38.0	38.0
Payroll related liabilities	35.0	32.3
Contingent consideration for acquisition of subsidiaries (Note 31.3.2)	16.6	33.4
Other current liabilities	16.3	9.4
Derivative financial instruments (Note 30)	3.9	8.4
Irrevocable commitment to acquire a minority interest	3.5	3.5
Non-controlling interest dividends	3.2	3.2
Carrying amount	252.5	254.8

Financial liabilities comprise EUR 138.5 million from total Other current amounts payable and liabilities (31 December 2024: EUR 164.3 million). Accrued expenses, taxes and payroll-related liabilities are not financial liabilities.

The fair value of put option redemption liability did not change in 2025 and 2024.

29.1 Judgements and accounting estimates pertaining to control over UAB Kauno kogeneracinė įėgainė

As at 31 December 2025, the Group held 51% of shares in UAB Kauno kogeneracinė įėgainė (hereinafter 'Kaunas CHP'), and the remaining 49% of shares was held by UAB Gren Lietuva.

Both shareholders have signed the Shareholders' Agreement under which key decisions over the business should be taken unanimously by the shareholders and/or by the Board, which consists of equal number of representatives from both shareholders and one independent member. If the shareholders fail to reach the consensus on the deadlock situation, the Group has an option to buy (call option) all the shares of Kaunas CHP held by UAB Gren Lietuva and thus, whereas UAB Gren Lietuva has an option to sell (put option) to the Group its shareholdings in Kaunas CHP for the price, the calculation of which is defined in the Shareholders' Agreement.

As a result, the management believes the Group exercises control over Kaunas CHP as this can be exercised when decisions need to be made.

In the Group's management view, the call option's exercise price that the Group will have to pay to UAB Gren Lietuva for buyout of Kaunas CHP shares owned by UAB Gren Lietuva, in case the Group accepts the option executed by UAB Gren Lietuva, approximates the fair value of the shares less 15% within the limits of the materiality (materiality threshold is based on the best estimate practice, such as +/- 15% of the market value).

At 31 December 2025, the Group accounted for EUR 38.0 million (31 December 2024: EUR 38.0 million) put option exercise liability measured as net present value of the single future cash outflow, which would be paid to UAB Gren Lietuva for Kaunas CHP shares in a deadlock situation in case the put option is exercised.

30 Derivatives

The Group's derivative financial instruments are related to electricity and natural gas commodities and comprise:

- contracts made directly with other parties – over-the-counter (OTC);
- contracts made through Nasdaq Commodities market – Nasdaq;
- other contracts.

The fair value of Nasdaq contracts is being set off with cash on day-to-day basis. Accordingly, no financial assets or liabilities are being recognised in the Statement of financial position. Gain or loss of such transactions is recognised the same as all derivative financial instruments.

30.1 Derivative financial instruments included in the Statement of financial position

EURm	31 December 2025	31 December 2024
Other non-current assets (Note 17.1)	14.4	2.3
Other current assets (Note 17.2)	3.1	2.9
Other non-current liabilities	(1.0)	-
Other current liabilities (Note 29)	(3.9)	(8.4)
Carrying amount	12.6	(3.2)

Movement of derivative financial instruments were as follows:

EURm	2025	2024
Carrying amount as at 1 January	(3.2)	(5.8)
Fair value change of derivatives in 'Finance income'	-	0.7
Fair value change of derivatives in 'Finance expenses'	-	(0.2)
Fair value change of OTC ineffectiveness	15.0	0.9
Unrealised gain (loss) of OTC and other financial instruments ineffectiveness	15.0	1.4
Unrealised gain (loss) of Nasdaq ineffectiveness	(0.3)	(0.3)
Total Unrealised gain (loss)	14.7	1.1
Fair value change of OTC effectiveness	0.8	1.2
Fair value change of Nasdaq effectiveness	0.8	(2.9)
Unrealised gain (loss) in 'Other comprehensive income'	1.6	(1.7)
Fair value change of Nasdaq set off with cash	(0.5)	3.2
Carrying amount at 31 December	12.6	(3.2)

30.2 Derivatives included in Statement of profit or loss

EURm	2025	2024
Realised gain (loss) from OTC and Nasdaq	(1.1)	2.7
Unrealised gain (loss)	14.7	1.1
Total in profit or loss – ineffective energy hedging result	13.6	3.8
Cash flow hedges – reclassified to profit or loss from OCI	8.0	(2.1)
Total in profit or loss – effective energy hedging result	8.0	(2.1)
Total recognised in 'Statement of profit or loss'	21.6	1.7

31 Composition of the Group

31.1 List of subsidiaries

The Group's structure as at 31 December 2025:

Company name	Business segment	Country of registered office	Activities profile	Effective ownership interest, %	Non-controlling interest's effective ownership interest, %
AB "Ignitis grupė"	Other activities and eliminations		Parent company – management and coordination of activities of the Group companies	-	-
Subsidiaries of the Group:					
UAB "Ignitis renewables"	Green Capacities	Lithuania	Coordination of operation, supervision and development of renewable energy projects	100.00	-
UAB "EURAKRAS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VĖJO VATAS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VVP Investment"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VĖJO GŪSIS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "Plungės vėjo energija"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "WINDLIT"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Vėjas LT"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB ARROW CLUSTER	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 2"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB ARROW HOLDCO	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 5"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 7"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 8"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 9"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 10"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 11"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables offshore development"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Offshore wind farm 1"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Nord Wind Park"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB Kauno kogeneracinė jėgainė	Green Capacities	Lithuania	Electricity and heat production from waste	51.00	49.00
UAB Vilniaus kogeneracinė jėgainė	Green Capacities	Lithuania	Electricity and heat production from waste and biomass	100.00	-
Ignitis Renewables Polska Sp. z o. o.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Ignitis RES DEV Sp. z o. o.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Silesia2 Wind Farm S.A.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Pomerania Wind Farm Sp. z o. o.	Green Capacities	Poland	Operation of renewable energy projects	100.00	-
Silesia1 Wind Farm Sp. z o.o.	Green Capacities	Poland	Operation of renewable energy projects	100.00	-
Sunrise 1 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Sunrise 2 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Sunrise 4 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Tuuleenergia OÜ	Green Capacities	Estonia	Operation of renewable energy projects	100.00	-
Ignitis renewables Estonia OÜ	Green Capacities	Estonia	Development of renewable energy projects	100.00	-
Ignitis renewables DevCo1 OÜ	Green Capacities	Estonia	Development of renewable energy projects	100.00	-
TÕRVA 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
PÄRNU 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
KADRINA 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
Väike-Maarja 1 Energiapark OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00

Continued on the next page

Company name	Business segment	Country of registered office	Activities profile	Effective ownership interest, %	Non-controlling interest's effective ownership interest, %
Pärnu 2 Energiapark OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
Haljala 1 Energiapark OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
Haapsalu 1 Energiapark OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
IGN RES DEV1 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV4 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV5 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV6 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV7 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
SP Venta SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
BRVE SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
CVE SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
Ignitis renewables Latvia SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV2 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV3 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
AB "Ignitis gamyba"	Green Capacities	Lithuania	Operation and development of renewable energy projects	100.00	-
	Reserve Capacities		Operation of reserve capacities assets		
UAB "Ignitis gamyba projektai"	Green Capacities	Lithuania	Operation and development of renewable energy projects	100.00	-
	Reserve Capacities		Operation of reserve capacities assets		
AB "Energijos skirstymo operatorius"	Networks	Lithuania	Distribution of electricity and natural gas, supply of last resort service	100.00	-
UAB "Ignitis"	Customers & Solutions	Lithuania	Supply and trading of energy, EV network development	100.00	-
Ignitis Polska Sp. z o. o.	Customers & Solutions	Poland	Supply and trading of energy	100.00	-
Ignitis Eesti, OÜ	Customers & Solutions	Estonia	Supply and trading of energy, EV network development	100.00	-
Ignitis Latvija SIA	Customers & Solutions	Latvia	Supply and trading of energy, EV network development	100.00	-
Ignitis Suomi OY	Customers & Solutions	Finland	Supply and trading of energy	100.00	-
UAB "Ignitis grupės paslaugų centras"	Other activities and eliminations	Lithuania	Shared business support services	100.00	-
UAB "Gamybos optimizavimas"	Other activities and eliminations	Lithuania	Planning, optimization, forecasting, trading, brokering and other electricity related services	100.00	-
UAB Elektroninių mokėjimų agentūra	Other activities and eliminations	Lithuania	Payment aggregation	100.00	-
UAB "Transporto valdymas"	Other activities and eliminations	Lithuania	Vehicle rental, leasing, repair, maintenance, renewal and service	100.00	-

Performance overview and the Group's structure is provided in section '7.5 Information on the Group companies' of the Integrated Annual Report.

1.2 Changes in the composition

Business combination with the companies listed above is presented in Note 31.3.1.

31.2.1 Acquisition of shares through business combinations

In 2025, the Group acquired the following subsidiaries operating in the development of renewables projects:

- on 11 February 2025, the Group acquired a 50% shareholding in Väike-Maarja 1 Energiapark OÜ, and 50% shareholding in PÄRNU 2 ENERGIAPARK OÜ;
- on 28 March 2025, the Group acquired a 50% shareholding in Haljala 1 Energiapark OÜ;
- on 18 April 2025, the Group acquired a 50% shareholding in Haapsalu 1 Energiapark OÜ;
- on 27 June 2025, the Group acquired a 100% shareholding in UAB "Nord Wind Park".

31.2.2 Liquidation of the Group company

In 2025, the assets and liabilities of the Group company UAB "Ignitis renewables projektai 6" were merged cross-border into the Group's joint venture Estonia Offshore Wind DevCo OÜ, in which the Group company UAB "Ignitis renewables projektai 6" owned 50 percent of the shares. After the merger, the Group company UAB "Ignitis renewables projektai 6" was liquidated. The ownership right of the Group company UAB "Ignitis renewables projektai 6" to the 50% shares of the joint venture Estonia Offshore Wind DevCo OÜ was transferred to the Group company UAB "Ignitis renewables projektai 11", which owned 100% of the shares of the company UAB "Ignitis renewables projektai 6" prior to the merger. The Group's effective ownership share in Estonia Offshore Wind DevCo OÜ did not change and amounts to 50% of the shares.

31.3 Business combinations

The Group applied the acquisition accounting method to account for business combination, according to the provisions of IFRS 3. Under the latter method, the acquisition cost is measured as the sum of the fair values, at the date of exchange, of assets given, liabilities incurred, and equity instruments issued in exchange for control of the business being acquired.

During business combinations, the Group's management carried out the assessment and established that the difference between the acquisition cost of the business and the fair value of the net assets acquired represents goodwill.

31.3.1 Acquisition of subsidiaries in 2025

At the time of business combinations of newly acquired subsidiaries in 2025, the fair values of assets acquired and liabilities assumed were as follows:

EURm	Note	UAB "Nord Wind Park"
Assets acquired		
Intangible assets		1.9
Property, plant and equipment		0.3
Liabilities assumed		
Loans payable	24.2.2	(0.5)
Deferred tax liability		(0.3)
Total identifiable net assets acquired		1.4
Consideration paid		-
Contingent consideration		(1.8)
Total consideration transferred		(1.8)
Goodwill arising from the acquisition of subsidiaries		0.4
Net cash flows from acquisition of subsidiary		
Cash paid to seller of shares (current period)		-
Cash and cash equivalents acquired		-
Net cash flows		-

Acquisition of UAB "Nord Wind Park"

On 27 June 2025, the Group acquired a 100% shareholding in UAB "Nord Wind Park" from a legal entity and individual persons. As at 31 December 2025, ownership rights of shares were held by the Group. Total consideration transferred amounts to EUR 1.8 million and was identified as contingent consideration, which relates to the fulfilment of specific sellers' obligations set out in the share purchase agreement. As at 31 December 2025 contingent consideration has not been paid and will be paid only if the specific sellers' obligations are fulfilled. The Group's management estimated that the range of outcomes (undiscounted) is 100% of the total contingent consideration booked as at 31 December 2025.

Since the acquisition date, the contributed revenue and profit or loss from the acquiree are not significant for the reporting period.

If the acquisition of UAB "Nord Wind Park" had occurred on 1 January 2025, the management estimates that the Group's total revenue and net profit for the reporting period would not have changed significantly. In determining these amounts, the management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025. The Group incurred EUR 0.2 million acquisition-related costs

Acquisition of Väike-Maarja 1 Energiapark OÜ, Pärnu 2 Energiapark OÜ, Haljala 1 Energiapark OÜ and Haapsalu 1 Energiapark OÜ

As at 31 December 2025, the 50% of ownership rights of shares were held by the Group. According to the Shareholders' Agreement, the Group has an option to buy (call option) any time all remaining shares (50%). As a result, the Group's management determined the Group exercises the control over Väike-Maarja 1 Energiapark OÜ, Pärnu 2 Energiapark OÜ, Haljala 1 Energiapark OÜ and Haapsalu 1 Energiapark OÜ. All these companies were registered on 27 November 2024. The total consideration transferred by the Group for all entities amounts to EUR 200 and was paid through a bank account. No contingent consideration has been identified. The fair values of the assets acquired and the liabilities assumed are immaterial, therefore, they are not disclosed.

Acquisition of UAB "Offshore wind farm 1"

On 10 October 2025 the Group company UAB "Ignitis renewables" has signed a sale and purchase agreement with OW Offshore, S.L. for the acquisition of 49% shares in Group company UAB "Offshore wind farm 1", the company developing the Curonian Nord offshore wind project. The ownership of the shares was transferred on 13 October 2025.

31.3.2 Contingent consideration for acquisition of subsidiaries

The contingent consideration for acquisition of subsidiaries is presented in the Statement of financial position as follows:

EURm	31 December 2025		31 December 2024	
	Other non-current liabilities	Other current liabilities	Other non-current liabilities	Other current liabilities
Contingent consideration for acquisition of subsidiaries	7.9	16.6	4.7	33.4

31.4 Non-controlling interest

The tables below have been prepared on the basis of the financial statements of subsidiaries adjusted for consolidation purposes and present data before intercompany eliminations.

Summarised Statement of financial position of the Group companies with non-controlling interest:

EURm	31 December 2025	31 December 2024
Non-current assets	187.0	123.0
Current assets	64.6	49.1
Non-current liabilities	(79.0)	(86.2)
Current liabilities	(102.5)	(15.2)
Net assets	70.1	70.7
Non-controlling interest	34.4	34.6

Summarised Statement of profit or loss of the Group companies with non-controlling interests:

EURm	31 December 2025	31 December 2024
Revenue	55.4	53.9
Net profit (loss) from continuing operations	24.2	26.4
Other comprehensive income (loss)	(0.6)	(1.0)
Total comprehensive income (loss) for the year	24.8	25.4
Profit (loss) attributable to non-controlling interest ¹	-	-
Dividends paid to non-controlling interest	12.4	11.8

¹The Group uses anticipated-acquisition method for recognizing put option redemption liability (Note 29.1). Accordingly, profits (loss) attributable to the holder of the non-controlling interest subject to the put option are presented as attributable to the owners of the parent company and not as attributable to those non-controlling shareholders.

Summarised Statement of cash flows of the Group companies with non-controlling interest:

	31 December 2025	31 December 2024
Cash flows from operating activities	34.7	37.4
Income tax (paid) recovered	1.5	-
Net cash flows from operating activities	34.7	37.4
Net cash flows from investing activities	(5.1)	(1.0)
Net cash flows from financing activities	(35.5)	(34.6)
Net increase (decrease) in cash and cash equivalents	4.3	1.8
Cash and cash equivalents at beginning of the year	28.9	27.1
Cash and cash equivalents at the end of the year	33.2	28.9

32 Contingent liabilities and commitments

32.1 Litigations

The most significant litigations as at 31 December 2025:

Litigation	Is the Group or the Group company a party to the process?	Is the Group or the Group company a party as defendant or plaintiff in the process?	Provision recognised in the Statement of financial position?
Litigation concerning the designated supplier state aid scheme and LNG price component	No	-	No
Investigation by the European Commission on State aid in the context of a strategic reserve measure	No	-	No
Litigation with UAB Kauno termofikacijos elektrinė	Yes	Plaintiff	No
Litigation with UAB Pamaro jėgainių energija	Yes	Defendant	No

32.1.1 Litigation concerning the designated supplier state aid scheme and LNG price component

Following the judgement of the General Court on the European Union (the General Court) on 8 September 2021 in case T-193/19, AB "Achema" initiated the reopening of the previously suspended proceedings in the administrative courts of the Republic of Lithuania in respect of the complaints it has lodged against the National Energy Regulatory Council (hereinafter referred to 'the Council') regarding the Council's decisions of the setting of the LNG price supplement. The Group company UAB "Ignitis" in these cases is intervened as a third party.

On 8 September 2021, in case T-193/19 the General Court decided to partially annul the European Commission's decision regarding the case SA.44678 (2018/N) (hereinafter referred to 'Decision') on procedural grounds. The General Court considered that the European Commission should have had doubts on the amendments regarding the designated supplier state aid scheme which have been valid for a period from 2016 to 2018 and annulled the Decision on that part. However, it maintained the validity of the remainder of the Decision, i.e., the designated supplier state aid scheme valid from 2019.

Following the General Court's judgment, the Commission has re-examined the compatibility of the 2016 amendments and has decided to open an in-depth investigation under EU State aid rules. The Commission will now investigate further to determine whether the amount of compensation received by Litgas for the period 2016–2018, in particular, regarding the boil-off and balancing costs, is in line with the SGEI Framework.

The European Commission's formal investigation procedure, limited to the points of doubt raised by the General Court, should lead to the adoption of a final and complete decision of the European Commission.

The Supreme Administrative Court of Lithuania issued four final rulings in favour of a Group company UAB "Ignitis", rejecting complaint of AB "Achema" regarding the setting of the LNG transmission price for 2019, 2020, 2021 and 2023.

After the formal investigation procedure (which started in December 2022), there will be more certainty in assessing the actual financial impact to the Group. The Group expects a decision to be taken in 2026.

32.1.2 Investigation by European Commission

On 3 June 2019, the European Commission initiated an investigation (case SA.44725 (2019/C)) to assess whether EU State aid rules were complied with when allocating funds for the public service obligation to ensure security of electricity supply through the provision of production and strategic reserve services during the period of 2013–2018. As a result, the Group is subject to risks arising from noncompliance with EU State aid rules.

These production and strategic reserve services were provided by AB „Ignitis gamyba“, which received approximately EUR 361 million over the period assessed. If this investigation results in an adverse decision, the Group's received support measures may be deemed incompatible, and the Group could be required to repay some or all of the amounts received. Based on the Group management's current estimates, the probability of repaying the full amount received is very low.

On 12 December 2025, the European Commission decided to extend the investigation. The European Commission has not yet adopted any decision regarding the outcome of the investigation. Once a decision is adopted, the Group will disclose it in accordance with applicable legal requirements.

32.1.3 Litigation with UAB Kauno termofikacijos elektrinė

On 17 December 2018, the Group's company UAB „Ignitis“ appealed to the Vilnius Court of Commercial Arbitration for compensation of EUR 1.7 million for losses incurred due to UAB Kauno termofikacijos elektrinė failure to acquire the entire required amount of liquefied natural gas assigned for 2015, and for the award of EUR 0.1 million of interest on late payment.

UAB Kauno termofikacijos elektrinė filed a counterclaim in the case, requesting the annulment of one of the terms of the LNG Sales and Purchase Agreement and the Additional Agreement. The proceedings are suspended until the courts of general jurisdiction have ruled on the non-arbitrable part of the parties' dispute as to whether the national regulatory legislation relevant to the period in question is in conformity with the Constitution and other national laws, as well as with the principles of EU law.

On 13 June 2024, the Vilnius City District Court dismissed the claim of UAB Kauno termofikacijos elektrinė.

On 15 July 2024, UAB Kauno termofikacijos elektrinė filed two appeals: (1) against the supplementary judgment of the Vilnius City District Court dated 25 June 2024, by which UAB Kauno termofikacijos elektrinė was ordered to pay the costs of the proceedings (incurred for legal aid) to the Ministry of Energy; (2) against the judgment of the Vilnius City District Court dated 13 June 2024, which dismissed UAB Kauno termofikacijos elektrinė claim against UAB „Ignitis“. On 19 August 2024, on behalf of UAB „Ignitis“, a defence to the appeals of UAB Kauno termofikacijos elektrinė was prepared and submitted to the court.

On 13 February 2025, the Kaunas Regional Court, having examined the case in appellate proceedings, decided to annul the decision of the Vilnius City District Court dated 13 June 2024 and the additional decision of the Vilnius City District Court dated 25 June 2024, and to remit the case to the first instance court for re-examination. The first instance court hearing for the remitted case is scheduled for 17 March 2026.

32.1.4 Litigation with UAB Pamario jėgainių energija

On 30 April 2025, UAB Pamario jėgainių energija filed a claim against the Group's subsidiary UAB „Ignitis“ requesting a contract termination penalty (EUR 10.0 million), plaintiff interest (EUR 0.4 million), procedural interest at a rate of 11.40% and plaintiff's litigation costs. Total claim amount - EUR 10.4 million.

The claim is based on the fact that upon termination of the agreement between the parties for the Purchase of electricity produced from renewable energy sources from the producer, purchase agreement from a renewable energy UAB „Ignitis“ is obligated to pay a penalty calculated according to the formula specified in the contract. The claim comes from disagreement regarding the penalty calculation formula. UAB „Ignitis“ position is that UAB Pamario jėgainių energija incorrectly applied the formula for calculating the penalty established in the contract. UAB „Ignitis“ provided their calculations based on which the penalty amount was deemed to be EUR 0.

The parties in the case have exchanged procedural documents. The court hearings are scheduled for 27 February and 12 March 2026.

32.2 Significant acquisition commitments

At the end of the reporting year, the Group had significant acquisition commitments of property, plant and equipment and intangible assets, which will have to be fulfilled during the later years (Notes 11.3 and 12.3).

32.3 Evaluation of geopolitical situation on the Group's financial statements

The Group has evaluated current and, to the extent possible, expected impact of Russia's ongoing war against Ukraine on the financial position, performance, cash-flows and the principal risks and uncertainties to which the Group is exposed. As the Group does not have any significant operations and does not have any subsidiaries in the affected markets, the management of the Group has concluded that:

- No expected credit losses adjustments should be made as Group does not have balances with affected markets;
- No adjustment to the carrying amounts of assets and liabilities should be made;
- The situation does not have impact on Group's ability to continue as a going concern;
- General potential effects that are tightly related to the Group's activities are an increase in electricity and natural gas prices, possible disruptions in supply chains as well as increased inflation and growing prices of other materials. Furthermore, the level of vigilance in cybersecurity is being raised nationwide while the Group is classified as the owner of critical infrastructure. None of the mentioned general potential effects had a significant impact on the Group's financial position, performance and cash-flows since the start of the war.

As to the above no significant impact of Russia's ongoing war against Ukraine on Group's financial statements was identified. However, it should be noted that, due to the ongoing uncertainty, impact of the Russia's ongoing war against Ukraine on the business of the Group companies is being constantly reviewed.

33 Temporary regulatory differences

33.1 Regulatory activity: Accrual of income and regulatory provisions from regulated activities

The profitability of some individual Group companies and their individual activities is regulated by NERC through the service tariffs approved for the next periods. The level of tariffs depends on the projected costs and volume of services for the next period, the extent to which the previous period earnings are at variance with the regulated level, and other factors. The actual costs of regulated activities incurred by the Group during the year may be at variance with the projected costs that are considered during the approval of the tariffs, and the actual volume of services may be at variance with the projected one. Accordingly, actual earnings from regulated activities may be at variance with the regulated level, and the resulting difference will affect the future tariffs of services.

The Group has these regulated activities: electricity distribution (Networks), natural gas distribution (Networks), designated supply of natural gas (Customers & Solutions), natural gas supply to B2C customers (Customers & Solutions), isolated power system operation and system services (Reserve Capacities and Green Capacities), public supply of electricity (Customers & Solutions).

Actual costs incurred by the Group during the year may be at variance with the projected costs that are considered during the approval of the tariffs, and the actual volume of services may be at variance with the projected one. Accordingly, the actual earnings of the Group may be at variance with the regulated level, and the resulting difference will affect the future tariffs of services. Such differences are considered to be temporary regulatory differences.

The Group recognises the assets and liabilities of the regulated activities only when the Group has a guarantee (stipulated in NERC resolutions or laws) that even in case of discontinuing regulated activities, the differences would be refunded to the Group in case of under collection or the Group will have to refund in case of overcollection.

Changes in regulatory assets and liabilities include:

- 'New temporary regulatory differences' that are the management's estimates for the current year, which are calculated using the actual financial and operational data and are not yet confirmed by NERC;
- 'Received previous years differences' that are the amounts received during the current year for the differences in previous periods through tariffs based on the resolutions passed by NERC;
- 'Returned previous years differences' that are the amounts repaid during the current year for the differences in previous periods through tariffs based on the resolutions passed by NERC;
- 'Recalculation of previous years differences' that applies in case the regulatory differences confirmed by NERC do not agree with the differences estimated by the management.

33.2 Movement of regulatory assets and liabilities

EURm	Not recognised in the Statement of financial position					Recognised in the Statement of financial position			Total
	Electricity distribution	Natural gas distribution	Designated supply of natural gas	Natural gas supply to B2C customers	Subtotal not recognised in the Statement of financial position	Isolated power system operation and system services	Public supply of electricity	Subtotal recognised in the Statement of financial position	
Balance as at 1 January 2024	(284.3)	(14.1)	18.0	0.5	(279.9)	(45.7)	(13.1)	(58.8)	(338.7)
New temporary regulatory differences	(28.3)	(7.8)	19.3	0.6	(16.2)	(44.5)	11.0	(33.5)	(49.7)
Received previous years differences	-	-	(31.2)	-	(31.2)	-	-	-	(31.2)
Returned previous years differences	51.0	2.4	-	-	53.4	0.6	-	0.6	54.0
Recalculation of previous years differences	(1.7)	(4.9)	-	-	(6.6)	-	1.4	1.4	(5.2)
Balance as at 31 December 2024	(263.3)	(24.4)	6.1	1.1	(280.5)	(89.6)	(0.7)	(90.3)	(370.8)
Balance as at 1 January 2025	(263.3)	(24.4)	6.1	1.1	(280.5)	(89.6)	(0.7)	(90.3)	(370.8)
New temporary regulatory differences	(24.5)	(6.7)	(2.2)	5.4	(28.0)	(127.9)	15.2	(112.7)	(140.7)
Received previous years differences	-	-	(0.8)	-	(0.8)	-	-	-	(0.8)
Returned previous years differences	98.4	7.5	-	-	105.9	76.1	-	76.1	182.0
Recalculation of previous years differences	26.0	(3.1)	(3.1)	-	19.8	-	(2.1)	(2.1)	17.7
Balance as at 31 December 2025	(163.4)	(26.7)	-	6.5	(183.6)	(141.4)	12.4	(129.0)	(312.6)
Non-current	(103.2)	(41.8)	-	-	(145.0)	(127.4)	-	(127.4)	(272.4)
Current	(60.2)	15.1	-	6.5	(38.6)	(14.0)	12.4	(1.6)	(40.2)

33.2.1 Regulatory assets and liabilities not recognised in the Statement of financial position

33.2.1.1 Electricity distribution

Regulatory differences are determined in accordance with the Methodology for setting the price caps for electricity transmission, distribution and public supply services (hereinafter – the Methodology) and are of two types: adjusted by NERC or estimated by the Group.

NERC adjusts the regulatory differences after the first two years of the regulatory period for the regulated activities, and then after four years of the regulatory period as well as after the entire regulatory period (including the extension of the regulatory period), which reduces the level of revenue allowed for the regulated activities for the following year.

The Group has agreed with the regulator (NERC) to amend the repayment period of the EUR 160.0 million regulatory difference to 2024–2031 (from 2024–2036). In this regard, NERC upgraded the methodology for calculating the additional tariff component and linked it to the leverage level cap of 5.5x (ESO Net Debt/ ESO Adjusted EBITDA, both calculated based on the methodology approved by NERC), which means that if ESO's leverage level exceeds the predetermined cap, the additional tariff component will increase proportionally.

According to the amendment, the regulatory differences for B2C customers (EUR 57.1 million, including accrued interest) will be repaid over a period of 2 years and 3 months (from 1 April 2024 to 30 June 2026). For B2B customers (EUR 100.6 million, including accrued interest), the repayment period is 7 years and 9 months (from 1 April 2024 to 31 December 2031).

The regulatory difference mentioned above relates to the changes in the Networks methodology in 2021 and, in turn, the recalculated ROI and D&A for the period 2018–2021. Accordingly, after the agreement was made, the Methodology for determining the price caps for electricity transmission, distribution and public supply services has been changed.

The evaluation of the return on investment for 2024 and 2025 will be performed in 2026, when setting the electricity distribution price caps for 2027.

33.2.1.2 Natural gas distribution

Regulatory differences are determined in accordance with the Methodology for setting state-regulated prices in the natural gas sector (hereinafter – the Methodology) and are of two types: adjusted by NERC or estimated by the Group.

NERC adjusts the regulatory differences of the regulated activities after the first two years of the regulatory period, and then after four years of the regulatory period as well as after the entire regulatory period (including the extension of the regulatory period), which changes the level of revenue allowed for the regulated activities for the following year.

By the Resolution No. O3E-1323 passed on 18 October 2024, NERC has set the price cap for the natural gas distribution price for 2025 on the basis of a certificate No.O5E-973 issued on 15 October 2024.

The evaluation of the return on investment for 2024 and 2025 will be performed in 2026, when setting the natural gas distribution income level for 2027.

33.2.1.3 Designated supply of natural gas

Designated supply activity is also regulated by NERC. The regulatory differences arise when the actual costs differ from those estimated, but the Group does not recognise the regulated assets or liabilities in the financial statements as the difference will be refunded by providing the services in the future.

33.2.1.4 Natural gas supply to B2C customers

Natural gas supply to B2C customers is regulated by NERC. NERC regulates the natural gas tariff paid by the customers. The regulatory differences, defined as the difference between the fixed natural gas sale price and the actual natural gas purchase price, were not recognised in the financial statements till 31 December 2025 as the Group had no guarantee for this difference to be considered when setting tariffs in the future according to the legislation base.

33.2.2 Regulatory assets and liabilities recognised in the Statement of financial position

33.2.2.1 Temporary regulatory differences of isolated power system operations and system services

- On 14 November 2019, NERC adopted a resolution No O3E-715 'On approval of the methodology for establishing the prices for electricity, capacity reserve and services ensuring isolated operation of the power system'. This resolution stipulates that Companies that discontinue capacity reserve ensuring services or services ensuring isolated operation of the power system shall reimburse any discrepancies between the projected and actual costs of providing these services to the transmission system operator (related company – LITGRID AB) if the costs actually incurred by the Group were less than the revenues received from the transmission system operator. If the actual costs incurred by the Group were higher than the income of the transmission system operator, the transmission system operator shall reimburse this amount to the Group. Formulas determined for period y in the resolution for isolated operation of the power system and capacity reserve services:— In the case of capacity reserve assurance services: the amount of discrepancy between the assigned investment return that meets the reasonableness criteria, compared to the determined investment return, during the reporting period (y-2);
- in the case of isolated operation of the power system: the amount of the discrepancy between the costs assigned during the reporting period (y-2) compared to the amount of income received from transmission system operator during the reporting period (y-2).

On 8 February 2023 an additional agreement with transmission system operator was signed. Under the agreement the Group undertook to purchase the required amount of gas and sell the set amount of electricity in advance on the electricity market in accordance with the electricity generation schedule submitted by transmission system operator, and transmission system operator undertook to reimburse the costs incurred by the Group under the schedule. After this additional agreement during 2023 the Group has entered into a derivatives' transaction, which hedges the sale price of gas.

On 30 April 2025, NERC adopted a resolution "On the approval of methodology for setting prices for electricity, emergency reserve capacity, isolated power system operation and total power system accident prevention or liquidation, and isolated power system operation reserve services". The resolution was expanded with the following clauses:

- for entities, whose power plants provide total power system accident prevention or liquidation service, the permitted isolated power system operation service revenue may be adjusted by 70% of the positive financial result from the manual frequency restoration reserve (mFRR) capacity service, resulting from the difference between the marginal auction price (pay-as-cleared) and the offered auction price (pay-as-bid), of the previous or planned financial period (quarter, half-year or year), of the power plants that provide total power system accident prevention or liquidation services. When assessing revenue, an additional adjustment for the permitted revenue may be done if entities' adjusted EBITDA for the assessment year (y-1) is higher than previous year's (y-2), indexed on last year's coefficient of EBITDA change. If this condition is met, when adjusting the isolated power system operation service revenue, an additional adjustment of the difference between assessment year (y-1) adjusted EBITDA and previous year (y-2) indexed adjusted EBITDA is made. The difference between planned and actual service revenue is assessed when determining the price cap for the isolated power system operation service in the subsequent periods. This clause is valid until 31 December 2025 but may be extended by the decision of the NERC.
- for entities, whose power plants provide total power system accident prevention or liquidation service, the permitted isolated power system operation service revenue can be adjusted by 50% of the profit from electricity and balancing capacity services sold in accordance with the conditions set out in the Electricity trade rules. This clause is valid until 31 December 2026 but may be extended by the decision of the NERC.

33.2.2.2 Temporary regulatory differences of public electricity supply activity

On 25 September 2020, NERC adopted a Resolution No. O3E-879 'On the approval of the methodology for determining the electricity transmission, distribution and public supply services and the public price cap'. The resolution includes the methodology for determining the additional component for the distribution services to B2C consumers to compensate the difference between the actual and forecasted reasonable costs of a public supplier. The additional component is paid by B2C customers through the electricity distribution service price, which is included as one of the components of the public electricity tariff applied to the electricity consumed by B2C customers. This component is collected by the distribution system operator (a Group company) from all electricity suppliers that sell electricity to B2C customers. The calculation of the difference includes the difference resulting from the discrepancy between the forecasted electricity purchase price and the actual electricity purchase price as well as the amount of costs resulting from the difference between the public supplier's public electricity price cap and the actual electricity distribution service price caps. If the difference is negative, the loss is compensated through the increased price of the additional component applied in the next year and, accordingly, if the difference is positive, the gain is reduced through the decreased price of the additional component.

This resolution also stipulates that if the Group discontinues public supply services, the Group must refund the raised discrepancies between the forecasted and actual costs of providing these services if the costs actually incurred by the Group were less than the income received. The amount must be refunded to the Group if the costs actually incurred by the Group were higher than the income of the transmission system operator. The difference shall be reimbursed till 31 December 2034.

With regard to the above, the Group recognises contract assets and/or contract liabilities of the difference to eliminate the mismatches between the current year earnings and the regulated level, regardless of the difference in the provision of services in the future.

34 Related-party transactions

Related parties are defined as follows:

- the parent company's controlling shareholders or those who have significant influence;
- associated companies;
- joint ventures;
- state controlled companies and their subsidiaries (only significant transactions are being disclosed with such companies);
- the Ministry of Finance of the Republic of Lithuania along with agencies and enterprises that are attributable to the governance of the decisions (only significant transactions are being disclosed with such companies);
- the key management personnel and close members of that personnel's family and their controlled enterprises and companies.

In 2025 and 2024, the Group did not conclude any asset investment, acquisition, transfer, lease, pledge and mortgage, obligation fulfilment surety or guarantee transactions with a related party under normal market conditions during normal economic activity which (or the sum of which) exceed 1/10 of the assets provided in the Statement of financial position.

The table below summarises the main types of transactions carried out with related parties were as follows:

Related parties	Registration code	Official register	Address	Relationship	Nature of main transactions
LITGRID AB	302564383	SE Centre of Registers	Karlo Gustavo Emilio LT-05131 Vilnius	Indirectly controlled by the Ministry of Energy of Lithuania	Sales and purchase of electricity transmission services, capacity services
AB "Amber Grid"	303090867	SE Centre of Registers	Laisvės Ave. 10, LT-04215 Vilnius	Indirectly controlled by the Ministry of Energy of Lithuania	Sales of gas, purchases of gas transmission services
BALTPPOOL UAB	302464881	SE Centre of Registers	Žalgirio St. 90, D, LT-09303 Vilnius	Indirectly controlled by the Ministry of Energy of Lithuania	Sales and purchases of electricity, provision of PSO services
UAB GET Baltic	302861178	SE Centre of Registers	Zalgirio st. 114, LT-09300 Vilnius, Lithuania	Indirectly controlled by the Ministry of Energy of Lithuania	Sales and purchases of gas
Estonia Offshore Wind DevCo OÜ	16827546	SE Centre of Registers	Harju maakond, Tallinn, Kesklinna linnaosa, Narva mnt 5, 10117	Joint venture	Provision of financing and management services
Other related parties	-	-	-	Other entities controlled by state bodies	Sales of electricity, provision of electricity transmission and distribution services

Transactions with related parties as at 31 December were as follows:

Related parties	Loans receivable 31 December 2025	Accounts receivable 31 December 2025	Accounts payable 31 December 2025	Sales 2025	Purchases 2025	Finance income (expenses) 2025
LITGRID AB	-	11.6	42.9	271.3	315.2	-
AB "Amber Grid"	-	4.4	2.0	4.5	11.6	-
BALTPPOOL UAB	-	0.6	-	0.6	0.3	-
UAB GET Baltic	-	-	-	28.8	101.0	-
Associates and other related parties of the Group	4.5	2.5	6.3	15.6	23.3	0.3
Total	4.5	19.1	51.2	320.8	451.4	0.3

Related parties	Loans receivable 31 December 2024	Accounts receivable 31 December 2024	Accounts payable 31 December 2024	Sales 2024	Purchases 2024	Finance income (expense) 2024
LITGRID AB	-	31.3	29.9	163.9	262.8	-
AB "Amber Grid"	-	7.9	4.3	37.3	32.5	-
BALTPPOOL UAB	-	0.4	-	20.8	0.1	-
UAB GET Baltic	-	13.1	0.7	24.8	68.9	-
Associates and other related parties of the Group	-	1.7	5.2	19.0	31.3	-
Total	-	54.4	40.1	265.8	395.6	-

34.1 Terms of transactions with related parties

The payment terms set the range from 15 to 90 days. Closing debt balances are not secured by pledges, they do not yield interest, and settlements occur in cash. There were no guarantees given or received in respect of the related-party payables and receivables.

34.2 Compensation to key management personnel

EURm	2025	2024
Wages and salaries and other short-term benefits to key management personnel	1.9	1.7
Whereof:	-	-
Short-term benefits: wages, salaries and other	1.6	1.5
Long-term benefits	0.3	0.2
Number of key management personnel	14	12

In 2025 and 2024 members of the Management Board (incl. CEO) and the Supervisory Board were considered to be the Group's key management personnel. For more information on the key management personnel, see section '4 Governance' of this report.

35 Risk management

Risks are a natural and integral part of business activities, and risk profile changes continuously. The Group aims to mitigate its risks and reduce them to an acceptable level through risk management. This part describes only the management of the main financial risks. Management of other risks is presented in section '4 Governance' of this report.

The Group is exposed to a variety of financial risks in their operations:

- market risk;
- credit risk;
- liquidity risk;
- climate change risk.

While managing these risks, the Group companies seek to mitigate the impact of the factors which could adversely affect the Group's financial performance.

35.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the market prices. The market risk comprises three types of risk:

- foreign currency exchange risk;
- interest rate risk;
- energy and commodity risk.

35.1.1 Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of the changes in the foreign exchange rates.

The sale/purchase contracts of the Group are mainly denominated in euro. The foreign exchange risk is mainly exposed to subsidiaries of the Group that operate in Poland, but the overall Group exposure remains low.

35.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the market interest rates.

When assuming debt obligations, it is aimed that non-current liabilities would bear a fixed interest rate. If the fixing of the interest rate is not possible due to objective reasons and the liability assumed comprises a significant amount (in the context of the Group), the interest rate derivatives would be used for the purpose of interest management. The aim is that non-current loans and bonds with fixed interest rates comprise not less than 50% of the Group's consolidated non-current loans and bonds portfolio. The usage of any of the interest rate derivatives requires the expiry date of the derivative to correspond to the maturity date of the debt obligation.

The risk of adverse changes in the interest rate of the investment is not actively insured. The risk management measures are applied only when the market has obvious indications that the interest rate might significantly decrease, resulting in negative investment returns.

Most of the Group's loans and bonds had fixed interest rates as at 31 December 2025. Variable-rate financial instruments include the loans received in the amount of EUR 755.1 million and the loans granted in the amount of EUR 52.9 million as at 31 December 2025 (as at 31 December 2024, the loans received amounted to EUR 452.3 million and the loans granted – EUR 54.0 million).

Interest rate risk is assessed in relation to sensitivity of the Group's profit to potential shift in interest rates. This assessment is provided in the table below.

Group	Increase/decrease, pp	(Decrease)/increase in profit
2025	1.0/(1.0)	(7.0)/7.0
2024	1.0/(1.0)	(4.0)/4.0

35.1.3 Energy and commodity risk

Commodity risk is the risk that the changes in the market prices (i.e., commodity prices) will affect the Group's results or the value of its holdings of financial instruments. The objective of the energy and commodity risk management is to manage and control the market risk exposures within acceptable parameters while optimising the return.

The Group uses derivatives to manage the commodity risk. All such transactions are carried out according to the Group's risk management policy. Generally, the Group seeks to apply hedge accounting to manage the volatility in the Statement of profit or loss.

In the ordinary course of its operations, the Group is exposed to commodity risks on natural gas and electricity products. The source of exposure lies with the cash flows from the sales of natural gas and electricity or the cost cash flows incurred to procure the fixed-price electricity/natural gas for the sales contracts. Majority of this type of exposure is based on the changes in the respective commodity prices in the market where the Group operates.

The commodity risk arises primarily from the following activities:

- fixed-price commodity sale contracts (electricity and natural gas) for B2C and B2B;
- fixed-price natural gas purchase contracts.

In order to manage the commodity price risk, the Group enters into financial derivatives contracts (cash flow hedges). This is performed in order to secure a fixed acquisition price for the above-mentioned commodities, so that the optimum profit margins could be obtained from the contracted or expected fixed-price sales.

For electricity-related hedges, the Group uses component-based hedges in the derivatives market (NASDAQ Commodities) or equivalent over-the-counter contracts (OTC), and for natural-gas-related hedges – OTC contracts with price indexes matching the hedged contracts. The assessment of economic relationship and hedge effectiveness is performed by:

- the dollar offset method for electricity hedges;
- the descriptive method for natural gas hedges.

The two separate components that are being used as a hedged item for electricity-related hedges are the SYS price and price component equivalent or similar to the difference between the Lithuanian price area and the SYS price. Their economic relationship is determined separately for each component:

- SYS price (the average price in the Nord Pool power market, of which Lithuania is a member);
- price component equivalent or similar to the difference between the Lithuanian price area and the SYS price (commonly referred as EPAD in NASDAQ Commodities market).

The source of hedge ineffectiveness is mainly related to the limited supply of financial derivatives for Lithuanian electricity price area in the market. Therefore, commodity risk is partly hedged in the similar price areas (Latvian, Estonian and other), which results in partial ineffectiveness. The designated risk component of SYS historically covered 100% of the changes in the hedged item, while the designated price component equivalent or similar to the difference between the Lithuanian price and the SYS price historically covered a variety of percentages (depending on the hedge timing and the hedged price area). However, at least 67% coverage is expected in order for a derivative to be classified as effective for hedge accounting purposes. During the reporting period of 2025, on average, nearly 81% of all electricity hedge contracts in terms of value have been effective.

Overview of the Group's derivatives positions:

EURm	31 December 2025		31 December 2024	
	Contractual nominal value	Market value ¹	Contractual nominal value	Market value ¹
Market derivatives – Electricity (Nasdaq Commodities)	12.4	(0.6)	19.4	(0.6)
Over-the-counter (OTC) derivatives – Electricity (Note 30)	14.6	1.8	8.6	(1.4)
Over-the-counter (OTC) derivatives – Natural gas (Note 30)	24.5	(2.5)	7.8	(3.2)
Total	51.5	(1.3)	35.8	(5.2)

¹ Non-commodity derivatives are not included in the table above, their fair value as at 31 December 2025 was EUR 15 million (as at 31 December 2024 was EUR 1.4 million) (Note 30).

Nominal amounts (quantities in TWh) hedged:

	31 December 2025		
	2026	2027	2028
Electricity hedges	0.2	0.2	1.4
Natural gas hedges	-	-	-
Total	0.2	0.2	1.4

Nominal values hedged:

EURm	31 December 2025		
	2026	2027	2028
Electricity hedges	27.0	-	-
Natural gas hedges	17.0	5.1	2.4
Total	44.0	5.1	2.4

Market value sensitivity analysis, due to the changes in market prices:

EURm	31 December 2025		
	Market value		
	Increase by 10%	Current prices	Decrease by 10%
Market derivatives – Electricity (Nasdaq Commodities)	0.5	(0.6)	(0.8)
Over-the-counter (OTC) derivatives – Electricity	(11.3)	1.8	15.0
Over-the-counter (OTC) derivatives – Natural gas	(0.2)	(2.5)	(4.6)
Total	(11.0)	(1.3)	9.6

35.2 Credit risk

Credit risk is a risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group's exposure to credit risk arises from operating activities of the companies (trade and other amounts receivable) and from financing activities (loans granted, finance lease agreements). The Group's risk related to cash is limited as the Group keeps cash balances only in reliable financial institutions.

The Group is not exposed to significant credit risk concentration related to trade receivables. The Group is exposed to credit risk concentration related to loans granted (Note 15.2.2). The Group evaluates cash flows and financial results of Moray West Holdings Limited, no impairment loss is recognised for the investment into Moray West Holdings Limited to which the loan is granted. Therefore, the Group does not consider the risk associated with the concentration of loans granted to be significant.

The priority objective of the Group's treasury management is to ensure the security of the funds and maximise the return on investments in pursuance of this objective. The risk of counterparties defaulting is managed by entering into transactions with reliable financial institutions (or subsidiaries of such institutions) with a long-term credit rating (in foreign currency) not lower than 'A-' according to the rating agency Fitch Ratings (or an equivalent rating of other rating agencies).

The maximum exposure to credit risk is equal to the carrying amount of financial assets.

EURm	Note	31 December 2025	31 December 2024
Financial assets measured at amortised cost:			
Non-current receivables	15	10.1	18.5
Trade receivables	20	272.2	294.0
Other receivables	15	27.7	46.8
Other current financial assets	16	0.2	-
Loans granted	15	72.9	65.1
Cash and cash equivalents	21	296.3	234.5
Amounts receivable under finance lease agreements			
Non-current portion	15.1	5.8	7.8
Current portion		2.1	1.8
Financial assets measured at FVTPL or FVOCI			
Investment funds – at FVTPL	16	26.1	30.1
Equity securities – at FVOCI	16	5.0	5.0
Derivatives	30	17.5	5.2
Total		735.9	708.8

35.3 Liquidity risk

The liquidity risk is managed by planning future cash flows of each Group company and ensuring sufficient cash and availability of funding through committed credit facilities and overdrafts to support the Group's ordinary activities. The refinancing risk is managed by ensuring that loans over a certain period were repaid from available cash, from cash flows expected from operating activities of the Group companies over that period, and from unwithdrawn committed credit facilities which have to be repaid in later periods.

As at 31 December 2025, the Group's current ratio (total current assets/total current liabilities) and quick ratio ((total current assets – inventories) / total current liabilities) were 1.17 and 0.89 respectively (31 December 2024: 1.13 and 0.84 respectively). As at 31 December 2025, the Group's balance of credit lines, overdraft facilities and loan agreements not withdrawn amounted to EUR 332.3 million (31 December 2024: EUR 434.7 million).

The table below summarises the Group's financial liabilities by category:

EURm	Note	31 December 2025	31 December 2024
Financial liabilities measured at amortised cost			
Loans and bonds	24	2,100.8	1,772.7
Lease liabilities	24	107.6	74.1
Trade payables and non-current amounts payable to suppliers		221.2	248.2
Other current and non-current liabilities		94.1	133.9
Financial liabilities measured at FVTPL or FVOCI			
Derivatives	30	4.9	8.4
Put option redemption liability	29.1	38.0	38.0
Total		2,566.6	2,275.3

The table below summarises the maturity profile of the Group's financial liabilities under the contracts (based on contractual undiscounted payments of interest-bearing financial liabilities and the carrying amounts of other financial liabilities):

EURm	2025				Total
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	
Loans and bonds	15.6	159.4	1,626.3	410.1	2,211.4
Lease liabilities	1.7	12.3	54.4	127.9	196.3
Trade payables and non-current amounts payable to suppliers	82.8	137.9	0.5	-	221.2
Other current and non-current liabilities	66.6	50.6	2.4	31.0	150.6
Derivatives	1.1	2.8	1.0	-	4.9
As at 31 December 2025	167.8	363.0	1,684.6	569.0	2,784.4

EURm	2024				Total
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	
Loans and bonds	15.9	71.8	1,168.4	703.1	1,959.2
Lease liabilities	1.0	7.8	32.3	88.2	129.3
Trade payables and non-current amounts payable to suppliers	79.2	166.9	2.1	-	248.2
Other current and non-current liabilities	70.8	85.0	6.6	18.8	181.2
Derivatives	7.6	0.8	-	-	8.4
As at 31 December 2024	174.5	332.3	1,209.4	810.1	2,526.3

35.4 Impact of climate change

The Group pays special attention in order to reveal a potential impact of climate change and its related economic, transitional changes on the parent company's activities. This impact may arise from physical (extreme) weather phenomena and from the aspiration of states to adopt the Green Deal, which could cause additional requirements for the energy sector: to comply with new regulations, implement new technological solutions, manage reputational risks, respond to fast growing market demand for green solutions, etc. Read more on the impact of climate change and the parent company's approach on managing it in section '6.2 Environment' of Integrated Annual Report 2025.

Climate change and the transition to net zero have been considered in the preparation of these financial statements. While preparing these financial statements, the following has been considered:

Valuation of property, plant and equipment, and impairment assessment of goodwill

The Group assesses the useful economic life of its property, plant and equipment assets annually. The useful economic life of assets has not been shortened. There are no indicators suggesting that assets have reduced in value, significant impacts of climate change on the Group's assumptions used in estimating their recoverable value and there is no need to perform sensitivity analysis of the effects of climate risk within the assumptions made. The Group's management does not reasonably expect the climate change to have a significant impact of valuation of property, plant and equipment, and the impairment assessment of goodwill.

Estimation of decommissioning provisions

The Group holds decommissioning provisions for some of the wind and solar power farms. It is expected that fundamental changes to weather patterns, or the impact of new wind generation capacity will not bring forward the decommissioning of the Group's current wind farm portfolio.

Impact of climate change on provision for risk and on ECL

The Group's management does not believe that there are any provisions for risks or potential liabilities requiring consideration in the financial statements in connection with possible disputes, specific regulatory requirements aimed at mitigating environmental damages, sanctions connected to failure to comply with environmental requirements, contracts that may become onerous, possible restructuring works aimed at achieving the climate objectives required. No significant climate and environmental risks had significant impact when calculating the ECL.

The impact of future climate change regulation is not material on the currently reported amounts of the Group's assets and liabilities.

36 Fair values of financial instruments

36.1 Financial instruments, measured at fair value

The Group's derivatives (Level 2 of the fair value hierarchy), investment funds measured at FVTPL and equity securities measured at FVOCI (Level 3 of the fair value hierarchy), as well as the put-option redemption liability (Level 3 of the fair value hierarchy) and contingent consideration for acquisition of subsidiaries (Level 3 of the fair value hierarchy) are measured at a fair value.

As at 31 December 2025 and 2024, the Group has accounted for assets and liabilities arising from financial derivatives. The Group accounts for financial derivative assets and liabilities at fair value and their accounting policies are set out in Note 1.9.3, section '8.7 Accompanying information'. Market values that are based on quoted prices (Level 1) comprise quoted commodities derivatives that are traded in active markets. The market value of derivatives traded in an active market is often settled on a daily basis, thereby minimising the market value presented on the balance sheet. Market values based on observable inputs (Level 2) comprise derivatives where valuation models with observable inputs are used to measure fair value. All assets and liabilities measured at market value are measured on a recurring basis. The Group attributes derivatives linked to the Lithuanian/Latvian and Estonian/Finish electricity market areas to Level 2 of the fair value hierarchy. Derivatives acquired directly from other market participants (OTC contracts) and the acquired physical transmission rights are estimated based on the prices of the Nasdaq Commodities market.

As at 31 December 2025 and 2024, the Group has accounted for investment funds measured at FVTPL (Note 16). The fair value measurement of these financial assets is based on investment rounds. The fair value of these financial assets will change depending on exits of investments, future investment rounds or other significant events. Their fair value corresponds to Level 3 of the fair value hierarchy.

As 31 December 2025 and 2024 the Group has accounted for equity securities measured at FVOCI (Note 16). The fair value measurement of this financial asset is based on the valuation performed by external valuator. The valuation was performed based on discounted cash flows. Their fair value corresponds to Level 3 in the fair value hierarchy.

As at 31 December 2025 and 2024, the Group accounted for put-option redemption liability (Note 36) to acquire all the shares of UAB Kauno kogeneracinė įėgainė held by UAB Gren Lietuva (49%). The measurement of its fair value is disclosed in Note 28.1. The measurement of the fair value of put-option redemption liability is attributed to Level 3 of the fair value hierarchy.

As at 31 December 2025, the Group accounted for contingent consideration for acquisition of subsidiaries which relates to the fulfilment of specific sellers obligations set out in the share purchase agreements. The measurement of its fair value is disclosed in Note 31.3. The measurement of the fair values of contingent consideration is attributed to Level 3 of the fair value hierarchy.

36.2 Financial instruments for which fair value is disclosed

The carrying amount of the Group's financial assets and financial liabilities is measured at an amortised cost approximated to their fair value, excluding issued bonds and loans received from commercial, state-owned banks. The measurement of the financial instruments related to the issued bonds and loans received is attributed to Level 2 of the fair value hierarchy.

The fair value of the Group's issued bonds was calculated by discounting future cash flows related to the coupon payments, with reference to the interest rate observable in the market, and the regular future payments related to issued bonds. The cash flows were discounted using a weighted average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The discount rate for each bond issue was determined as the yield of certain bonds issued. The measurement of the fair value of issued bonds is attributed to Level 2 of the fair value hierarchy.

The fair value of the Group's loans received was calculated by discounting the cash flows with a market interest rate applied for a similar-period bond. The cash flows were discounted using a weighted average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The measurement of the fair value of loans received is attributed to Level 2 in the fair value hierarchy.

36.3 Financial instruments' fair value hierarchy levels

The table below presents allocation between the fair value hierarchy levels of the Group's financial instruments as at 31 December 2025:

as at 31 December 2020.

EURm	Note	Carrying amount	Level 1	Level 2	Level 3	Total
			Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Financial instruments measured at FVTPL or FVOCI						
Assets						
Derivatives	30	17.5	-	17.5	-	17.5
Investment funds – at FVTPL	16	26.1	-	-	26.1	26.1
Equity securities – at FVOCI	16	5.0	-	-	5.0	5.0
Liabilities						
Put option redemption liability	29	38.0	-	-	38.0	38.0
Derivatives	30	4.9	-	4.9	-	4.9
Contingent consideration for acquisition of subsidiaries	31.3.2	24.5	-	-	24.5	24.5
Financial instruments for which fair value is disclosed						
Assets						
Loans granted		72.5	-	-	73.8	73.8
Liabilities						
Bonds issued		904.3	-	878.9	-	878.9
Loans received		1,196.4	-	1,169.9	-	1,169.9

The table below presents allocation between the fair value hierarchy levels of the Group's financial instruments as at 31 December 2024:

EURm	Note	Carrying amount	Level 1	Level 2	Level 3	Total
			Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Financial instruments measured at FVTPL or FVOCI						
Assets						
Derivatives	30	5.2	-	5.2	-	5.2
Investment funds – at FVTPL	16	30.1	-	-	30.1	30.1
Equity securities – at FVOCI	16	5.0	-	-	5.0	5.0
Liabilities						
Put option redemption liability	29	38.0	-	-	38.0	38.0
Derivatives	30	8.4	-	8.4	-	8.4
Contingent consideration for acquisition of subsidiaries	31.3.2	38.1	-	-	38.1	38.1
Financial instruments for which fair value is disclosed						
Assets						
Loans granted		64.8			64.6	64.6
Liabilities						
Bonds issued		902.6	-	859.6	-	859.6
Loans received		870.1	-	837.2	-	837.2

37 Events after the reporting period

37.1 A disposal of 49% stake in subsidiary

As part of the asset rotation program under its strategy and to ensure proper implementation of the European Commission's decision related to the EUR 138 million support received, we reached an agreement with Quaero Capital to dispose a 49% stake in Vilnius CHP. Based on transaction valuation, 100% of Vilnius CHP equity is valued at EUR 244 million, 49 % – at EUR 120 million, representing 4.6x multiple over the Group's equity invested. The agreement is expected to be signed by the end of March 2026, after the decision at our Annual General Meeting of Shareholders on 25 March 2026, with the transaction closing planned in Q2 2026. An acquiror – Quaero Capital – is a Switzerland based infrastructure fund with EUR 3.8 billion in AUM and a presence in the Baltic States.

37.2 Kelmé wind farm financing received

In February 2026, the Group received EUR 318 million in long-term non-recourse project financing from European Investment Bank, Swedbank, EBRD, and Nordic Investment Bank for the 314 MW Kelmé wind farm. For further details on the financing agreement secured, see the [announcement](#).

There were no other significant events after the reporting period till the issue of these financial statements.

8.7 Accompanying information

1 Material accounting policies

1.1 New standards, amendments and interpretations

1.1.1 Standards and their interpretations, announced and adopted by the European Union, effective for the current reporting period

The following are the new standards and/or amendments to the standards that have been approved by IASB and endorsed in the European Union during the year ended as at 31 December 2025.

Standards or amendments that came into force during the year of 2025

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The adoption of these standards, their revisions and interpretations had no material impact on the financial statements.

1.1.2 Standards issued but not yet effective and not adopted early

While preparing these financial statements, the Group did not adopt the new IFRS, IAS, their amendments and interpretations issued by IASB, the effective date of which is later than 31 December 2025 and whose early adoption is permitted. The following are new standards and/or amendments to the standards that have been issued but not yet effective:

Other standards

The following new and amended standards are not expected to have a significant impact on the financial statements.

Other new standards or amendments	IASB Effective date	EU Endorsement status
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026	Endorsed
Annual Improvements Volume 11	1 January 2026	Endorsed
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026	Endorsed
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	Not yet endorsed
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Not yet endorsed
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	1 January 2027	Not yet endorsed

1.2 Consolidation principles

1.2.1 Consolidation

The financial statements comprise the financial statements of the parent company and its directly and indirectly controlled subsidiaries. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The control is generally obtained by holding more than one half of the voting rights. The subsidiaries are fully consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of the subsidiaries have been prepared using uniform accounting policies and for the same reporting period as that covered by the financial statements of the Group. On consolidation, all inter-company transactions, balances and unrealised gains and/or losses on transactions among the Group companies are eliminated.

Non-controlling interest represents a part of net profit and net assets, which is not controlled by the Group. Non-controlling interest is reported separately in the Statement of profit or loss. The share of equity attributable to the non-controlling interest and to the owners of the parent company is shown separately in the consolidated Statement of financial position.

1.2.2 Business combinations

1.2.2.1 Business combination by applying IFRS 3 (subsidiaries that are not under common control)

Acquisition of the subsidiaries that are not under a common control is accounted for using the acquisition method. When the acquisition method is applied, the consideration transferred in a business combination is measured as the fair value of net assets transferred to the former owners of the acquiree. The acquisition-related costs are recognised in the Statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- the deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with International Accounting Standard (hereinafter referred to as 'IAS') 12 and IAS 19 respectively;
- the liabilities or equity instruments related to the share-based payment arrangements of the acquiree or the share-based payment arrangements the Group entered into to replace the share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see below); and
- the assets (or the disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

1.2.2.2 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable net assets assumed exceeds (i) the sum of the consideration transferred, (ii) the amount of any non-controlling interests in the acquiree and (iii) the fair value of the acquirer's previously held interest in the acquiree (if any), then this excess is recognised immediately in Statement of profit or loss as a bargain purchase gain.

1.2.2.3 Contingent consideration

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in the Statement of profit or loss.

1.2.2.4 Business combination is achieved in stages

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the Statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the Statement of profit or loss, where such treatment would be appropriate if that interest were disposed of.

1.2.2.5 Business combination of entities under common control

For a business combination of entities under common control, the following methods are applied:

(a) the acquisition method set out in IFRS 3; or

(b) the pooling of interests' method.

In selecting which method to apply to the accounting for business combinations of entities under common control, the Group assesses whether there is a "commercial substance" for which the following criteria are considered:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as non-controlling interests or other third parties;
- whether or not the transaction is conducted at fair value;
- the existing activities of the entities involved in the transaction; and
- whether or not it is bringing entities together into a 'reporting entity' that did not exist before.

If the transaction has a commercial substance to the merging parties, the Group applies the acquisition method as set above in section 'Acquisition of subsidiaries that are not under common control', and if not – the Group applies the pooling of interests' method. By applying the pooling of interests' method, the business combination of entities under common control is accounted according to the following procedures:

- the assets and liabilities of the entities in business combinations are measured at their carrying amounts equal to those reported in the financial statements of the ultimate parent company;
- no newly arising goodwill is recognised on a business combination, however acquiree can recognise intangible assets that meet the recognition criteria in IAS 38;
- any difference between consideration paid and the carrying amount of net assets acquired as at the date of acquisition is recognised directly in equity within retained earnings.

1.2.3 Changes in ownership interest in a subsidiary that do not result in changes in control

Transactions with non-controlling interests that do not result in a loss of control are presented within equity, i.e., as transactions with equity owners. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recorded as equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

1.3 Foreign currency translation

1.3.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (hereinafter 'the functional currency').

1.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in Statement of profit or loss.

1.3.3 Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their Statement of profit or loss are translated at average exchange rates observed during the reporting period. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to the Statement of profit or loss.

1.4 Revenue from contracts with customers

The Group's major legal performance obligations identified in the contracts with customers are: sale of electricity and gas, supply of electricity, sales of produced electricity, services ensuring the isolated operation of power system and capacity reserve, distribution of gas, distribution and transmission of electricity, new customer connections and upgrades, provision of Public Service Obligations (hereinafter 'PSO services') and provision of Liquefied Natural Gas Terminal Security Component Obligations (hereinafter 'LNGT services').

For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. When recognising revenue, the Group takes into consideration the terms of the contracts signed with customers and all significant facts and circumstances, including the nature, amount, timing and uncertainty relating to cash flows arising from the contract with the customer.

1.4.1 Electricity-related revenue

The Group's electricity-related revenue includes:

- sale of electricity (Note 1.4.1.1);
- revenue from public electricity supply (Note 1.4.1.2);
- sale of produced electricity (Note 1.4.1.3);
- revenue from services ensuring the isolated operation of power system and capacity reserve (Note 1.4.1.4);
- revenue from electricity distribution and transmission (Note 1.4.1.5);
- revenue from public service obligations funds (hereinafter 'PSO funds') (Note 1.4.1.6).

Electricity-related revenue is received from B2B and B2C customers. Electricity to B2C customers is supplied at the electricity tariff applied for public supply (Note 1.4.1.2), electricity tariff applied for independent supply (Note 1.4.1.1) or electricity tariff applied for supply of last resort (Note 1.4.1.1). Electricity to B2B customers is supplied at the electricity tariff applied for independent supply (Note 1.4.1.1) or electricity tariff applied for supply of last resort (Note 1.4.1.1).

Accounting policy for electricity-related revenue may be presented in accordance with the components of the electricity tariff applied to the consumed electricity by B2C and B2B customers. The tariff comprises of the following components:

- the price of electricity (Note 1.4.1.1, 1.4.1.2);
- the fee for electricity supply services (Note 1.4.1.1, 1.4.1.2);
- the price of electricity transfer services, which include two components: transmission over high voltage grid and distribution over medium and low voltage grid (Note 1.4.1.5);
- the price of electricity system services (includes capacity reserve services) (Note 1.4.1.4);
- the fee for PSO services (hereinafter 'PSO fees') (Note 1.4.1.6).

Regulation of tariffs and the Group's profitability is presented in Note 32.

1.4.1.1 Revenue from the sale of electricity

Revenue from the sale of electricity (Note 6, line item 'Revenue from the sale of electricity') mainly consists of electricity sales to:

- B2B customers; and
- B2C customers by providing:
 - the independent supply services according to bilateral agreements; or
 - supply of last resort services.

Revenue includes the price of electricity and the fee for electricity supply services. Revenue is recognized over time in each reporting period on the basis of VAT invoices issued, which includes the calculated amount of electricity consumed. Electricity consumption is calculated on the basis of the declared meter readings provided by consumers.

Revenue from the sale of electricity when providing the supply of last resort services is regulated (Note 1.4.4.1).

1.4.1.2 Revenue from public electricity supply

Revenue from public electricity supply (Note 6, line item 'Revenue from public electricity supply') consists of the following components of public supply electricity tariff: (i) sale of consumed public electricity and (ii) public supply service fee. Revenue from public electricity supply to customers is recognised over time while referring to the supplied electricity quantity reading devices provided by them and verified by the distribution system operator. In case of differences between the provided and the verified quantities due to over declaration (Note 32), the Group estimates the amount of deferred income (Note 18) and accounts for as a contract liability.

Revenue from public electricity supply is regulated (Note 32).

1.4.1.3 Revenue from sale of produced electricity

The sales of electricity produced (Note 6, line item 'Revenue from sale of produced electricity') using own resources are conducted at the power exchange by submitting electricity sale offers to the power exchange. On the day-ahead market, the transaction for the purchase and sale of electricity is considered as concluded if the automatic coupling algorithm does not by default reject the submitted offer of selling electricity. Transactions on the intraday market are approved by market participants. Following the approval of the transaction, the system of the power exchange sends a confirmation of the concluded electricity sale transaction to the seller. The seller's performance obligation under the concluded transaction is to supply the volume of electricity as indicated in the seller's offer to the electricity transmission system. The performance obligation is to be carried out throughout a certain period, during which the supply of the agreed volume of electricity is maintained to the network. The progress of fulfilment of the performance obligation is assessed while considering the volume of electricity indicated in respect of the transaction.

The price of the transaction and the consideration to be paid to the seller correspond to the amount indicated in the confirmation notice of the transaction. The entire consideration of the seller is paid at a flat rate. Upon receipt of the confirmation on the conclusion of the transaction on the sale of electricity, the prices of that transaction remain unchanged.

Revenue is recognised while considering the actually supplied electricity pertaining to the transaction, without any deduction of commissions that might be deducted by trading intermediaries representing the Group at the power exchange.

1.4.1.4 Revenue from services ensuring the isolated operation of the power system and capacity reserve

The Group provides services ensuring capacity reserve and isolated operation of the power system (Note 6, line item 'Revenue from the services ensuring the isolated operation of power system and capacity reserve'), for the provision of which is responsible transmission system operator. The transmission system operator purchases the services from the Group according to bilateral agreements.

Capacity reserve services ensure the required power reserve and are understood as the potential of electricity generation which is used to maintain the power grid frequency, to ensure the balance of the electricity system and to generate electricity in the event of a decrease in production or an increase in consumption. Capacity reserve services are provided continuously, 24 hours a day.

Revenue from services ensuring the isolated operation of the power system and capacity reserve services is recognised over time. The price of these services, which is paid by the transmission system operator to the Group, is set by NERC for one MW/h and the quantity is measured as MW for the whole year. The measurement of the service is performed by the readings of electricity meters.

Revenue from capacity reserve services and services ensuring the isolated operation of the power system are regulated by NERC (Note 32).

1.4.1.5 Revenue from electricity transmission and distribution

Revenue from electricity transfer, which includes transmission and distribution (Note 6, line item 'Revenue from electricity transmission and distribution'), to B2C customers is recognised in each reporting period on the basis of declared or actual, i.e., determined upon inspection or received via smart meters, readings. If declared or actual meter readings are not available, revenue from transmission and distribution of electricity is recognised based on the average usage estimation method.

Electricity transmission services in Lithuania are provided by and acquired from the transmission system operator, which is not a part of the Group. The Group collects electricity transmission fees from B2B customers and B2C customers and transfers them to the transmission system operator. The Group is a principal for transmission services fees and recognises the revenue of them (Note 6.4).

Because the Group has no control over electricity transmission and distribution service obligations provided in Latvia (Note 6.4), the Group treats itself as an agent in the provision of electricity transfer, which includes both transmission and distribution.

Revenue from transmission and distribution of electricity is regulated (Note 32).

1.4.1.6 Revenue from Public Service Obligations: PSO fees and PSO funds

The purpose of providing PSO services is to implement the strategic objectives of the energy, economic and environmental policy of the Republic of Lithuania and ensure the implementation of the interests of all electricity consumers. Under the public service obligation scheme approved by the Ministry of Energy, PSO fees are collected by electricity suppliers from end users through the electricity tariff. Power exchange operator BALTPPOOL UAB is engaged in the collection of PSO fees from electricity suppliers and disbursement of PSO funds to PSO service providers. The list of services supported by PSO is determined by the Government of the Republic of Lithuania.

1.4.1.7 The Group as an electricity supplier

PSO fee is an integral part of electricity tariff to the customer. The Group collects PSO fees from end-customers connected to the electricity distribution grid and transfers them to the administrator of PSO funds, BALTPPOOL UAB. The Group is an agent for PSO fees, collected from the end-customers, and doesn't recognise the revenue of them (Note 6.4).

1.4.1.7 The Group as a PSO service provider

The Group generates electricity using renewable energy sources, which are considered as PSO services and are financed by PSO funds through the PSO budget. Revenue from PSO funds is recognised over time according to issued monthly invoices to BALTPPOOL UAB. For measuring the progress of completion, the Group, using the practical expedient, recognises revenue in the amount to which it has a right to invoice. Revenue of PSO funds for 1 MW of electricity supplied to the electricity grid during the month is recognised as the difference between the fixed tariff set by the NERC and the weighted average price of electricity sold in the power exchange in the previous month. The quantity of electricity supplied is determined by the readings of the metering devices. Revenue from PSO funds (Note 6, line item 'Revenue from PSO') is regulated (Note 32).

1.4.2 Gas-related revenue

The Group's gas-related revenue includes:

- revenue from gas sales (Note 1.4.2.1);
- revenue from gas distribution (Note 1.4.2.2);
- revenue from the LNGT security component (1.4.2.3.2).

Gas-related revenue is received from B2B customers and B2C customers by providing services of gas supply. Revenue of LNGT security component is received as a compensation for providing services of a designated supplier. For the purpose of these financial statements, terms "gas" and "natural gas" are used for referring to the same items.

Accounting policy for gas-related revenue received from B2C customers may be presented in accordance with the components of the natural gas tariff applied to the consumed gas by B2C customers.

Final natural gas tariff to B2C customers comprise of the following components:

- the price of gas (Note 1.4.2.1);
- the price of natural gas transmission over high-pressure network (Note 1.4.2.2);
- the price of natural gas distribution over medium- and low-pressure network (Note 1.4.2.2);
- LNGT security component (Note 1.4.2.3.2).

The Group as a natural gas supplier collects payments for all components from customers. The component of transmission service price and LNGT security component are transferred to the transmission system operator. The Group is an agent in collection of the transmission service component (Note 6.4) and the LNGT security component fees (Note 6.4).

Regulation of tariffs and the Group's profitability is presented in Note 32.

Accounting policy for revenue from B2B customers is presented in Notes 1.4.2.1, 1.4.2.2.

1.4.2.1 Revenue from gas sales

Revenue from sales of gas (Note 6 line, item 'Revenue from gas sales') consists of gas price and supply margin. Gas sales are performed by the Group as a natural gas supplier to B2C customers and as a designated LNG supplier to gas market.

Revenue from gas sales to end-customers is recognised on a monthly basis while referring to the supplied gas quantity readings devices provided by them and verified by the distribution system operator (an accrual basis). In case of differences between the provided and the verified quantities due to over declaration (Note 6.4), the Group estimates the amount of deferred income (Note 18) and accounts for as a contract liability.

1.4.2.2 Revenue from gas distribution

The Group provides natural gas distribution services to B2C and B2B customers.

Revenue from B2B customers for the distribution of natural gas (Note 6, line item 'Revenue from gas distribution') is recognised over time based on the readings of metering devices declared by users or, if users did not declare the readings of metering devices, referring to the quantities of gas calculated according to the approved methodology for the calculation of quantities of natural gas, as agreed with NERC (an accrual basis).

Revenue from B2C customers is recognised over time based on the actual natural gas quantity supplied, which is calculated according to the approved methodology for the calculation of quantities of natural gas, i.e., the calculation of revenue takes into account mismatches between the quantities of gas declared by B2C customers and the quantities of gas transferred to them (an accrual basis).

Revenue from gas distribution is regulated (Note 32).

In Latvia, natural gas distribution services are provided and acquired from the gas distribution system operator, which is not a part of the Group. The Group, as a natural gas supplier, collects payments for the distribution service component and transfers it to the distribution system operator. The Group is an agent in the collection of the distribution service component in Latvia (Note 6.4).

1.4.2.3 LNGT security component

The Law on the Liquefied Natural Gas Terminal of the Republic of Lithuania provides that contribution to the security component, which is related to the following securities of natural gas supply, shall be collected from end users and added to the natural gas transmission price:

- for the installation of LNGT, its infrastructure and connection and all fixed operating costs that are not included in other state regulated prices; and
- to compensate for the reasonable costs of supplying the minimum quantity required to ensure the necessary operation of the LNGT.

Similarly to the PSO fees, the LNGT security component is collected by natural gas suppliers from end users through the natural gas tariff and then transferred to the state budget, from which the LNGT funds are distributed (i.e., disbursed) to LNGT service providers.

The Group (through the Group company UAB "Ignitis") acts as a natural gas supplier that collects LNGT security component from end users and as a designated liquefied natural gas supplier (hereinafter 'designated supplier'), the function of which is to ensure the necessary operation of the LNGT by supplying the minimum required quantity of natural gas.

1.4.2.3.1 The Group's activity as natural gas supplier to end users

LNGT security component is an integral part of the natural gas tariff to the customer. Payments for the LNGT security component are collected directly from customers or natural gas suppliers, if the customers don't have a direct contract with the operator of transmission system. Collected amounts of the LNGT security component are transferred to the gas transmission system operator AB "Amber Grid" (doesn't belong to the Group), which is appointed to perform the function of administering the LNGT security component. In accordance to the IFRS 15, the Group, when providing these services, considers itself as an Agent and recognises the revenue on a net basis (Note 6.4). Income and disbursements of the LNGT security component (regardless whether the net of it is positive or negative) are recognised under the item 'Purchases of electricity, gas and other services' in the Statement of profit or loss.

1.4.2.3.2 The Group's activity as designated LNG supplier to the gas market

The Group is providing a dedicated LNG supplier function.

In order to maintain the LNG Terminal's infrastructure in minimum mode, a certain amount of natural gas, which is to be supplied through the LNG Terminal, is required for filling, regasification or transshipment and supply to the Lithuanian natural gas system or the international LNG market.

The Law on the LNG Terminal and the Description of the Natural Gas Supply Diversification Procedure provides that the required quantity shall be supplied by the designated supplier (nominated by the Ministry of Energy for 10 years, designation ends on 31 December 2024) by concluding a contract with the LNG supplier.

To ensure the operation of the LNG terminal, the designated supplier shall sell the required quantity on a competitive market and, therefore, its costs, which, due to the nature of its activities, are exclusively borne (whereas other suppliers don't incur), are compensated by the transmission system operator by paying the LNGT funds that are paid from the budget of the LNGT security component collected by natural gas suppliers from end customers. Accordingly, the Group receives revenue from LNGT funds.

The revenue of LNGT funds is recognised over time by issuing VAT invoices to the transmission system operator according to the statements which are received from it and include information of reclassified and/or reloaded quantity of LNG and the quantity of LNG used for the Group's technological needs at the LNG Terminal. Revenue from the LNGT funds is recognised under item 'Revenue from contracts with customers' in the Statement of profit or loss. Revenue from the LNGT security component is presented in Note 6, line item 'Revenue of LNGT security component'.

Revenue from the LNGT security component is regulated (Note 32).

1.4.3 Other significant revenue from contracts with customers

1.4.3.1 New customer connection and upgrade fees

The Group obtains revenue from services of new customer connections and upgrades to the electricity and natural gas distribution networks (Note 6, line item 'Revenue from new customers' connection and upgrade fees'). Connection and upgrade fees obtained by the Group are non-refundable upfront fees paid by the customers for the connection to and upgrade of the electricity and gas distribution network.

The Group signs separate agreements with customers for connection services. The Group also signs agreements with B2C and B2B customers for electricity and gas distribution. Connection and upgrade fees do not represent a separate performance obligation from the sale of ongoing distribution of electricity or gas services as they are highly interrelated. Therefore, revenue from connection and upgrade fees is deferred and recognised as revenue over the estimated average useful life of assets providing the connection service, which is 27 years for the electricity grid and 46–55 years for the gas network.

Connection and upgrade fees received from customers which are deferred are accounted for as deferred revenue as a contract liability (Note 18).

According to connection contracts client is obliged to pay an advance before connection works are started. Advances received from clients are accounted for as prepayments received as a contract liability (Note 18).

1.5 Expense recognition

Expenses are recognised in the Statement of profit or loss as incurred while applying the accrual basis of accounting.

1.6 Intangible assets

1.6.1 Patents, licences and trademarks

Patents, licenses and trademarks are measured initially at acquisition cost and are amortised on a straight-line basis over their estimated useful lives of 3 to 5 years or a specific validity term of a license and/or patent, if any. Useful life is reviewed on year-by-year basis.

1.6.2 Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (2 to 4 years).

1.6.3 Servitudes

The Group's intangible assets include servitudes, which comprise the Group's rights to use the land plots owned by third persons on the basis of servitudes. Servitudes comprise statutory and contractual servitudes:

- statutory servitudes comprise the Group's rights to use the land plots owned by third persons in which electricity networks were established before 10 July 2004 on the basis of statutory servitudes;
- contractual servitudes comprise the Group's rights to use the land plots owned by third persons in which electricity networks were established since 2018 on the basis of contractual servitudes.

The useful life of an intangible asset (right to use the land which has a servitude) is indefinite, therefore, these assets are not subject to amortisation. Useful life of intangible assets is indefinite since the right to use the land is granted for an indefinite period of time, according to the conditions of agreements for compensation for servitudes as well as the Civil Code of Republic of Lithuania. Accordingly, right to use the land (to which servitude is applied) is retained by the Group regardless of the condition, repairs or renewals of the Group's assets constructed on the mentioned land. Since these right-to-use land contracts concluded as perpetual arrangements, the contractual and statutory servitudes are out of scope of IFRS 16 Leases. This is because a lease conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration. Perpetual is not a specified period of time when identifying a lease. Therefore, a perpetual arrangement lacks an essential characteristic of a lease, i.e., it does not meet the definition of a lease because it does not convey a right to use an underlying asset for a specified period of time. A perpetual arrangement is effectively a form of ownership interest in an asset that lasts forever.

However, the Group has accounted for provision to compensate land owners for servitudes in accordance with the requirements of IAS 37 Provisions, Contingent Liabilities and Contingent Assets (see Note 25). Remeasurement of provision due to changes in underlying assumptions is accompanied with respective adjustment of carrying amount of intangible assets.

The Group tests the intangible assets of servitudes for potential impairment by comparing their recoverable value with the carrying value at least once per year or when there are signs of impairment. If the value of the asset changes, such change is accounted for by decreasing/increasing the value of the servitudes.

1.6.4 Special conditions on land use (protection zones)

The Group's intangible assets include the Group's obligations to register and the right to use a third-party land on the basis of special conditions on land use. The accounting policies applied are similar to those applied for intangible assets under 'Servitudes'.

1.6.5 Licenses and rights to produce electricity

Intangible assets acquired through business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired through business combination are measured on the same basis as intangible assets that are acquired separately.

Amortisation is calculated over the estimated useful life, corresponding to specific validity term of a license or right to produce electricity. For the licenses acquired through business combination (licenses to produce electricity with an incentive tariff), useful life is determined to be 12 years. Useful life is reviewed on year-by-year basis.

1.6.6 Other intangible assets

Intangible assets expected to provide economic benefits in future periods are measured at acquisition cost less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on the straight-line basis over the estimated economic useful life of 3 to 4 years.

The Group's intangible asset amortization expenses are accounted for within the item 'Depreciation and amortization' in the Statement of profit or loss.

1.7 Property, plant and equipment

Accounting policy according to asset classes is as follows:

At cost	Revalued
Land	Electricity networks and their structures
Buildings	Construction-in-progress
Gas distribution pipelines, gas technological equipment and installations	
Assets of Hydroelectric Power Plant, Pumped Storage Hydroelectric Power Plant	
Wind farms, solar power farms and their installations	
Combined Cycle Gas Turbine and Reserve Power Plant	
Cogeneration plants	
Other property, plant and equipment	
Construction-in-progress	

'Construction-in-progress' is assigned to various asset classes, therefore, part of the assets of this class is accounted for at cost method, the other part – at revalued amount.

Cost includes replacement costs of components of property, plant and equipment when incurred and when these costs meet the recognition criteria of property, plant and equipment. The carrying amount of the replaced part is derecognised. Subsequent repair costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with these costs will flow to the Group and the costs can be measured reliably. All other repairs and maintenance costs are recognised in the Statement of profit or loss during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed at least once per year and adjusted if appropriate. For accounting of borrowing costs, see Note 1.9.

'Construction in progress' is transferred to appropriate categories of property, plant and equipment when asset is completed and ready for its intended use.

Increases in the carrying amount arising on revaluation of property, plant and equipment are recognised in other comprehensive income of the Statement of comprehensive income and accumulated to the revaluation reserve in equity. However, the increase is recognised in the Statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Decreases in the carrying amount of an asset arising on revaluation are generally recognised in profit or loss; decreases that offset previous increases of the same asset are recognised in other comprehensive income and recognised against the revaluation reserve. Each year, the difference between the depreciation based on the revalued amount of the asset (when the carrying amount increases after revaluation) is recognised in the Statement of profit or loss and depreciation based on the asset's original acquisition cost is transferred from revaluation reserve to retained earnings, net of deferred tax.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate the acquisition cost/revalued amounts less their residual values over their estimated useful lives (number of years), as follows:

Category of property, plant and equipment	Useful lives (number of years)
Buildings	8–75
Electricity networks and their structures	
- electrical and communication devices	20–25
- electricity distribution equipment	15–45
- electrical equipment	15–35
- other equipment	5–50
Gas distribution pipelines, gas technological equipment and installations	18–55
Assets of Hydro Power Plant, Pumped Storage Power Plant, and Combined Cycle Unit and Reserve Power Plant	
Assets of Hydro Power Plant, Pumped Storage Power Plant:	
- hydrotechnical waterway structures and equipment	75
- pressure pipelines	50
- hydrotechnical turbines	25–40
- other equipment	8–15
Structures and machinery of Reserve Power Plant:	
- structures and infrastructure	10–70
- thermal and electricity equipment	10–60
- measuring devices and equipment	5–30
- other equipment	8–15
Structures and machinery of Combined Cycle Unit:	
- structures and infrastructure	20–50
- electricity lines	20–40
- electricity generation equipment	20–50
Wind and solar power farms and their installations	20–30
Cogeneration plants	30–45
Other property, plant and equipment	2–35

1.8 Right-of-use assets

Right-of-use asset is the asset that reflects the right of the Group to use the leased asset over the life of a lease. The Group recognises right-of-use assets for all types of leases, including leases of right-of-use assets in sublease, with the exception of leases of intangible assets, short-term leases and leases for which the underlying asset is of low value.

1.8.1 Initial measurement of right-of-use assets

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises: the amount equal to the lease liability at its initial recognition, lease payments made at or before the commencement of the lease (less any lease incentives received), any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group incurs obligation for these costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. The Group recognises these costs as part of the cost of right-of-use asset when the Group incurs an obligation for these costs.

1.8.2 Subsequent measurement of right-of-use assets

Subsequent to initial recognition, the Group measures right-of-use assets using the cost model. Under the cost model, the Group measures the right-of-use asset at cost less any depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are depreciated on a straight-line basis.

The Group presents rights-of-use assets separately from property, plant and equipment in the Statement of financial position.

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.9.1 Financial assets

The Group classifies its financial assets into the following three categories:

- financial assets subsequently measured at amortised cost;
- financial assets subsequently measured at fair value through other comprehensive income (hereinafter 'FVOCI'), and
- financial assets subsequently measured at fair value through profit or loss (hereinafter 'FVTPL').

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Transaction costs comprise all charges and commissions that the Group would not have paid if it had not entered into an agreement on the financial instrument.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (hereinafter 'SPPI')' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Interest income calculated on these financial assets is recognised as finance income and amortised using the effective interest rate method. Any gain or loss arising from the write-off of assets is recognised in the Statement of profit or loss. Impairment losses are accounted for as other expenses (Note 7) in the Statement of profit or loss.

Subsequent to initial recognition, financial assets are classified into the afore-mentioned categories based on the business model the Group applies when managing its financial assets and characteristics of cash flows from these assets. The business model applied to the group of financial assets is determined at a level that reflects how all groups of financial assets are managed together to achieve a particular business objective of the Group. The intentions of the Group's management regarding separate instruments have no effect on the applied business model. The Group may apply more than one business model to manage its financial assets. In view of the business model applied for managing the group of financial assets, the accounting for financial assets, is as follows:

1.9.1.1 Financial assets subsequently measured at FVOCI

The Group has derivatives and equity securities (debt investment) subsequently measured at FVOCI. For detailed information for derivatives, see Note 1.9.3.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

1.9.1.2 Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (hereinafter 'EIR') method and are subject to impairment. Amortised cost is the amount at which the financial instrument was recognised at initial recognition minus principal repayments, plus accrued interest, and, for financial assets, minus any write-down for expected credit losses. The Group's financial assets at amortised cost includes loans granted by the Group, trade and other amounts receivable, and cash and cash equivalents are accounted for under the business model the purpose of which is to hold financial assets in order to collect contractual cash flows that can contain cash flows related to the payment of the principal amount and interest inflows.

1.9.1.3 Financial assets at FVTPL

Debt instruments that do not meet the criteria of financial assets to be measured at amortised cost or financial assets to be measured at FVOCI are classified as financial assets to be measured at FVTPL.

The Group classifies financial assets as assets measured at FVTPL if this eliminates or significantly reduces the measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising gains or losses thereof on different bases. A gain or loss on fair value measurement of debt investment is recognised in the Statement of profit or loss in the period in which it arises. The Group classifies in this category investments to equity instruments that do not meet the SPPI conditions.

1.9.1.4 Effective interest method

The EIR method is used in the calculation of the amortised cost of a financial asset and in the allocation of the interest revenue in the Statement of profit or loss over the relevant period.

The EIR is the rate that exactly discounts estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of the financial asset that shows the amortised cost of the financial asset, before adjusting for any loss allowance. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the Group uses the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

1.9.1.5 Impairment of financial assets – expected credit losses

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost regardless of whether there are any impairment indicators.

Credit losses incurred by the Group are calculated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original EIR. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; the time value of money; reasonable and supportable information about past events and current conditions, and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the period from the date of initial recognition of a financial asset to the subsequent date of settlement of the financial asset or ultimate write-off of the financial asset.

The Group seeks for lifetime expected credit losses to be recognised before a financial instrument becomes past due. Typically, credit risk increases significantly before a financial instrument becomes past due or other lagging borrower-specific factors (for example, a modification or restructuring) are observed. Consequently, when reasonable and supportable information that is more forward-looking than past due information is available without undue cost or effort, it is used to assess changes in credit risk. Expected credit losses are recognised by taking into consideration individually or collectively assessed credit risk of loans granted and trade receivables. Credit risk is assessed based on all reasonable information, including forward-looking information.

For short-term trade receivables without a significant financing component the Group applies a simplified approach required by IFRS 9 and measures the loss allowance at expected lifetime credit losses from initial recognition of the receivables (Note 20.2).

The Group's management performs the assessment on an individual basis, reflecting the possibility of obtaining information on the credit history of a particular debtor, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling to make judgements on the recognition of lifetime expected credit losses in respect of that particular borrower. In the absence of reliable sources of information on the credit history of a particular debtor, its financial position as at the date of assessment, including forward-looking information, the Group assesses the debt on a collective basis.

For the purpose of determining the lifetime expected credit losses of amounts receivable, the Group on a collective basis applies the loss ratio matrix. The loss ratio matrix is based on historical data on the settlement for trade receivables during the period of validity of trade receivables and is adjusted with respect to future forecasts. The loss ratios are updated during the preparation of the annual financial statements with respect to the impact of operational prospects, where these prospects are indicative of any exacerbation of economic conditions during upcoming years or of customer types. To measure expected credit losses, trade receivables are grouped based on shared credit risk characteristics. The non-recoverability analysis is conducted for the last several years in order to determine the general default ratio. As regards to the different groups of consumers, a different loss ratio matrix is used.

The lifetime expected credit losses of other amounts receivable are assessed based on the individual assessment basis. The Group's management performs the assessment on an individual basis, reflecting the possibility of obtaining information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling to make judgements on the recognition of lifetime expected credit losses in respect of that particular borrower.

Recognition stages of expected credit losses:

1. Upon granting of a loan or concluding a finance lease agreement, the Group recognises the expected credit losses for the twelve-month period. Interest income from the loan (finance lease) is calculated on the carrying amount of financial assets without adjusting it by the amount of expected credit losses.
2. Upon establishing that the credit risk related to the borrower or lessee has significantly increased, the Group accounts for the lifetime expected credit losses of the loan or finance lease agreement. All lifetime expected credit losses of financial instruments are calculated only when there is a significant increase in credit risk relating to the borrower. Interest income from the loan (finance lease) is calculated on the carrying amount of financial assets without adjusting it by the amount of expected credit losses.
3. Where the Group establishes that the recovery of the loan is doubtful or that the condition of the lessee shows that the loan of this lessee needs to be classified as doubtful debts, the Group classifies this loan (finance lease receivables) as credit-impaired financial assets (doubtful loans and receivables). Interest income from the loan (finance lease) is calculated on the carrying amount of financial assets, which is reduced by the amount of expected credit losses.

In stage 2, an assessment of the significant deterioration in the borrower's financial situation is performed by comparing the financial situation as at the time of the assessment and the financial situation as at the time of issuing the loan.

The latest point at which the Group recognises all lifetime expected credit losses of the loan granted or a finance lease agreement is identified when the borrower is late to pay a periodic amount or the total debt for more than 90 days. In case of other evidence available, the Group accounts for all lifetime expected credit losses of the loan granted regardless of the more-than-90-days-past-due presumption.

1.9.1.6 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (a) significant financial difficulty of the borrower;
- (b) a breach of contract, such as a default or past due event for more than 90 days;
- (c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties;
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

1.9.1.7 Derecognition of financial assets

A financial asset (or, where applicable a part of financial asset or group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the right to receive cash flows from the asset is retained, but an obligation is assumed to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the rights to receive cash flows from the asset are transferred and either (a) substantially all the risks and rewards of the asset have been transferred, or (b) substantially all the risks and rewards of the asset have neither been transferred nor retained, but control of the asset has been transferred:
 - if control is not retained, the financial asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities;
 - if control is retained, the financial asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Whether the control of the transferred asset is retained depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer, control is not retained. In all other cases, control is retained.

1.9.2 Financial liabilities and equity instruments issued

Debt or equity instruments are classified as financial liabilities or equity based on the substance of the arrangement.

1.9.2.1 Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and bonds, trade and other payables or derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and bonds and trade and other payables, as net of directly attributable transaction costs.

1.9.2.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at FVTPL;
- financial liabilities at amortised cost.

1.9.2.3 Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

1.9.2.4 Financial liabilities at amortised cost

After initial recognition, trade payables, interest-bearing loans and bonds are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised as profit or loss in the Statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit or loss.

1.9.2.5 Classification and borrowing costs

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

If a financing agreement concluded before the Statement of financial position date proves that the liability was non-current by its nature as of the date of the Statement of financial position, that financial liability is classified as non-current.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time (more than one year) to get ready for intended use or sale (qualifying assets) are capitalised as part of the costs of those assets until those assets are completely ready for use or sale. All other borrowing costs are expensed as incurred. Interest income that relates to temporal investment of borrowed funds until their use for the acquisition of the assets is deducted from the acquisition cost of the assets.

1.9.2.6 Effective interest rate method

The EIR method is used in the calculation of the amortised cost of a financial liabilities and in the allocation of the interest expenses in the Statement of profit or loss over the relevant period.

The EIR is the rate that exactly discounts estimated future cash outflows through the expected life of the financial liability to the gross carrying amount of the financial liability that shows the amortised cost of the financial liability (for more information, see Note 1.9.2).

1.9.2.7 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the Statement of profit or loss.

1.9.3 Derivatives and hedge accounting

The Group enters into derivatives' transactions related to purchase and sale prices of electricity and gas and emission allowances forwards.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is 'an economic relationship' between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item and the quantity of the hedging instrument.

1.9.3.1 Presentation

Fair value of derivatives is presented in the Statement of financial position as 'Other non-current assets' (Note 16.1), 'Other current assets' (Note 16.2), 'Other non-current and liabilities' and 'Other current liabilities' (Note 28).

Changes in fair value and the result of settled derivatives for hedges that do not meet the qualifying criteria for hedge accounting are recognised in the Statement of profit or loss either as 'Other income', if result for a period of such derivatives is profit, or 'Other expenses' if result of such derivatives for a period is loss (Note 29).

Changes in fair value and the result of settled derivatives for hedges that meet all the qualifying criteria for hedge accounting are accounted for as described below:

1.9.3.2 Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in the Statement of financial position in the hedge reserve. Ineffective portion is recognised immediately in the Statement of profit or loss in 'Other income' or 'Other expenses' (accounting method is similar to derivatives that do not meet the hedge

criteria – Note 1.9.3.1). The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

When cash flow hedges are realised, gain or losses are transferred from equity and recognised in the Statement of profit or loss as 'Purchases of electricity, gas and other services'.

1.10 Put option arrangements

The Group uses anticipated-acquisition method for recognizing put option redemption liability (hereinafter – option).

The amount that may become payable under the option on exercise is initially recognised at the present value of the redemption amount within liabilities with a corresponding charge directly to non-controlling interest in equity. This is because the recognition of the financial liability implies that the interests subject to the option are deemed to have been acquired already.

Subsequently, the value of liability is measured at FVTPL for the purpose to present the redemption liability that is payable at the date at which the option first becomes exercisable. The change in fair value is presented in 'Financial expenses' of the Statement of profit or loss. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to non-controlling interest in equity.

1.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method, except for natural gas and liquefied natural gas, the cost of which is determined using the weighted average costing method (see below). The cost of inventories comprises purchase price, taxes (other than those subsequently recoverable by the Group from the tax authorities), transportation, handling and other costs directly attributable to the acquisition of inventories. Cost does not include borrowings costs. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The weighted average price is calculated as the weighted average of the inventory at the beginning of the month and the purchases during the month.

1.12 Emission allowances

Based on the European Union (hereinafter – EU) Directive 2003/07/EC, a greenhouse gas emissions trading scheme was developed, which came into force on 1 January 2005. The first period of operation of this scheme covered 3 years, from 2005 to 2007; the second period covered 5 years, from 2008 to 2012, and the third period covers 7 years, from 2013 to 2020. From 2022 the fourth period has started, which will last until 2030. The scheme's operation period is in line with the period established under the Kyoto Agreement. The system functions on 'Cap' and 'Trade' basis.

The governments of the EU Member States are required to set caps for each emission unit in the scheme and for the period of implementation. These caps are specified in the National Allocation Plan (hereinafter referred to as 'NPP') to be developed by a responsible authority of each Member State (in Lithuania – the Ministry of Environment). NPP determines the annual emission amount (measured as tonnes of carbon dioxide equivalent) for each emission unit and each period and allocates annual emission allowances.

A Member State has an obligation to allocate emission allowances by 28 February of each year in accordance with the National Allocation Plan (part of the allowances is set aside for new entrants).

A Member State is to assure that an operator of each emission unit will submit data on the unit's actual amount of greenhouse gas emissions during the current calendar year not later than by 30 April of the next year.

1.12.1 Inventory

EU emission allowances are inventories that are dedicated by the state or are acquired by the Group. EU emission allowances acquired by the Group are recognized at cost. EU emission allowances dedicated by the state are recognized in the accounts at nominal (zero) value. The Group accounts for the purchased emission allowances and the emission allowances received for free separately. Their write-down to net realisable value is calculated if the market price becomes lower than the acquisition price.

1.12.2 Provision for emission allowances used

When the Group emits pollutants into the environment, it is obliged to pay for the pollution using the state permits, the nominal value of which would correspond to the amount of emitted pollutants. This liability is a provision that is measured at the value which correspond to amount of expenses that Group will incur to cover this obligation as at the date of the Statement of financial position. If the Group has acquired emission allowances, the value of the provision is equal to their carrying amount. If the actual amount of pollutants exceed the number of emission allowances available, an obligation to purchase additional emission allowances equal to the market value is accounted for. The obligation can only be covered with inventories if the amount of pollutants is approved by the responsible regulatory authority.

When the Group emits pollutants into the environment, it is obliged to pay for the pollution using the state permits, the nominal value of which would correspond to the amount of emitted pollutants. This liability is a provision that is measured at the value which correspond to amount of expenses that Group will incur to cover this obligation as at the date of the Statement of financial position. If the Group has acquired emission allowances, the value of the provision is equal to their carrying amount. Changes in the value of a liability related to insufficient emission allowances are recognized in the Statement of profit or loss.

1.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the Statement of cash flows, cash and cash equivalents comprise cash on hand deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are presented under 'Loans' in the Statement of financial position.

1.14 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for not exercising the option, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

1.14.1 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.14.2 The Group as a lessor in operating leases

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in the item 'Other income' in the Statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.15 Grants and subsidies

1.15.1 Asset-related grants

For presentation of grants related to the assets, the Group uses a method, which recognises the grant as deferred income that is recognised in Statement of profit or loss on a systematic basis over the useful life of the asset. Government and EU asset-related grants comprise grants received in the form of non-current assets or in the form of cash intended for the acquisition of non-current assets. Grants are initially recorded at the fair value of the asset received and subsequently recognised in the Statement of profit or loss by reducing the depreciation charge of the related asset over the expected useful life of the asset. Liability related to the received asset-related grants is presented in the Statement of financial position under the non-current liabilities' item 'Grants and subsidies'.

Upon the revaluation of non-current assets and in case impairment was recognised on revaluation, grants related to the non-current assets are written off in a respective proportion.

1.15.2 Income-related grants

Government and EU grants received as a compensation for the expenses or unearned income of the current or previous reporting period, also, all the grants, which are not grants related to assets, are considered as grants related to income. Income-related grants are recognised as used to the extent of the expenses incurred during the reporting period or unearned income to be compensated by that grant. Grants related to income are presented as part of the Statement of profit or loss.

1.16 Provisions

Provisions are recognised when the Group has a legal obligation or irrevocable commitment as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate may be made about the amount of the obligation. Expenses related to provisions are recorded in the Statement of profit or loss, net of compensation receivable. If the effect of the time value of money is material, the amount of provision is discounted using the effective pre-tax discount rate based on the interest rates for the period while taking into account specific risks associated with the provision, as appropriate. When discounting is applied, an increase in the provisions reflecting the period of past time is accounted for as finance expense.

1.16.1 Provisions for servitudes

Costs related to provision for servitudes are recognised as intangible assets and are measured at the amounts to be compensated.

Payments of compensations to land owners are recorded as decreases of provision, while remeasurement of provision due to the changes in underlying assumptions is recorded as a change in the respective intangible asset (Note 1.6.3).

1.16.2 Provisions for registration of protection zones

Costs related to provision for registration of protection zones and compensations are recognised as intangible assets based on the amounts to be compensated.

Payments related to registration of protection zones are recorded as decreases of provision, while remeasurement of provision due to the changes in underlying assumptions is recorded as change in respective intangible asset (Note 1.6.4).

1.17 Employee benefits

1.17.1 State plans

The Group participates only in State plans. State plans are established by legislation to cover all entities and are operated by national or local government or by another body (for example, in the case of the Group, the State Social Security Fund). State plans are a defined benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These contributions are recognised as an expense on an accrual basis and are included within remuneration expenses.

1.17.2 Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or if an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

1.17.3 Non-current employee benefits

Each employee of retirement age who terminates his/her employment with the Group upon retirement is entitled to receive a payment equal to 2 monthly salaries according to Lithuanian laws.

If an employee belongs to a trade union, he/she is also entitled to additional retirement benefit in accordance with the collective agreement. A liability for such pension benefits is recognised in the Statement of financial position and it reflects the present value of these benefits at the date of the Statement of financial position. The aforementioned non-current liability for pension benefits to employees at the reporting date is estimated with reference to actuarial valuations using the projected relative unit method. The present value of the defined non-current liability for pension benefits to employees is determined by discounting the estimated future cash flows using the effective interest rates as set for government bonds denominated in the currency in which the benefits will be paid to employees and that have maturity term similar to that of the related liability.

1.18 Fair value

The Group measures financial instruments, such as derivatives, and non-financial assets, such as investment properties, at fair value at each Statement of financial position date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability;
- or
- in the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, thus maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which is described below, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: fair value of assets is based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value of assets is based on other observable market data, directly or indirectly;
- Level 3: fair value of assets is based on non-observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Parent company's financial statements

9.1 Statement of profit or loss and Statement of comprehensive income	407
9.2 Statement of financial position	408
9.3 Statement of changes in equity	409
9.4 Statement of cash flows	410
9.5 Notes	411
9.6 Accompanying information	423

9 Parent company's financial statements

**Prepared for the year
ended 31 December 2025
in accordance with IFRS
Accounting Standards as
adopted by the European
Union**

9.1 Statement of profit or loss and Statement of comprehensive income	407	13 Other financial assets	416
9.2 Statement of financial position	408	14 Cash and cash equivalents	416
9.3 Statement of changes in equity	409	15 Equity	417
9.4 Statement of cash flows	410	16 Reserves	417
9.5 Notes	411	17 Financing	417
1 General information	411	18 Other current liabilities	418
2 Basis of preparation	411	19 Contingent liabilities and commitments	418
3 Changes in material accounting policies	411	20 Related-party transactions	419
4 Significant accounting estimates and judgments used in the preparation of the financial statements	412	21 Risk management	419
5 Revenue from contracts with customers	412	22 Fair values of financial instruments	421
6 Dividends	412	23 Events after the reporting period	422
7 Other expenses	412	9.6 Accompanying information	423
8 Finance activity	412	1 Material accounting policies	423
9 Income taxes	413		
10 Right-of-use assets	413		
11 Investments in subsidiaries	414		
12 Receivables	416		

9.1 Statement of profit or loss and other comprehensive income

For the year ended 31 December 2025

EURm	Note	2025	2024
Revenue from contracts with customers	5	4.9	3.7
Dividend income		201.6	210.3
Total revenue and other income		206.5	214.0
Salaries and related expenses		(6.6)	(5.3)
Depreciation and amortisation		(3.1)	(2.6)
Other expenses	7	(12.0)	(12.6)
Total expenses		(21.7)	(20.5)
Operating profit		184.8	193.5
Finance income	8	87.5	74.9
Finance expenses	8	(46.8)	(43.6)
Finance activity, net		40.7	31.3
Profit (loss) before tax		225.5	224.8
Income tax (expenses)/benefit	9	(4.0)	(1.5)
Net profit for the year		221.5	223.3
Total other comprehensive income (loss) for the year		-	-
Total comprehensive income (loss) for the year		221.5	223.3

9.2 Statement of financial position

As at 31 December 2025

EURm	Note	31 December 2025	31 December 2024
Assets			
Intangible assets		1.6	1.6
Right-of-use assets	10	16.3	16.9
Investment property		0.1	0.1
Investments in subsidiaries	11	1,462.8	1,407.4
Non-current receivables	12	2,047.8	1,880.3
Other financial assets	13	26.1	30.1
Deferred tax assets		0.9	0.9
Non-current assets		3,555.6	3,337.3
Prepayments and deferred expenses		0.3	0.3
Trade receivables	5	0.8	0.7
Other receivables	12	576.4	386.1
Other current assets		3.4	3.5
Cash and cash equivalents	14	1.5	1.2
Current assets		582.4	391.8
Total assets		4,138.0	3,729.1
Equity and liabilities			
Share capital	15	1,616.4	1,616.4
Reserves	16	128.9	117.8
Retained earnings		608.6	495.6
Equity		2,353.9	2,229.8
Non-current loans and bonds	17	1,499.3	1,283.3
Non-current lease liabilities	17	14.0	14.8
Other non-current liabilities		-	1.2
Non-current liabilities		1,513.3	1,299.3
Loans	17	254.3	184.7
Lease liabilities	17	2.9	2.6
Trade payables		1.8	2.1
Income tax payable		3.5	0.8
Other current liabilities	18	8.3	9.8
Current liabilities		270.8	200.0
Total liabilities		1,784.1	1,499.3
Total equity and liabilities		4,138.0	3,729.1

9.3 Statement of changes in equity

For the year ended 31 December 2025

EURm	Note	Share capital	Legal reserve	Treasury shares reserve	Retained earnings	Total
Balance as at 1 January 2024		1,616.4	104.7	37.7	342.2	2,101.0
Net profit for the year		-	-	-	223.3	223.3
Other comprehensive income		-	-	-	-	-
Total comprehensive income (loss) for the year		-	-	-	223.3	223.3
Transfers to legal reserve		-	13.1	-	(13.1)	-
Transfers to/(from) treasury shares reserve		-	-	(37.7)	37.7	-
Dividends	6.1	-	-	-	(94.5)	(94.5)
Balance as at 31 December 2024		1,616.4	117.8	-	495.6	2,229.8
Balance as at 1 January 2025		1,616.4	117.8	-	495.6	2,229.8
Net profit for the year		-	-	-	221.5	221.5
Other comprehensive income		-	-	-	-	-
Total comprehensive income (loss) for the year		-	-	-	221.5	221.5
Transfers to legal reserve		-	11.1	-	(11.1)	-
Transfers to/(from) treasury shares reserve		-	-	-	-	-
Dividends	6.1	-	-	-	(97.4)	(97.4)
Balance as at 31 December 2025		1,616.4	128.9	-	608.6	2,353.9

9.4 Statement of cash flows

For the year ended 31 December 2025

EURm	Note	2025	2024
Net profit for the year		221.5	223.3
Adjustments for:			
Depreciation and amortisation expenses		3.1	2.6
Fair value changes of financial instruments	13	8.3	5.7
Income tax expenses/(income)	9	4.0	1.5
Interest income	8	(87.5)	(74.9)
Interest expenses	8	37.9	34.4
Dividend income		(201.6)	(210.3)
Other expenses/(income) of financing activities		0.6	3.5
Other expenses/(income) of investing activities		-	-
Changes in working capital:			
(Increase)/decrease in trade receivables, other receivables and other financial assets		(0.1)	10.3
(Increase)/decrease in inventories, prepayments and deferred expenses and other current and non-current assets		-	-
Increase/(decrease) in trade payables and other current liabilities		(6.6)	(3.2)
Income tax (paid)/received		(2.5)	(6.5)
Net cash flows from operating activities		(22.9)	(13.6)
Acquisition of property, plant and equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment and intangible assets		-	-
Loans granted		(506.6)	(441.2)
Loan repayments received		336.1	251.5
Investments into subsidiaries	11	(5.4)	(19.2)
Interest received	8	79.7	60.7
Dividends received		201.6	210.3
(Increase)/decrease of short-term deposits	17	-	109.0
(Investments in)/return from investment funds	13.1	(4.3)	(3.8)
Net cash flows from investing activities		101.1	167.3
Loans received	17	214.1	-
Repayments of loans	17	(291.0)	(146.3)
Overdrafts net change	17	132.2	122.8
Lease payments	17	(2.9)	(2.4)
Interest paid	17	(35.7)	(32.8)
Dividends paid	6	(94.6)	(94.5)
Other increases/(decreases) in cash flows from financing activities		-	(2.5)
Net cash flows from financing activities		(77.9)	(155.7)
Increase/(decrease) in cash and cash equivalents		0.3	(2.0)
Cash and cash equivalents at the beginning of the year	14	1.2	3.2
Cash and cash equivalents at the end of the year	14	1.5	1.2

9.5 Notes

For the year ended 31 December 2025

1 General information

AB "Ignitis grupė" (hereinafter – the parent company) is a public limited liability company registered in the Republic of Lithuania. The parent company's registered office address is Laisvės Ave. 10, LT-04215, Vilnius, Lithuania. The parent company was registered on 28 August 2008 with the Register of Legal Entities managed by the State Enterprise Centre of Registers. The parent company's code is 301844044. The parent company has been founded for an indefinite period.

AB "Ignitis grupė" is a parent company, which is responsible for the management and coordination of activities of the group of companies it controls directly and the group of companies it controls indirectly through its subsidiaries. The parent company and its directly and indirectly controlled companies are hereinafter collectively referred to as 'the Group'. The Group's core business is focused on managing and developing its green generation and green flexibility capacities (Green Capacities) and operating Lithuania's electricity distribution network (Networks). The Group also manages strategically important reserve capacities (Reserve Capacities) and provide services to its customers (Customers & Solutions), including the supply, trading of electricity and natural gas, and developing EV charging network for private (hereinafter referred to as 'B2C') and business (hereinafter referred to as 'B2B') customers.

Information on the Company's directly controlled subsidiaries is provided in Note 11.

The parent company sets the strategy of the Group and oversees its implementation, analyses the activities of the Group companies, represents the whole Group, implements its shareholders' rights and obligations, defines operation guidelines and rules, and coordinates the activities across different functions and functional areas.

The parent company seeks to ensure effective operation of the Group companies, implementation of goals set forth in the National Energy Independence Strategy and other legal acts that are related to the Group's activities, ensuring that it creates sustainable value in a socially responsible manner.

The Group also prepares consolidated annual financial statements in accordance with IFRS Accounting Standards (hereinafter referred to as 'IFRS') issued by International Accounting Standards Board (hereinafter referred to as 'IASB') and endorsed for application in the European Union.

2 Basis of preparation

2.1 Basis of accounting

These financial statements have been prepared in accordance with IFRS issued by IASB and endorsed for application in the European Union. The reporting period of these financial statements is one year ended 31 December 2025.

The parent company's financial statements as at and for the year ended 31 December 2025 (hereinafter referred to as 'financial statements') have been prepared on a going concern basis by applying the measurements based on historical cost (hereinafter referred to as 'acquisition costs'), except for certain financial instruments measured at fair value.

The financial statements provide comparative information in respect of the previous period.

2.2 Functional and presentation currency

These financial statements are presented in euros, which is the parent company's functional currency and all values are rounded to the nearest million (EUR '000,000), except when indicated otherwise. These financial statements provide comparative information in respect of the previous period.

3 Changes in material accounting policies

3.1 Changes in accounting policy and disclosures

The accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the preparation of the parent company's annual financial statements for the year ended 31 December 2024, with the exception for the adoption of new standards effective as of 1 January 2025. The parent company has not applied any standard, interpretation, or amendment for which the early application is permitted but is not yet effective.

Information about new standards is available in section '[Material accounting policies](#)' of these financial statements.

4 Significant accounting estimates and judgments used in the preparation of the financial statements

While preparing these financial statements, the management has made judgements and estimates about the future, including climate-related risks and opportunities that affect the application of the parent company's accounting policies and the reported amounts of assets, liabilities, income, costs and contingencies. Changes in the underlying assumptions of such estimates and judgements may have a material effect on financial statements in the future.

Estimates and judgements with underlying assumptions are reviewed on an ongoing basis and are consistent with the parent company's risk management and climate-related commitments, where appropriate. Revisions to the estimates and judgements are recognised prospectively.

Significant accounting estimates and judgements used in the preparation of the financial statements are described in this note. For other estimates and judgements used herein, refer to other notes of these financial statements.

Significant accounting estimates and judgments	Note	Estimate/judgement
Option agreement over UAB Kauno kogeneracinė įėgainė shares	11.2.1	Estimate/judgement
Impairment of investments in subsidiaries	11.2.2	Judgement
Investment funds – at FVTPL	13.2	Estimate/judgement

5 Revenue from contracts with customers

EURm	2025	2024
Management fee income	4.9	3.7
Total	4.9	3.7

The parent company's revenue from contracts with customers during 2025 and 2024 mainly comprised the revenue from advisory and management services provided to its subsidiaries.

The parent company did not present any segment-related information as there is only one segment.

All performance obligations of the parent company are settled over time.

The parent company's balances under the contracts with customers:

EURm	31 December 2025	31 December 2024
Trade receivables	0.8	0.7

6 Dividends

6.1 Dividends declared by the parent company

EURm	2025	2024
AB "Ignitis grupė"	97.4	94.5

In total, the parent company paid EUR 97.4 million in dividends in cash during 2025 (2024: EUR 94.5 million).

Dividends declared per share:

Declared on	Period for which dividends are allocated	Dividends per share, in EUR	Amount of dividends declared EURm
September 2025	2025 I half-year	0.683	49.4
March 2025	2024 II half-year	0.663	48.0
Total declared during 2025		1.346	97.4
September 2024	2024 I half-year	0.663	48.0
March 2024	2023 II half-year	0.643	46.5
Total declared during 2024		1.306	94.5

7 Other expenses

EURm	2025	2024
Communication	2.2	2.2
Humanitarian aid	1.9	4.5
People and culture	1.7	1.0
Finance and accounting	1.4	1.4
Legal	1.4	1.0
Telecommunications and IT services	0.7	0.4
Asset management and administration	0.6	0.5
Other expenses	2.1	1.6
Total	12.0	12.6

8 Finance activity

EURm	2025	2024
Interest income at the effective interest rate	87.5	74.9
Total finance income	87.5	74.9
Interest expenses	37.9	34.4
Investment funds – at FVTPL (Note 13.1)	8.3	5.7
Other expenses of financing activities	0.6	3.5
Total finance expenses	46.8	43.6
Finance activity, net	40.7	31.3

The parent company earns interest income from the long-term and short-term loans, the majority of which is granted to the Group companies (Note 12). During the year 2025, the parent company received interests in the amount of EUR 79.7 million (in 2024: EUR 60.7 million) and paid interests in the amount of EUR 35.7 million (in 2024: EUR 32.8 million) in cash. Interest received and paid are presented in the Statement of cash flows, under 'Interest received' and 'Interest paid' accordingly.

9 Income taxes

9.1 Amounts recognised in profit or loss

EURm	2025	2024
Income tax expenses (benefit) for the reporting period	4.0	4.8
Global minimum top-up tax	-	1.2
Deferred tax expenses (benefit)	-	(4.1)
Result from purchase of tax losses	-	(0.4)
Income tax expenses (benefit) recognised in profit or loss	4.0	1.5

9.2 Reconciliation of effective tax rate

Income tax on the parent company's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to the profit of the parent company:

EURm	2025	2025	2024	2024
Profit (loss) before tax		225.5		224.8
Income tax expenses (benefit) at tax rate of 16%	16.00%	36.1	15.00%	33.7
Income tax expenses related to global minimum top-up tax	-	-	0.53%	1.2
Non-taxable income and non-deductible expenses	(13.48%)	(30.4)	(14.90%)	(33.5)
Adjustments in respect of prior years	(0.13%)	(0.3)	0.26%	0.6
Other	(0.62%)	(1.4)	(0.22%)	(0.5)
Income tax expenses (benefit)	1.77%	4.0	0.67%	1.5

9.3 Global minimum tax

For the year 2025, the Group did not calculate any top-up tax (2024: EUR 1.2 million). The aggregated jurisdictional profit for Lithuania was calculated while considering mandatory exclusions and optional elections. Based on the jurisdictional net profit, the jurisdictional effective tax rate was calculated by incorporating the accounted income tax and assessing deferred taxes related to tax relief. The top-up tax rate was derived by subtracting the jurisdictional effective tax rate from the minimum effective tax rate of 15%. The top-up tax rate was applied to the excess profit, which was calculated by deducting the jurisdictional substance-based income (i.e., salary expenses and average carrying amount of property, plant, and equipment) from the aggregated jurisdictional profit. No deferred tax was recognized related to top-up tax.

10 Right-of-use assets

EURm	Buildings	Vehicles	Total
Acquisition cost at 1 January 2025	21.4	0.1	21.5
Additions	2.7	-	2.7
Write-offs	(0.6)	-	(0.6)
Acquisition cost at 31 December 2025	23.5	0.1	23.6
Accumulated depreciation at 1 January 2025	(4.6)	-	(4.6)
Depreciation	(3.0)	-	(3.0)
Write-offs	0.3	-	0.3
Accumulated depreciation at 31 December 2025	(7.3)	-	(7.3)
Carrying amount as at 31 December 2025	16.2	0.1	16.3

Acquisition cost at 1 January 2024	18.8	0.1	18.9
Additions	2.6	-	2.6
Accumulated depreciation	-	-	-
Acquisition cost at 31 December 2024	21.4	0.1	21.5
Accumulated depreciation at 1 January 2024	(2.1)	-	(2.1)
Depreciation	(2.5)	-	(2.5)
Accumulated depreciation at 31 December 2024	(4.6)	-	(4.6)
Carrying amount as at 31 December 2024	16.8	0.1	16.9

The parent company's right-of-use assets mainly consist of a contract for leasing the office premises. Its validity term is until the end of the year 2031.

10.1 Expenses related to lease agreements recognised in Statement of profit or loss

EURm	2025	2024
Depreciation	3.0	2.6
Interest charges	0.4	0.4
Expenses related to short-term leases (other expenses)	0.1	0.1
Lease expenses, total	3.5	3.1

11 Investments in subsidiaries

Information on the parent company's investments in subsidiaries as at 31 December 2025 is provided below:

Subsidiaries	Acquisition cost, EURm	Impairment, EURm	Carrying amount, EURm	Parent company's ownership interest, %	Group's effective ownership interest, %
AB "Energijos skirstymo operatorius"	750.4	-	750.4	100.00	100.00
AB "Ignitis gamyba"	223.3	-	223.3	100.00	100.00
UAB "Ignitis renewables"	251.8	-	251.8	100.00	100.00
UAB "Ignitis"	142.1	-	142.1	100.00	100.00
UAB Vilniaus kogeneracinė jėgainė	52.3	-	52.3	100.00	100.00
UAB Kauno kogeneracinė jėgainė	20.4	-	20.4	51.00	51.00
UAB "Ignitis grupės paslaugų centras"	12.9	-	12.9	100.00	100.00
UAB "Transporto valdymas"	2.4	-	2.4	100.00	100.00
UAB Elektroninių mokėjimų agentūra	1.5	-	1.5	100.00	100.00
UAB "Gamybos optimizavimas"	5.7	-	5.7	100.00	100.00
	1,462.8	-	1,462.8		

Information on the parent company's investments in subsidiaries as at 31 December 2024 is provided below:

Subsidiaries	Acquisition cost, EURm	Impairment, EURm	Carrying amount, EURm	Parent company's ownership interest, %	Group's effective ownership interest, %
AB "Energijos skirstymo operatorius"	750.4	-	750.4	100.00	100.00
AB "Ignitis gamyba"	223.3	-	223.3	100.00	100.00
UAB "Ignitis renewables"	201.8	-	201.8	100.00	100.00
UAB "Ignitis"	142.1	-	142.1	100.00	100.00
UAB Vilniaus kogeneracinė jėgainė	52.3	-	52.3	100.00	100.00
UAB Kauno kogeneracinė jėgainė	20.4	-	20.4	51.00	51.00
UAB "Ignitis grupės paslaugų centras"	12.9	-	12.9	100.00	100.00
UAB "Transporto valdymas"	2.4	-	2.4	100.00	100.00
UAB Elektroninių mokėjimų agentūra	1.4	-	1.4	100.00	100.00
UAB "Gamybos optimizavimas"	0.4	-	0.4	100.00	100.00
	1,407.4	-	1,407.4		

Movement of the parent company's investments during the year was as follows:

EURm	2025	2024
Carrying amount at 1 January	1,407.4	1,388.2
Acquisition of shares from non-controlling interest	-	-
Share capital and share premium increase in subsidiaries	55.4	19.2
Share capital decrease in subsidiaries	-	-
Carrying amount at 31 December	1,462.8	1,407.4

During 2024, the share capital of UAB "Ignitis renewables" was increased by EUR 50.0 million with the amount paid in cash in 2025, and the share capital of UAB „Gamybos optimizavimas“ was increased by EUR 5.4 million with the full amount paid in cash in 2025.

11.1 Cash flows from investments in subsidiaries

Reconciliation of cash flows from the parent company's investments into subsidiaries with the data reported in the Statement of cash flows:

EURm	31 December 2025	31 December 2024
Share capital and share premium increase in subsidiaries	(5.4)	(19.2)
Capital investment off-set with loans	(50.0)	-
Return of capital from subsidiaries	-	-
Buyout of shares in subsidiaries	-	-
Total	(55.4)	(19.2)

11.2 Significant accounting estimates and judgements

11.2.1 Option agreement over UAB Kauno kogeneracinė jėgainė shares

As at 31 December 2024, the parent company held 51% of the shares in UAB Kauno kogeneracinė jėgainė (hereinafter 'Kaunas CHP'), and the remaining 49% of the shares was held by UAB Gren Lietuva.

Both shareholders have signed a Shareholders' Agreement which states that the key decisions over the business should be made unanimously by the shareholders and/or by the Board, which consists of equal number of representatives from both shareholders and one independent member. If the shareholders fail to reach the consensus on the deadlock situation, the parent company has an option to buy (call option) all the shares of Kaunas CHP held by UAB Gren Lietuva and thus, whereas UAB Gren Lietuva has an option to sell (put option) to the parent company its shareholdings in Kaunas CHP for the price the calculation of which is defined in the Shareholders' Agreement.

In the view of the parent company's management, the call option is a derivative instrument. The option is exercisable at the amount which approximates fair value of the underlying shares at the date of exercise (both put and call options). In the management's view, the fair value of the derivative is not significant.

11.2.2 Impairment of investments

On 31 December 2025, the parent company carried out an analysis to determine the existence of indications of impairment for investments into subsidiaries. The parent company considered information from external and internal sources of information.

For the purpose of determining the impairment indications, an assessment was carried out whether at least one of the following conditions exists (except for the early-stage companies):

1. the actual Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) is lower than the budgeted Adjusted EBITDA;
2. the actual Adjusted Net Profit is lower than the actual dividends paid;
3. the carrying amount of investments is higher than the carrying amount of net assets.

In case at least one of the abovementioned conditions existed before performing the impairment tests, additional analysis was performed, helping to determine whether the current conditions show any impairment indications.

Additionally, the management assessed whether, during the reporting year, there have been no significant adverse changes in the technological, market, economic and legal environment in which the subsidiaries operate.

The management did not find any impairment indications for investments in subsidiaries as at 31 December 2025 except investment into subsidiary UAB "Ignitis". As at 31 December 2025 the parent company performed impairment test for the investment into subsidiary UAB "Ignitis"

UAB "Ignitis"

The following key assumptions were used in impairment test in 2025:

1. the cash flow forecast covered the period until 2034;
2. a discount rate of 6.6% (post-tax) (7.9% pre-tax) was applied to calculate the discounted cash flows;
3. terminal growth rate in year 2034 set at 2.0%;
4. valuation includes consolidated operations and cash flow generated by UAB "Ignitis" and its subsidiaries across the Baltics, Poland and Finland;
5. overall business activities become more balanced between natural gas and the strengthening electricity-based products, including the expanding public EV charging station network;
6. significant level of investments is anticipated due to expansion phase of public EV charging station network across the Baltics.

The parent company exercised the fair value assessment analysis of unobservable inputs variation, relying on sensitivity of variation of discount rate (WACC). The performed sensitivity analysis did not indicate that any reasonable possible changes in key assumptions would result in additional impairment.

The impairment test showed no additional impairment is needed for the investment into subsidiary UAB "Ignitis" as at 31 December 2025.

12 Receivables

12.1 Non-current receivables

EURm	31 December 2025	31 December 2024
Loans granted	2,047.8	1,880.3
Total	2,047.8	1,880.3
Less: loss allowance	-	-
Carrying amount	2,047.8	1,880.3

12.2 Current loans

EURm	31 December 2025	31 December 2024
Cash-pool	377.5	177.6
Current loans	137.6	164.3
Current portion of non-current loans	61.3	44.2
Total	576.4	386.1
Less loss allowance	-	-
Carrying amount	576.4	386.1

12.3 Expected credit losses of loans granted and other non-current receivables

As at 31 December 2025, the parent company assessed whether credit risk of recipients of non-current and current loans has increased significantly and did not establish any indications and has no information indicating that the credit risk of loan recipients on an individual basis has increased significantly. Therefore, no lifetime expected credit loss was recognised neither for non-current, nor for current loans granted (Note 12.1, 12.2).

12.4 Loans granted

The parent company's loans granted comprised the loans granted to subsidiaries.

EURm	31 December 2025	31 December 2024
Within one year	576.4	386.1
From 1 to 2 years	202.8	7.9
From 2 to 5 years	1,411.3	488.1
After 5 years	433.7	1,384.3
Carrying amount	2,624.2	2,266.4

13 Other financial assets

EURm	31 December 2025	31 December 2024
Other non-current financial assets		
Investment funds – at FVTPL	26.1	30.1
Carrying amount	26.1	30.1
Other current financial assets		
Short-term deposits	-	-
Carrying amount	-	-

13.1 Movement of fair value in investment funds

EURm	31 December 2025	31 December 2024
Carrying amount as at 1 January	30.1	32.0
Additional investments	4.8	3.8
Return from investments	(0.5)	-
Change in fair value	(8.3)	(5.7)
Carrying amount	26.1	30.1

13.2 Significant accounting estimates: Investment funds – at FVTPL

The parent company has invested into investment funds. The funds are managed by independent entities (managers), which are responsible for the investment decisions. Accordingly, in the parent company's management's view, the parent company does not have the power to manage the activities of the funds and does not have the control over them.

As at 31 December 2025, the carrying value of the Smart Energy Fund amounted to EUR 11.6 million (31 December 2024: EUR 18.6 million), the carrying value of the World Fund amounted to EUR 14.5 million (31 December 2024: EUR 11.5 million).

The fair value of the fund was determined by reference to the exits of investments, new investment rounds or other recent events and data (Note 22).

The fair value of the funds corresponds to Level 3 in the fair value hierarchy.

14 Cash and cash equivalents

EURm	31 December 2025	31 December 2024
Cash balances in bank accounts	1.5	1.2
Total	1.5	1.2

As at 31 December 2025 and 2024, cash and cash equivalents comprised cash in banks.

The fair values of cash and cash equivalents as at 31 December 2025 and 2024 approximated their carrying amounts. The parent company has no pledged current and future cash inflows.

15 Equity

15.1 Capital management

For the purpose of capital management, the management uses equity as reported in the Statement of financial position.

Pursuant to the Republic of Lithuania Law on Companies, the issued capital of a public limited liability company must be not lower than EUR 25 thousand and the shareholders' equity must be not lower than 50% of the company's issued capital. As at 31 December 2025 and 2024, the parent company has met the requirements of capital regulation.

15.2 Share capital

Shareholders of the parent company	31 December 2025		31 December 2024	
	Share capital, EURm	%	Share capital, EURm	%
Republic of Lithuania represented by the Ministry of Finance of the Republic of Lithuania	1,212.2	74.99	1,212.2	74.99
Other shareholders	404.2	25.01	404.2	25.01
	1,616.4		1,616.4	

As at 31 December 2025, the parent company's share capital comprised EUR 1,616.4 million (31 December 2024: 1,616.4 million) and was divided into 72,388,960 ordinary registered shares with a EUR 22.33 nominal value per share (31 December 2024: 72,388,960 ordinary registered shares with a EUR 22.33 value per share).

Reconciliation of the number of shares at the beginning and at the end of the year:

	2025	2024
Number of authorised shares as at 1 January	72,388,960	72,388,960
Number of authorised shares as at 31 December	72,388,960	72,388,960

16 Reserves

16.1 Legal reserve

The legal reserve is a compulsory reserve under the Lithuanian legislation. Companies in Lithuania are required to transfer at least 5% of net profit from distributable profit until the total reserve reaches 10% of the issued capital. The legal reserve shall not be used for payment of dividends and is formed to cover future losses only. The parent company's legal reserve as at 31 December 2025 and 2024 was not fully formed.

16.2 Treasury shares reserve

At the Annual General Meeting of Shareholders held on 27 March 2024, it was decided to cancel the reserve for the acquisition of own ordinary registered shares and to transfer EUR 37.7 million from the 'Treasury shares reserve' to 'Retained earnings'

17 Financing

17.1 Loans, bonds and lease liabilities

EURm	31 December 2025	31 December 2024
Non-current		
Bonds issued	895.2	893.5
Bank loans	424.6	254.5
Bank overdrafts	179.5	135.3
Lease liabilities	14.0	14.8
Current		
Current portion of non-current loans	17.5	9.6
Current loans	148.8	175.1
Bank overdrafts	88.0	-
Lease liabilities	2.9	2.6
Total loans and bonds	1,770.5	1,485.4

Loans, bonds and lease liabilities by maturity:

EURm	31 December 2025	31 December 2024
Up to 1 year	257.2	187.3
From 1 to 2 years	725.8	228.3
From 2 to 5 years	666.3	652.6
After 5 years	121.2	417.2
Total	1,770.5	1,485.4

Loans, bonds and lease liabilities are denominated in euros.

17.1.1 Covenants

The loan agreements provide for financial and non-financial covenants that the parent company is obliged to comply with. The parent company complied with the covenants as at 31 December 2025 and 2024.

17.2 Net Debt

Net Debt is a non-IFRS liquidity metric used to determine the value of debt against highly liquid assets owned by the parent company. Only debts to financial institutions, issued bonds and related interest payables and lease liabilities are included in the Net Debt calculation. The management defines the Net Debt measure for the purpose of these financial statements in the manner as presented below.

Net debt balances:

EURm	31 December 2025	31 December 2024
Cash and cash equivalents	(1.5)	(1.2)
Non-current portion	1,513.3	1,298.1
Current portion	257.2	187.3
Net Debt	1,769.0	1,484.2

17.2.1 Reconciliation of the parent company's Net Debt balances and cash flows from financing activities

EURm	Loans and bonds		Lease liabilities		Assets		Total
	Non-current	Current	Non-current	Current	Cash and cash equivalents	Short-term deposits	
Net Debt at 1 January 2024	1,156.1	156.4	15.1	2.1	(3.2)	(110.4)	1,216.1
Cash changes							
Increase (decrease) in cash and cash equivalents	-	-	-	-	111.0	-	111.0
Repayments of loans	(0.1)	(146.2)	-	-	-	-	(146.3)
Overdrafts net change	135.3	(12.5)	-	-	-	-	122.8
Lease payments	-	-	-	(2.4)	-	-	(2.4)
Interest paid	-	(32.4)	-	(0.4)	-	-	(32.8)
Received interest	-	-	-	-	-	3.1	3.1
Reclassifications between items	-	-	-	-	(109.0)	109.0	-
Non-cash changes							
Loan contracts concluded	-	177.1	-	-	-	-	177.1
Lease contracts concluded	-	0.3	2.2	0.4	-	-	2.9
Accrual of interest receivable	-	-	-	-	-	(1.7)	(1.7)
Accrual of interest payable	1.7	32.3	-	0.4	-	-	34.4
Reclassifications between items	(9.7)	9.7	(2.5)	2.5	-	-	-
Net Debt at 31 December 2024	1,283.3	184.7	14.8	2.6	(1.2)	-	1,484.2
Net Debt at 1 January 2025	1,283.3	184.7	14.8	2.6	(1.2)	-	1,484.2
Cash changes							
(Increase) decrease in cash and cash equivalents	-	-	-	-	(0.3)	-	(0.3)
Proceeds from loans	187.6	26.5	-	-	-	-	214.1
Repayments of loans	-	(291.0)	-	-	-	-	(291.0)
Overdrafts net change	44.2	88.0	-	-	-	-	132.2
Lease payments	-	-	-	(2.9)	-	-	(2.9)
Interest paid	-	(35.3)	-	(0.4)	-	-	(35.7)
Non-cash changes							
Loan contracts concluded	-	228.0	-	-	-	-	228.0
Lease contracts concluded	-	0.2	2.2	0.5	-	-	2.9
Accrual of interest payable	1.7	35.8	-	0.4	-	-	37.9
Reclassifications between items	(17.5)	17.5	(3.0)	3.0	-	-	-
Other non-monetary changes	-	(0.1)	-	(0.3)	-	-	(0.4)
Net Debt at 31 December 2025	1,499.3	254.3	14.0	2.9	(1.5)	-	1,769.0

18 Other current liabilities

EURm	31 December 2025	31 December 2024
Irrevocable commitment to acquire a minority interest	3.5	3.5
Payroll related liabilities	1.5	1.2
Taxes (other than income tax)	1.5	1.2
Personal income tax payable from bonds interest	1.4	1.4
Accrued expenses	0.4	2.5
Carrying amount	8.3	9.8

Financial liabilities comprise EUR 4.9 million of the total 'Other current liabilities' (EUR 4.9 million as at 31 December 2024). Accrued expenses, taxes and payroll related liabilities are not financial liabilities.

19 Contingent liabilities and commitments

19.1 Guarantees issued and received by the parent company

The parent company has provided the following other guarantees for its subsidiaries:

Beneficiary of the guarantee	Maximum amount of the guarantee	31 December 2025 ²	31 December 2024 ²
Banks	153.6	153.6	81.1
Other companies	497.7	30.2	31.4
Total	651.3	183.8	112.5

² The amount which should be covered by the parent company in case an entity could not perform its obligations.

The parent company has issued guarantees for its subsidiaries as they entered into supply and installation agreements with wind turbine equipment suppliers. The parent company undertakes and guarantees the performance of all payment obligations under the agreements concluded. The maximum amount of guarantees as at 31 December 2025 was EUR 666.8 million (31 December 2024: EUR 791.1 million).

19.2 Litigations

There were no significant litigations as at 31 December 2025.

20 Related-party transactions

Related parties are defined as follows:

- the Group companies;
- the parent company's controlling shareholders or those who have significant influence;
- associated companies;
- joint ventures;
- state controlled companies and their subsidiaries (only significant transactions are being disclosed with such companies);
- the Ministry of Finance of the Republic of Lithuania along with the agencies and enterprises that are attributable to the governance of the decisions (only significant transactions are being disclosed with such companies);
- the key management personnel and close members of that personnel's family and their controlled enterprises and companies.

In 2025 and 2024, the parent company did not conclude any asset investment, acquisition, transfer, lease, pledge and mortgage, obligation fulfilment surety or guarantee transactions with a related party which (or the sum of which) exceed 1/10 of the parent company's assets provided in the Statement of financial position.

The table below summarises the main types of transactions carried out with related parties:

Related parties	Relationship	Nature of main transactions
Subsidiaries	Directly and indirectly controlled subsidiaries	Provision of financing, provision of management services, purchases of business support services

The parent company's transactions with related parties as at 31 December were as follows:

Related parties, EURm	Accounts receivable 31 December 2025	Loans receivable 31 December 2025	Accounts payable 31 December 2025	Sales 2025	Purchases 2025	Finance income 2025	Finance cost 2025
Subsidiaries	0.6	2,624.0	1.4	4.9	7.3	87.5	(0.6)
Total	0.6	2,624.0	1.4	4.9	7.3	87.5	(0.6)

Related parties, EURm	Accounts receivable 31 December 2024	Loans receivable 31 December 2024	Accounts payable 31 December 2024	Sales 2024	Purchases 2024	Finance income 2024	Finance cost 2024
Subsidiaries	0.7	2,266.2	2.7	3.7	5.8	72.5	-
Total	0.7	2,266.2	2.7	3.7	5.8	72.5	-

As at 31 December 2025, the parent company has issued guarantees for financial loans to its subsidiaries (Note 19.1). The loans provided to subsidiaries are disclosed in Note 12.4.

20.1 Compensation to key management personnel

EURm	2025	2024
Wages and salaries and other short-term benefits to key management personnel	1.9	1.7
Whereof:		
Short-term benefits – wages, salaries and other	1.6	1.5
Other long-term benefits	0.3	0.2
Termination benefits	-	-
Number of key management personnel	14	12

In 2025 and 2024 members of the Management Board (incl. CEO), and the Supervisory Board were considered to be the Group's key management personnel. For more information on the key management personnel, see section '4 Governance' of the Integrated Annual Report.

21 Risk management

Risks are a natural and integral part of business activities, and risk profile changes constantly. The parent company aims to mitigate its risks and reduce them to an acceptable level through risk management. This part describes only the management of the main financial risks. The management of other risks is presented in section '4.7 Risk management' of this Integrated Annual Report.

The parent company is exposed to a variety of financial risks in its operations:

- market risk;
- credit risk;
- liquidity risk.

In managing these risks, the parent company seeks to mitigate the impact of factors which could adversely affect the parent company's financial performance.

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risk comprises two types of risk:

- foreign currency exchange risk;
- interest rate risk.

21.1.1 Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The parent company's sale/purchase transactions are denominated in euros, therefore, they do not bear the risk of foreign exchange rate fluctuations.

21.1.2 Interest rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The parent company's income and cash flows are affected by fluctuations in market interest rates because the loans granted had fixed and variable interest rates as at 31 December 2025, therefore, it is exposed to the interest rate risk.

When assuming debt obligations, the parent company aims that the non-current liabilities would bear a fixed interest rate. If the fixing of the interest rate is not possible due to objective reasons and the liability assumed comprises a significant amount, the interest rate derivatives would be used for the purpose of interest management (the parent company did not use such derivatives in 2025 and 2024). The usage of any of the interest rate derivatives requires the expiry date of the derivative to correspond to the maturity date of the debt obligation.

The risk of adverse changes in the interest rate of the investment is not actively insured. Risk management measures are applied only when the market has obvious indications that the interest rate might significantly decrease, resulting in negative investment returns.

Variable-rate financial instruments include a loan received from a commercial bank in the amount of EUR 670.3 million and loans granted in the amount of EUR 292.2 million as at 31 December 2025 (as at 31 December 2024, a loan was received from a commercial bank in the amount of EUR 374.4 million and loans were granted in the amount of EUR 182.1 million).

Interest rate risk is assessed in relation to the sensitivity of the parent company's profit to a potential shift in interest rates. This assessment is provided in the table below.

	Increase/decrease, pp	(Decrease)/increase in profit
2025	1.0/ (1.0)	(3.8)/ 3.8
2024	1.0/ (1.0)	(1.9)/ 1.9

21.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss.

The parent company's exposure to credit risk arises from operating activities (other amounts receivable) and from financing activities (granted loans).

The parent company is exposed to credit risk concentration related to the loans granted (Note 12.4), although all the loans granted are due from related parties (Note 20). A total of EUR 2,384.2 million of loans has been granted to two subsidiaries (31 December 2024: EUR 2,046.5 million). The parent company is evaluating cash flows and financial results of these related parties, no impairment is recognised for the investments into subsidiaries to related parties to which the loans were granted. Due to the above, the parent company does not consider that the risk related to concentration of loans granted is significant.

The priority objective of the parent company's treasury management is to ensure the security of funds and maximise the return on investments in pursuit of this objective. The risk of counterparties defaulting is managed by entering into transactions with reliable financial institutions (or subsidiaries of such institutions) with a long-

term credit rating (in foreign currency), lower than 'A-' according to the rating agency Fitch Ratings (or an equivalent rating of other rating agencies).

The maximum exposure to credit risk is equal to the carrying amount of financial assets and the nominal value of guarantees issued.

EURm	Note	31 December 2025	31 December 2024
Financial assets measured at amortised cost:			
Trade receivables		0.8	0.7
Other receivables		0.1	-
Other current financial assets	13	-	-
Loans granted	12.4	2,624.2	2,266.4
Cash and cash equivalents	14	1.5	1.2
Financial assets measured at FVTPL			
Investment funds - at FVTPL	13	26.1	30.1
Total		2,652.7	2,298.4
Off-balance sheet commitments:			
Open guarantees issued	19	183.9	112.5
Total		2,836.6	2,410.9

21.3 Liquidity risk

The liquidity risk is managed by planning future cash flows of the parent company and ensuring sufficient cash and the availability of funding through committed credit facilities and overdrafts to support the parent company's ordinary activities. The refinancing risk is managed by ensuring that loans over a certain period are repaid using the available cash, the cash flows expected from operating activities of the Group companies over that period and the unwithdrawn committed credit facilities which will have to be repaid in later periods.

As at 31 December 2025, the parent company's current liquidity ratio (total current assets/total current liabilities) was 2.15 (31 December 2024: 1.96). As at 31 December 2025, the parent company's balance of credit and overdraft facilities not withdrawn amounted to EUR 397.3 million (31 December 2024: EUR 575.4 million).

To support the fulfilment of obligations of the Group companies to credit institutions and other creditors, the parent company issued guarantees in the amount of EUR 183.9 million as at 31 December 2025 (31 December 2024: EUR 112.5 million) (Note 19.1).

The table below summarises the parent company's financial liabilities by category:

EURm	Note	31 December 2025	31 December 2024
Loans and bonds	17	1,753.6	1,468.0
Lease liabilities	17	16.9	17.4
Trade payables		1.8	2.1
Other current and non-current liabilities	18	4.9	9.8
Total		1,777.2	1,497.3

The table below summarises the maturity profile of the parent company's financial liabilities under the contracts (based on contractual undiscounted payments of interest-bearing financial liabilities and the carrying amounts of other financial liabilities):

EURm	2025				Total
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	
Loans and bonds	2.1	252.2	1,378.1	121.2	1,753.6
Lease liabilities	-	3.2	14.8	-	18.0
Trade payables	1.8	-	-	-	1.8
Other current liabilities and non-current liabilities	-	4.8	-	-	4.8
Total	3.9	260.2	1,392.9	121.2	1,778.2

EURm	2024				Total
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	
Loans and bonds	1.1	194.0	926.9	426.0	1,548.0
Lease liabilities	-	2.9	13.8	1.9	18.6
Trade payables	2.1	-	-	-	2.1
Other current liabilities	-	4.9	1.2	-	6.1
Total	3.2	201.8	941.9	427.9	1,574.8

21.4 Impact of climate change

The parent company pays special attention to reveal the potential impact of climate change and its related economic, transitional changes on the parent company's activities. This impact may arise from physical (extreme) weather phenomena and from the aspiration of states to adopt the Green Deal, which could cause additional requirements for the energy sector to comply with new regulations, implement new technological solutions, manage reputational risks, respond to fast growing market demand for green solutions, etc.

Read more on the impact of climate change and the parent company's approach on managing it in section '6.2 Environment' of this Integrated Annual Report.

Climate change and the transition to net zero have been considered in the preparation of these financial statements. While preparing these financial statements, the following has been considered:

Impact of climate change on investments in subsidiaries and loans granted

Each year, the parent company assesses whether there are any impairment indications for investments in subsidiaries (Note 11.2.2). There were no indicators suggesting that the investments in subsidiaries have decreased in value. Significant impacts of climate change on the parent company's assumptions were used in estimating their recoverable value, and there is no need to perform the sensitivity analysis of the effects of climate risk within the assumptions made. Additionally, the parent company assessed whether the credit risk of subsidiaries has increased due to the climate change impact and did not establish any indications and has no information indicating that the credit risk of loan recipients on an individual basis has increased significantly. Thus, the parent company's management does not reasonably expect climate change to have a significant impact on the value of investments in subsidiaries and the loans' receivable amounts.

Impact of climate change on provisions for risks

The parent company's management does not believe that there are any provisions for risks or potential liabilities requiring consideration in the financial statements in connection with possible disputes, specific regulatory requirements aimed at mitigating environmental damages, sanctions connected to the failure to comply with environmental requirements, contracts that may become onerous or possible restructuring works aimed at achieving the climate objectives required.

The impact of future climate change regulations is not material on the currently reported amounts of the parent company's assets and liabilities.

22 Fair values of financial instruments

22.1 Financial instruments, measured at fair value

As at 31 December 2025 and 2024, the parent company has accounted for the investment funds, measured at FVTPL (Note 13). The fair value measurement of these financial assets is based on investment rounds. The fair value of these financial assets will change depending on the exits of investments, future investment rounds or other significant events. Their fair value corresponds to Level 3 of the fair value hierarchy.

22.2 Financial instruments for which fair value is disclosed

The carrying amount of the parent company's financial assets and financial liabilities measured at an amortised cost approximates to their fair value, excluding the issued bonds, loans received from commercial, state-owned banks and the loans granted. The measurement of the financial instruments related to the issued bonds, the loans received and the loans granted is attributed to Level 2 of the fair value hierarchy.

As at 31 December 2025 and 31 December 2024, the fair value of loans granted to its subsidiary AB "Energijos skirstymo operatorius" was estimated by discounting the cash flows with a market interest applied for a similar-period bond. The market interest rate for certain bonds' issues was determined as bond yields for the certain issued bonds. Cash flows were discounted using an average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The measurement of financial instruments related to the loans granted to subsidiary AB "Energijos skirstymo operatorius" is attributed to Level 2 of the fair value hierarchy.

The fair value of loans granted to other Group companies was calculated by discounting the future cash flows with reference to the interest rate observable in the market. The cash flows were discounted using a weighted average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The measurement of the financial instruments related to the loans granted is attributed to Level 2 of the fair value hierarchy.

The fair value of the parent company's issued bonds was calculated by discounting the future cash flows related to the coupon payments, with reference to the interest rate observable in the market and the regular future payments related to the issued bonds. The cash flows were discounted using a weighted average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The discount rates for certain issued bonds were determined as certain bond yields. The measurement of the fair value of issued bonds is attributed to Level 2 of the fair value hierarchy.

The fair value of loans received from commercial banks and state-owned banks was calculated by discounting the future cash flows with reference to the interest rate observable in the market. The cash flows were discounted using a weighted average discount rate of 3.14% as at 31 December 2025 (31 December 2024: 3.55%). The measurement of fair value of loans received from commercial and state-owned banks is attributed to Level 2 of the fair value hierarchy.

The table below presents allocation between the fair value hierarchy levels of the parent company's financial instruments as at 31 December 2025:

EURm	Note	Carrying amount	Level 1	Level 2	Level 3	Total
			Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Financial instruments measured at FVTPL						
Assets						
Investment funds – at FVTPL	13	26.1	-	-	26.1	26.1
Financial instruments for which fair value is disclosed						
Assets						
Loans granted to other Group companies		1,999.1	-	2,031.6	-	2,031.6
Loans granted to subsidiary AB “Energijos skirstymo operatorius”		624.5	-	605,8	-	605.8
Liabilities						
Bonds issued		904.3	-	878,9	-	878.9
Loans received		849.3	-	816.6	-	816.6

The table below presents allocation between the fair value hierarchy levels of the company's financial instruments as at 31 December 2024:

EURm	Note	Carrying amount	Level 1	Level 2	Level 3	Total
			Quoted prices in active markets	Other directly or indirectly observable inputs	Unobservable inputs	
Financial instruments measured at FVTPL						
Assets						
Investment funds – at FVTPL	13	30.1	-	-	30.1	30.1
Financial instruments for which fair value is disclosed						
Assets						
Loans granted to other Group companies		1,641.5	-	1,536.2	-	1,536.2
Loans granted to subsidiary AB “Energijos skirstymo operatorius”		624.5	-	593.7	-	593.7
Liabilities						
Bonds issued		902.6	-	859.6	-	859.6
Loans received		565.3	-	522.0	-	522.0

23 Events after the reporting period

23.1 A disposal of 49% stake in subsidiary

As part of the asset rotation program under its strategy and to ensure proper implementation of the European Commission's decision related to the EUR 138 million support received, we reached an agreement with Quaero Capital to dispose a 49% stake in Vilnius CHP. Based on transaction valuation, 100% of Vilnius CHP equity is valued at EUR 244 million, 49 % – at EUR 120 million, representing 4.6x multiple over the Group's equity invested. The agreement is expected to be signed by the end of March 2026, after the decision at our Annual General Meeting of Shareholders on 25 March 2026, with the transaction closing planned in Q2 2026. An acquiror – Quaero Capital – is a Switzerland based infrastructure fund with EUR 3.8 billion in AUM and a presence in the Baltic States.

There were no other significant events after the reporting period till the issue of these financial statements.

9.6 Accompanying information

1 Material accounting policies

1.1 New standards, amendments and interpretations

1.1.1 Standards and their interpretations announced and adopted by the European Union, effective for the current reporting period

The following are the new standards and/or amendments to the standards that have been approved by IASB and endorsed in the European Union during the year ended as at 31 December 2025.

Standards or amendments that came into force during the year of 2025

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The adoption of these standards, their revisions and interpretations had no material impact on the financial statements.

1.1.2 Standards issued but not yet effective and not adopted early

While preparing these financial statements, the Group did not adopt the new IFRS, IAS, their amendments and interpretations issued by IASB the effective date of which is later than 31 December 2025 and whose early adoption is permitted. The following are new standards and/or amendments to the standards that have been issued but not yet effective:

Other standards

The following new and amended standards are not expected to have a significant impact on the financial statements.

Other new standards or amendments	IASB Effective date	EU Endorsement status
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026	Endorsed
Annual Improvements Volume 11	1 January 2026	Endorsed
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026	Endorsed
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	Not yet endorsed
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Not yet endorsed
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	1 January 2027	Not yet endorsed

1.2 Revenue from contracts with customers

The parent company, in its contracts with customers, identifies the performance obligations (stated either explicitly or implied) to transfer either distinct goods or services or series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. The promised goods or services represent a separate performance obligation if the goods or services are distinct. A promised good or service is considered distinct if both of the following criteria are met:

- (i) the customer can benefit from the goods or services on its own or with other readily available resources (i.e. distinct individually); and
- (ii) the goods or services are separately identifiable from other promises in the contract (distinct within the context of the contract).

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the parent company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the parent company expects to be entitled in a contract with a customer and excludes the amounts collected on behalf of third parties.

For certain service contracts, revenue is recognised based on the actual service provided by the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. When recognising revenue, the parent company takes into consideration the terms of the contracts signed with its customers and all the significant facts and circumstances, including the nature, amount, timing and uncertainty relating to cash flows arising from the contract with the customer.

1.2.1 Management services

The parent company provides management services to its subsidiaries. The control of management services is transferred over time and, therefore, the parent company satisfies a performance obligation, and revenue is recognised over time. The parent company has concluded that it is the principal in its revenue arrangements.

For measuring a progress towards a complete satisfaction of a performance obligation, the parent company applies a practical expedient allowed by IFRS 15. As the parent company has a right to a consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date, the parent company recognises revenue in the amount to which it has a right to invoice. The parent company bills a fixed amount for each hour of service provided.

The payment term is 30 days from the date of invoice issued for the services rendered in the past month. The contract has no significant financing component as there is no significant length of time between the payment and the transfer of services.

After one calendar year of providing services, the parent company recalculates the price of the provided services, taking into account its actual costs incurred in providing these services to the customer and adjusts the amount payable by the customer accordingly.

1.2.2 Contract balances

1.2.2.1 Contract assets and contract liabilities

The timing of satisfaction of the parent company's performance obligation and a typical timing of payment is determined according to a service report, which is reviewed and approved by the customer. After approval, the services are recognised as completely rendered to the customer. During the reporting period, the parent company had no contract liability or contract assets.

1.2.2.2 Receivables

A receivable is recognised if an amount of the consideration that is unconditional is due from the customer (i.e., only the passage of time is required before the payment of the consideration is due). For more, refer to the accounting policies of financial assets in Note 1.6.1.

1.3 Dividend income

Dividend income is recognised after the shareholders' rights to receive payment have been established. The dividends received are attributed to the investment activities in the Statement of cash flows.

1.3.1 Current and deferred tax for the reporting period

Current and deferred taxes are recognised as income or expenses and included in net profit or loss for the reporting period, except for the cases when the tax arises from a transaction or event that is recognised directly in equity or other comprehensive income in the same or subsequent period or on a business combination.

1.4 Right-of-use assets

Right-of-use asset is the asset that reflects the right of the parent company to use the leased asset over the life of a lease. The parent company recognises a right-of-use asset for all types of leases, including leases of right-of-use assets in sublease, with the exception of leases of intangible assets, short-term leases and leases for which the underlying asset is of low value.

1.4.1 Initial measurement of right-of-use assets

At the commencement date, the parent company measures a right-of-use asset at cost. The cost of a right-of-use asset comprises: the amount equal to the lease liability at its initial recognition, lease payments made at or before the commencement of the lease (less any lease incentives received), any initial direct costs incurred by the parent company and an estimate of costs to be incurred by the parent company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The parent company incurs obligation for these costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. The parent company recognises these costs as part of the cost of right-of-use asset when the parent company incurs an obligation for these costs.

1.4.2 Subsequent measurement of right-of-use assets

Subsequent to the initial recognition, the parent company measures a right-of-use asset using a cost model. Under the cost model, the parent company measures a right-of-use asset at cost: less any depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability.

If the lease ownership of the underlying asset is transferred to the parent company by the end of the lease term or if the cost of the right-of-use asset reflects that the parent company will exercise a purchase option, the parent company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the parent company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are depreciated on a straight-line basis.

The parent company presents the right-of-use assets separately from property, plant and equipment in the Statement of financial position.

1.5 Investments in subsidiaries

Investments in subsidiaries are stated in the Statement of financial position at acquisition cost less impairment loss, when the investment's carrying amount exceeds its estimated recoverable amount. An adjustment to the value is made to write-down the difference as expense in the Statement of profit or loss and other comprehensive income. If the basis for the write-down can no longer be justified at the Statement of financial position date, it is reversed. If there is a present obligation to cover a deficit in subsidiaries, a provision is recognised for this.

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.6.1 Financial assets

The parent company classifies its financial assets into the following three categories:

- (i) financial assets subsequently measured at amortised cost;
- (ii) financial assets subsequently measured at fair value through other comprehensive income (hereinafter 'FVOCI'); and
- (iii) financial assets subsequently measured at fair value through profit or loss (hereinafter 'FVTPL').

Transaction costs comprise all charges and commissions that the parent company would not have paid if it had not entered into an agreement on the financial instrument.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (hereinafter 'SPPI')' on the outstanding principal amount. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Interest income calculated on these financial assets is recognised as finance income and amortised using the effective interest rate method. Any gain or loss arising from the write-off of assets is recognised in the Statement of profit or loss and other comprehensive income. Impairment losses are accounted for as other expenses in the Statement of profit or loss and other comprehensive income.

Subsequent to their initial recognition, financial assets are classified into the afore-mentioned categories based on the business model the parent company applies when managing its financial assets and the characteristics of cash flows from these assets. The business model applied to the group of financial assets is determined at a level that reflects how all groups of financial assets are managed together to achieve a particular business objective of the parent company. The intentions of the parent company's management regarding separate instruments have no effect on the applied business model. The parent company may apply more than one business model to manage its financial assets. In view of the business model applied for managing the group of financial assets, the accounting for financial assets, except for financial assets subsequently measured at FVOCI as the parent company does not have these kind of assets, is as follows:

1.6.1.1 Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (hereinafter 'EIR') method and are subject to impairment. Amortised cost is the amount at which the financial instrument was recognised at initial recognition minus principal repayments, plus accrued interest, and, for financial assets, minus any write-down of expected credit losses.

Financial assets are recognised as current assets, except for maturities greater than 12 months after the date of the Statement of financial position, in which case they are classified as non-current assets.

1.6.1.2 Financial assets at FVTPL

Debt and equity instruments that do not meet the criteria of financial assets to be measured at amortised cost or financial assets to be measured at FVOCI are stated as financial assets to be measured at FVTPL.

The parent company classifies financial assets as assets measured at FVTPL if this eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising gains or losses thereof on different bases. A gain or loss in the fair value measurement of debt investment is recognised in profit or loss of the Statement of profit or loss and other comprehensive income in the period in which it arises. The parent company classifies in this category of investments to equity instruments that do not meet the SPPI conditions.

1.6.1.3 Effective interest method

The effective interest method is used in the calculation of the amortised cost of a financial asset and in the allocation of the interest revenue to profit or loss in the Statement of profit or loss and other comprehensive income over the relevant period.

EIR is the rate that exactly discounts the estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of the financial asset that shows the amortised cost of the financial asset, before adjusting for any loss allowance. When calculating EIR, the parent company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. The calculation includes all fees and points paid or received between the parties to the contract that are an integral part of the EIR, the transaction costs and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or a group of financial instruments), the parent company uses the contractual cash flows over the full contractual term of the financial instrument (or the group of financial instruments).

1.6.1.4 Impairment of financial assets – expected credit losses (hereinafter 'ECL')

The parent company assesses, on a forward-looking basis, the ECL associated with its debt instruments carried at amortised cost regardless of whether there are any impairment indicators.

Credit losses incurred by the parent company are calculated as the difference between all contractual cash flows that are due to the parent company in accordance with the contract and all the cash flows that the parent company expects to receive (i.e., all cash shortfalls) discounted at the original EIR. The parent company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the sale of the collateral held or other enhancements that are integral credit to the contractual terms.

ECL are measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money, the reasonable and supportable information about the past events and current conditions and the reasonable and supportable forecasts of future events and economic conditions at the reporting date.

Lifetime expected credit losses are ECL that result from all possible default events over the period from the date of initial recognition of a financial asset to the subsequent date of settlement of the financial asset or the ultimate write-off of the financial asset.

The parent company seeks for the lifetime expected credit losses to be recognised before a financial instrument becomes past due. Typically, credit risk increases significantly before a financial instrument becomes past due or other lagging borrower-specific factors (for example, a modification or restructuring) are observed. Consequently, when reasonable and supportable information that is more forward-looking than the past due information is available without undue cost or effort, it is used to assess the changes in credit risk. ECL are recognised by taking into consideration individually or collectively assessed credit risk of loans granted, trade and other receivables. Credit risk is assessed based on all reasonable information, including future-oriented information.

The parent company assesses the impairment of amounts receivable individually or collectively, as appropriate.

ECL for receivables (other than trade receivables) are calculated as the following:

- ECL for receivables from the Group companies are calculated using an individual assessment;
- ECL for other receivables, prepayments and accrual of income are calculated using an individual assessment.

The parent company's management performs the assessment on an individual basis, reflecting the possibility of obtaining information on the credit history of a particular debtor, its financial position as at the date of assessment, including the forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling the management to make a judgement on the recognition of lifetime ECL in respect of that particular borrower. In the absence of reliable sources of information on the credit history of a particular debtor, its financial position as at the date of the assessment, including the forward-looking information, the parent company assesses the debt on a collective basis.

Recognition stages of ECL:

1. Upon granting of a loan, the parent company recognises ECL for the twelve-month period. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of the ECL.
2. Upon establishing that the credit risk related to the borrower has significantly increased, the parent company accounts for the lifetime expected credit losses of the loan agreement. All lifetime expected credit losses of a financial instruments are calculated only when there is a significant increase in the credit risk relating to the borrower. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of the ECL.
3. Where the parent company establishes that the recovery of the loan is doubtful, the parent company classifies this loan as credit-impaired financial assets (doubtful loans and receivables). The interest income from the loan is calculated on the carrying amount of financial assets, which is reduced by the amount of the ECL.

In stage 2, an assessment of the significant deterioration in the borrower's financial situation is performed by comparing the financial situation at the time of the assessment and the financial situation at the time of issuing the loan.

The latest point at which the parent company recognises all lifetime expected credit losses of the loan granted is identified when the borrower is late to pay a periodic amount or the total debt for more than 90 days. In case of other evidence available, the parent company accounts for all lifetime expected credit losses of the loan granted regardless of the more than 90 days past due presumption.

1.6.1.5 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include the observable data about the following events:

- (a) a significant financial difficulty of the borrower;
- (b) a breach of contract, such as a default or past due event for more than 90 days;
- (c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties;
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

1.6.1.6 Derecognition of financial assets

A financial asset (or, where applicable, a part of financial asset or a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the right to receive cash flows from the asset is retained, but an obligation is assumed to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the rights to receive cash flows from the asset are transferred and either (a) substantially all the risks and rewards of the asset have been transferred, or (b) substantially all the risks and rewards of the asset have neither been transferred, nor retained, but the control of the asset has been transferred:

- if control is not retained, the financial asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities;
- if control is retained, the financial asset is continued to be recognised to the extent of continuing the involvement in the financial asset.

Whether the control of the transferred asset is retained depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer, the control is not retained. In all other cases, the control is retained.

1.6.2 Financial liabilities and equity instruments issued**1.6.2.1 Initial recognition and measurement of financial liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans, bonds and payables. All financial liabilities are recognised initially at fair value and, in the case of loans, bonds and payables, as net of directly attributable transaction costs.

1.6.2.2 Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at FVPL (there were no cash financial liabilities);
- financial liabilities at amortised cost (loans, bonds and other payables not measured at FVTPL).

1.6.2.3 Financial liabilities at amortised cost

All financial liabilities of the parent company are attributed to this category. After initial recognition, interest-bearing loans and bonds are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised as profit or loss in the Statement of profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees, or costs that are an integral part of the effective interests. The effective interests' amortisation is included as finance costs in the Statement of profit or loss.

This category generally applies to trade payables, interest-bearing loans and bonds. The parent company's financial liabilities include the following:

1.6.2.4 Classification

Financial liabilities are classified as current liabilities unless the parent company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

If a financing agreement concluded before the Statement of financial position date proves that the liability was non-current by its nature as of the date of the Statement of financial position, that financial liability is classified as non-current.

1.6.2.5 Financial guarantee contracts

The parent company provides financial guarantees to subsidiaries in relation to loans taken from banks or other liabilities and receives a consideration, which is recognised in the Statement of profit or loss and other comprehensive income on an accrual basis. The fair value of financial guarantee is determined based on the present value, which corresponds to the reduced payments that subsidiaries would pay to banks if the guarantee would not be received from the parent company. If the consideration corresponds to a reduction of payments, the parent company does not account for financial guarantees as their fair value is approximate to 0, while subsidiaries recognise the liability at fair value including the value of the guarantee provided. If the consideration is at lower amount than the reduction of payments, the parent company recognise the fair value of the financial guarantee as 'Investment in subsidiary' and 'Financial guarantee obligation' accordingly in its separate financial statements, while the subsidiaries recognise the liability without the guarantee and the difference recognised as a capital contribution. The methods to determine the expected credit losses for financial guarantees contracts correspond to the ones used as for financial assets (see Note 1.7.1.4). Financial guarantee contracts are measured as the higher of the expected credit loss and as the amount that is initially recognised less any cumulative amount of the income/amortisation recognised. No expected credit losses were identified as at 31 December 2024.

1.6.2.6 Recognition of instruments as debt or equity instruments

Debt or equity instruments are classified as financial liabilities or equity based on the substance of the arrangement.

1.6.2.7 Equity instruments

Equity instrument is any contract that evidences an interest in the assets of the parent company after deducting all of its liabilities. Equity instruments are recorded at the value of the proceeds received, net of direct issue costs. Share premium represents the difference between the nominal value of shares and the proceeds received.

1.6.2.8 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the Statement of profit or loss and other comprehensive income.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the Statement of cash flows, cash and cash equivalents comprise the cash on hand deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are presented under the current liabilities in the Statement of financial position.

1.8 Lease liabilities

At the commencement date of the lease, the parent company recognises the lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include the fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate and the amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option that is reasonably certain to be exercised by the parent company and the payments of penalties for terminating the lease, if the lease term reflects the parent company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the parent company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or a rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

1.8.1 Short-term leases and leases of low-value assets

The parent company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The parent company also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.9 Employee benefits

1.9.1 State plans

The parent company participates only in the state plans. The state plans are established by legislation to cover all entities and are operated by national or local government or by another body (for example, in the case of the Group, the State Social Security Fund). State plans are a defined benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to the employee service in the current and prior periods. These contributions are recognised as an expense on an accrual basis and are included in the remuneration expenses.

1.10 Related parties

Related parties are defined as follow:

- the Group companies;
- the parent company's controlling shareholders or those who have significant influence;
- associated companies;
- joint ventures;
- state-controlled companies and their subsidiaries (only significant transactions are being disclosed with such companies);
- the Ministry of Finance of the Republic of Lithuania along with agencies and enterprises that are attributable to the governance of the decisions (only significant transactions are being disclosed with such companies);
- the key management personnel and close members of that personnel's family and their controlled enterprises and companies.

1.11 Fair value

Fair value is defined by IFRS as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The parent company measures financial instruments, such as derivatives, and non-financial assets, such as investment properties, at fair value at each Statement of financial position date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability;
- or
- in the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, thus maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which is described below, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: fair value of assets is based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value of assets is based on other observable market data, directly or indirectly;
- Level 3: fair value of assets is based on non-observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing their categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Report on income tax information

General information

Pursuant to Article 48b(1) of Directive 2013/34/EU and Commission Implementing Regulation (EU) 2024/2952 of 29 November 2024, Member States are to require undertakings to draw up, publish and make accessible a report on income tax information as regards the latter of the two consecutive financial years in each of which the consolidated revenue on their balance sheet date exceeded a total of EUR 750 million.

Name of the ultimate parent of the group	AB "Ignitis grupė"
Country where the ultimate parent has its registered office	Lithuania
Financial Year – start date	1 January 2025
Financial Year – end date	31 December 2025
Reporting currency	EUR
Is the information in the report based on reporting instructions used for tax purposes, pursuant to Section III, Parts B and C, of Annex III to Council Directive 2011/16/EU (yes/no)?	Yes

Overview of allocation of elements on a country-by-country basis

Tax jurisdiction	Country code	Revenues	Profit (loss) before income tax	Income tax paid - on cash basis	Income tax accrued - current year	Accumulate earnings	Number of employees
Lithuania	LT	2,512.9	414.9	23.3	41.1	1,239.5	4,629
Poland	PL	100.4	(18.0)	0.1	-	(21.7)	75
Latvia	LV	6.7	(1.0)	1.2	1.2	(3.4)	114
Finland	FI	281.6	29.1	4.8	1.3	13.9	2
Estonia	EE	88.2	0.2	-	0.5	(1.9)	31
Total		2,989.8	425.2	29.4	40.4	1,226.4	4,851

List of subsidiaries and activities

The list of subsidiaries of all Group companies operating in Lithuania, Latvia, Estonia, Poland and Finland, their business activities and performance are presented in sections '7.4 Information on Group companies' of the Integrated annual report and Note 30 of the Consolidated Financial Statements.

Temporarily omitted information

The Group hereby affirms that, for this and previous financial years, all relevant information has been disclosed in full, and there has been no temporary omission of any details. This declaration is made to ensure transparency and compliance with all applicable regulatory and reporting requirements.

Responsibility statement and auditor's reports

11.1 Responsibility statement	432
11.2 Independent auditor's report	433
11.3 Independent limited assurance report on sustainability statement	444

11.1 Responsibility statement

24 February 2026

Referring to the provisions of Article 12 of the Law on Securities of the Republic of Lithuania and the Rules of Disclosure of Information of the Bank of Lithuania, we, Darius Maikštėnas, Chief Executive Officer, Jonas Rimavičius, Chief Financial Officer, and Jurgita Maždžierė, Head of Financial Control & Reporting, hereby confirm that, to the best of our knowledge, AB “Ignitis grupė” consolidated and the parent company’s financial statements for the year ended 31 December

2025 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of AB “Ignitis grupė” consolidated and the parent company’s assets, liabilities, financial position, profit or loss, cash flows for the period, and that the consolidated management report includes a fair review of the development and performance of the business as well as the condition of Group companies’ and the parent company, together

with the description of the principle risks and uncertainties it faces, and that the information on sustainability matters has been prepared in accordance with the European Sustainability Reporting Standards and the provisions implementing Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

Darius Maikštėnas
Chief Executive Officer

Jonas Rimavičius
Chief Financial Officer

Jurgita Maždžierė
Head of Financial Control & Reporting

AB “Ignitis grupė”
Laisvės Ave. 10, LT-04215 Vilnius, Lithuania

+370 5 278 2222
grupe@ignitis.lt

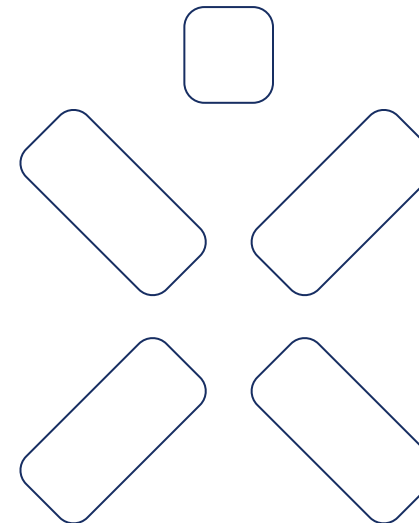
www.ignitisgrupe.lt/en/

Company code 301844044
VAT payer code LT100004278519

11.2 Independent auditor's report

Legal notice

In compliance with Article 4 of the Transparency Directive introduced by the European Commission, the Group files Integrated Annual Report 2025 in the European Single Electronic Format (ESEF) by providing consolidated financial statements, including notes, in the XHTML format, using block tagging with Inline eXtensible Business Reporting Language (iXBRL), which is available [here](#). For all intents and purposes, other than the XHTML, the Integrated Annual Report 2025 document is considered as non-official version, and ESEF version prevails in case of any issues or conflicts. Therefore, the independent auditor's report on the Integrated Annual Report 2025 filed in ESEF is presented below for informational purposes only.





KPMG Baltics, UAB
 Lviso g. 101
 LT-08104, Vilnius
 Lithuania

+370 5 2102600
 vilnius@kpmg.lt
 home.kpmg/lt

Independent Auditor's Report

To the Shareholders of AB "Ignitis grupė"

Report on the Audit of the Separate and the Consolidated Financial Statements

■ Opinion

We have audited the separate financial statements of AB „Ignitis grupė“ (“the Company”) and the consolidated financial statements of AB “Ignitis grupė” and its subsidiaries (“the Group”) contained in the file abignitisgrupe-2025-12-31-en.zip (ParsePort generated hashcode: n4aHl2Vt1Ony5QQ=). The Company's separate and the Group's consolidated financial statements comprise:

- the separate and the consolidated statement of financial position as at 31 December 2025,
- the separate and the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the separate and the consolidated statement of changes in equity for the year then ended,
- the separate and the consolidated statement of cash flows for the year then ended, and
- the notes to the separate and the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the non-consolidated financial position of the Company and the consolidated financial position of the Group as at 31 December 2025, and of their non-consolidated and consolidated financial performance and their non-consolidated and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards, as adopted by the European Union.

■ Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Company and the Group in accordance with the ethical requirements of Regulation (EU) No 537/2014 of the European Parliament and of the Council (Regulation (EU) No 537/2014) on specific requirements regarding the statutory audit of public interest entities that are relevant to the statutory audit of public interest entities, the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to the audit of separate and consolidated financial statements in the Republic of Lithuania, and the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Regulation (EU) No 537/2014 and the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



■ Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each audit matter and our respective response are described below.

Impairment testing of goodwill and underlying cash-generating units in Green Capacities segment (consolidated financial statements)

We refer to the financial statements: The carrying amount of goodwill as at 31 December 2025: EUR 16.7 million; carrying amount of property, plant, and equipment grouped to CGU where goodwill is allocated as at 31 December 2025: EUR 1,123.0 million. Material accounting policies – 1.6 “Intangible assets”, 1.7 “Property, plant and equipment”, financial disclosures – Note 11 “Intangible assets”, Note 12 “Property, plant and equipment”, Note 13 “Impairments”.	
The key audit matter	How the matter was addressed in our audit
The Group has recognized goodwill and other assets acquired 2021 - 2025 as a part of business combinations within the Green Capacities segment. At each reporting date, the Group's management tests goodwill and the underlying cash-generating unit (CGU) for impairment. The recoverable amounts of the goodwill and CGU were determined based on their value in use, estimated using the discounted cash flow method. Management groups assets to CGUs according to individual Green Capacities projects. Determining the CGU's recoverable amount is a process which requires significant judgment and estimation, especially in respect of the amounts of future cash flows, and associated discount rates and growth rates, based on management's projections of future performance. The projected operating cash flows from the Group's activities are influenced primarily by assumptions concerning quantity electricity produced, changes in sales prices as well as level of main related costs. Accordingly, this matter was considered by us to be associated with significant judgement and estimation and required our increased attention in the audit. As such, we determined it to be a key audit matter.	Our procedures in the area included, among other things, the following: • Evaluating, against the requirements of the relevant financial reporting standards, the Group's accounting policy for identification of impairment indicators; • Assessing the appropriateness of the impairment methodology applied by the Group against methodologies commonly used for similar assets and the requirements of relevant financial reporting standards. As part of the above, we identified the relevant methods, assumptions and sources of data, and assessed, whether such methods, assumptions, data and application are appropriate in the context of the said requirements; • Evaluating the quality of the Group's forecasting by comparing historical projections with actual outcomes of prior years. • Assessing the appropriateness of asset grouping into CGUs, based on our understanding of the Group's operations and business units. • Challenging the reasonableness of the Group's key assumptions and judgment used in the estimation of the recoverable amount, including: - Assisted by our own valuation specialists, challenging reasonableness of the key



	macroeconomic assumptions used, such as those in respect of discount rates, by reference to publicly available external sources; - Tracing the key assumptions used in the discounted cash flows calculation, such as those in respect of the future demand, revenue growth and operating costs, by reference to the budgets approved by the Management, our understanding of the Group's operations and trends, and publicly available industry data; • Testing the internal consistency, underlying formulas and mathematical accuracy of the discounted cash flow model. • Assessing susceptibility of the impairment models and the resulting impairment conclusions to management bias, by challenging the Group's analysis of the model's sensitivity to changes in key underlying assumptions. • Considering the adequacy of the disclosures related to impairment in the Group's financial statements.

Regulated activity – provision for capacity reserve and services ensuring isolated operation of the power system

We refer to the financial statements:

The carrying value of provision for capacity reserve and services ensuring isolated operation of the power system in the consolidated statement of financial position as at 31 December 2025 amounts to EUR 141.5 million.

Revenue from contracts with customers recognized in the consolidated statement of profit or loss and other comprehensive income in 2025 amounts to EUR 2,473 million; revenue from services ensuring isolated operation of the power system in 2025 amounts to EUR 160 million.

Material accounting policies – Note 1.4.1.4 "Revenue from services ensuring the isolated operation of the power system and capacity reserve", financial disclosures – Note 33 "Temporary regulatory differences".

The key audit matter	How the matter was addressed in our audit
The Group earns revenue from its commercial and regulated activities. The revenue from regulated activities is subject to certain regulations and decisions of the National Energy Regulatory Council (hereinafter - NERC), most of which are complex. Profitability of regulated services earned by the Group is regulated by NERC through the ceiling prices of services approved for the future periods.	Our audit procedures included, among others: • Gaining understanding of and evaluating the Group's regulated revenue recognition process and the relevant legislation governing the regulated services. • Assessing whether the revenue recognition accounting policy applied to the regulated revenue stream complies with the requirements of the relevant financial reporting framework.



NERC approves maximum price ceiling, which depends on the forecasted costs and volume of services for the future period. Actual costs incurred by the Group during the year may differ from the forecasted costs that are considered during the approval of the tariffs, and the actual volume of services may also differ from the forecast. Subsequently the new tariffs are adjusted to reflect differences in actual costs incurred and volume of services provided by the Group, which may result in regulatory assets and / or liabilities arising from the Group's regulated activities during the current reporting period. Recognition of such regulatory assets and / or liabilities and related regulated revenue in the financial statements in accordance with related IFRS Accounting Standards requires an in-depth assessment of the applicable laws and regulations and significant judgment and decision making. The largest share of provision change in 2025 is from accrued regulatory liability due to the NERC adopting a new mechanism for distributing additional profit earned. It was applied to the new manual frequency restoration reserve services, whose market was launched in 2025. Due to the materiality of the recognized revenue from regulated activities and related assets and liabilities, judgements of the management involved in revenue recognition including applying appropriate accounting policies in accordance with IFRS Accounting Standards, the area required our increased attention in the audit and as such was determined to be a key audit matter.	- For the amount of regulatory liabilities accounted for as a provision: - testing the internal consistency, underlying formulas and mathematical accuracy of the provision calculation; - tracing management's estimates for prior periods up to 2024 included in the provision value to the confirmations from NERC; - agreeing forecasted expenses used in the calculation of regulatory provision related to Group's activity in 2025 to the ones pre-set by NERC. - Evaluating the change in prior year provision estimate during the current financial period and assessed the accuracy of management estimation process. - Considering the adequacy of the disclosures related to the recognition of revenue from regulated activities and related provisions, as well as management's judgements used.

Impairment of subsidiaries (Parent company's financial statements)

We refer to the financial statements:

The carrying amount of investments to subsidiaries as at 31 December 2025: EUR 1,463 million; related impairment losses recognized in the statement of profit (loss) in 2025: nil.

Material accounting policies – Note 1.5 "Investments in subsidiaries"; financial disclosures - Note 11 "Investments in subsidiaries".

The key audit matter	How the matter was addressed in our audit
As described in Note 11 of the Parent company's financial statements, in the current year, the Company identified impairment indicators in respect of its investments to UAB Ignitis. As at 31 December 2025, the Company tested the mentioned investment for impairment. The Company	Our audit procedures included, among others: Evaluating, against the requirements of the relevant financial reporting standards, the Company's accounting policy for identification of impairment indicators, and measurement and recognition of any impairment losses in respect of investments to subsidiaries;



determined the recoverable amount of investment based on their value in use calculations or fair value of net assets of a subsidiary.

Determining the recoverable amount is a process which requires significant judgment and estimation, especially in respect of the amounts of future cash flows, and associated discount rates and growth rates, based on management's projections of future performance.

The projected operating cash flows from the Company's activities are influenced primarily by assumptions concerning quantity of electricity and natural gas sold, prices of services provided as well as level of main related costs. These projections are exposed to significant variability due to changing market conditions and regulatory environment.

We focused on this area as the estimate of the recoverable amount of the investment in subsidiaries requires the use of significant judgement and subjective assumptions from the Company as to the future cash flows and the discount rate. Accordingly, we have identified this area as a key audit matter.

- Assessing the appropriateness of the impairment methodology applied by the Company against methodologies commonly used for similar assets and the requirements of the relevant financial reporting standards. As part of the above, we identified the relevant methods, assumptions and sources of data, and assessed, whether such methods, assumptions, data and application are appropriate in the context of the said requirements;
- Evaluating the design and implementation of key controls over the impairment testing processes;
- Involving our own valuation specialists who assisted us in:
 - assessing the appropriateness of the valuation methodology applied by the Company by comparing it to methodologies commonly used in valuations of similar assets and the requirements of the relevant accounting standards;
 - checking mathematical accuracy of the discounted cash flow models used in the valuation of investment in subsidiary.
- Challenging the key assumptions used in the discounted cash flow model by comparing key inputs, such as increase in revenues, expenses and capital expenditures to budgets and our understanding of the subsidiary's current operations and trends, market development forecasts and relevant industry data, as well as comparing the forecasted growth rates and the discount rate to the ones used in the industry;
- Evaluating the quality of the Company's forecasting by comparing historical projections with actual outcomes;
- Considering the Company's disclosure in relation to the use of estimates and judgements regarding the recoverable amount of investment in subsidiaries for compliance with the applicable financial reporting standards.



■ Other Information

The other information comprises the information included in the consolidated management report, including the requirements for the information on corporate governance matters, remuneration and consolidated sustainability statement, but does not include the separate and consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the separate and consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In addition, our responsibility is to consider whether information included in the consolidated management report for the financial year for which the separate and consolidated financial statements are prepared is consistent with the separate and consolidated financial statements and whether consolidated management report, including the requirements for the information on corporate governance matters and remuneration and excluding the requirements for the information on consolidated sustainability statement on which the separate limited assurance report on consolidated sustainability reporting is issued by us on 24 February 2026, has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of the separate and consolidated financial statements, in our opinion, in all material respects:

- The information given in the consolidated management report for the financial year for which the separate and consolidated financial statements are prepared is consistent with the separate and consolidated financial statements; and
- The consolidated management report, including the requirements for the information on corporate governance matters and remuneration and excluding the requirements for the information on consolidated sustainability statement, has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

■ Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation of the separate and consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.



■ Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

■ Report on Other Legal and Regulatory Requirements

Under decision of the general shareholders' meeting we were appointed on 27 September 2021 for the first time to audit the Company's and the Group's separate and consolidated financial statements. Our appointment to audit the Company's and the Group's separate and consolidated financial statements is renewed each year under decision of the general shareholders' meeting, and the total uninterrupted period of engagement is 5 years.

We confirm that our audit opinion expressed in the Opinion section of our report is consistent with the additional report which we have submitted to the Company and the Group and their Audit Committee.

We confirm that in light of our knowledge and belief, services provided to the Company and the Group are consistent with the requirements of the law and regulations and do not comprise non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014.

In addition to services provided to the Company and the Group in the course of audit and disclosed in the consolidated management report or separate and consolidated financial statements, we have provided translation of the financial statements.

■ Report on the compliance of format of the separate and consolidated financial statements with the requirements for European Single Electronic Reporting Format

We have been engaged based our agreement by the management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the European single electronic reporting format of the separate and consolidated financial statements, including consolidated management report, for the year ended 31 December 2025 (the "Single Electronic Reporting Format of the separate and consolidated financial statements") contained in the file abignitisgrupe-2025-12-31-en.zip (ParsePort generated hashcode: n4aHI2Vt1Ony5QQ=).

Description of a subject and applicable criteria

The Single Electronic Reporting Format of the separate and consolidated financial statements has been applied by the management of the Company to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Single Electronic Reporting Format of the separate and consolidated financial statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Single Electronic Reporting Format of the separate and consolidated financial statements and, in our view, these requirements constitute appropriate criteria to form a reasonable assurance conclusion.



Responsibilities of management and those charged with governance

The management of the Company is responsible for the application of the Single Electronic Reporting Format of the separate and consolidated financial statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Single Electronic Reporting Format of the separate and consolidated financial statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Single Electronic Reporting Format of the separate and consolidated financial statements complies with the ESEF Regulation.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (the "ISAE 3000 (R)"). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Single Electronic Reporting Format of the separate and consolidated financial statements is prepared, in all material aspects, in accordance with the applicable requirements. Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Single Electronic Reporting Format of the separate and consolidated financial statements was applied, in all material aspects, in accordance with the applicable requirements and such application is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Single Electronic Reporting Format of the separate and consolidated financial statements, including the preparation of the XHTML format and marking up the separate and consolidated financial statements;
- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the separate and consolidated financial statements using the iXBRL markup language according to the requirements of the implementation of single electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Group's use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified; and
- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



Conclusion

In our opinion, the Single Electronic Reporting Format of the separate and consolidated financial statements for the year ended 31 December 2025 complies, in all material respects, with the ESEF Regulation.

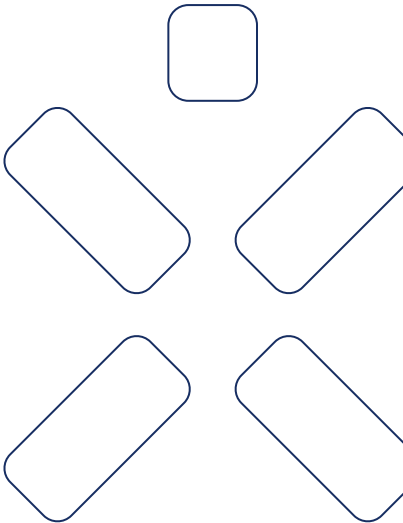
The engagement partner on the audit resulting in this independent auditor's report is Rokas Kasperavičius.

On behalf of KPMG Baltics, UAB

Rokas Kasperavičius
Partner
Auditor's Certificate No. 000119

Vilnius, the Republic of Lithuania
25 February 2026

11.3 Independent limited assurance report on sustainability statement





KPMG Baltics, UAB
 Lviso g. 101
 LT 08104 Vilnius
 Lithuania

+370 5 2102600
 vilnius@kpmg.lt
 home.kpmg/lt

EU/EEA Independent Practitioners' Limited Assurance Report on AB "Ignitis Grupė" Sustainability Statement

To: the Management of AB "Ignitis Grupė"

Limited assurance conclusion

We have performed a limited assurance engagement on whether the Sustainability Statement, of AB "Ignitis Grupė" (the "Group", an EU/EEA entity) included in section "6 Sustainability Statement" on pages 158-281 of the Management Report (the "Sustainability Statement") as at and for the year ended on 31 December 2025, including Greenhouse Gas Information (the "GHG information") presented in section "6.2 Environment" on pages 198-200 of Sustainability Statement, has been prepared in accordance with Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Sustainability Statement of the Group, including GHG information, as at and for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in note "IRO-1 Materiality assessment process" within section "6.1 ESRS 2: General information"; and
- compliance of the disclosures in note "Disclosures under the EU Taxonomy Regulation" within section "6.2. Environment" of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Our conclusion on the Sustainability Statement does not extend to any other information that accompanies or contains the Sustainability Statement and our report.



Basis for conclusion

We conducted our limited assurance engagement on Sustainability Statement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and GHG information in accordance with International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), together with the ethical requirements that are relevant to our assurance engagement on the Sustainability Statement in Lithuania.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities for the Sustainability Statement

Management of the Group is responsible for designing and implementing and maintaining a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this process in note "ESRS 2 IRO-1 Materiality assessment process" within section "6.1 ESRS 2: General information" of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- identifying the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- developing methodologies and making assumptions that are reasonable in the circumstances.



Management of the Group is further responsible for the preparation of the Sustainability Statement, including GHG information, in accordance with Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania, including:

- compliance with the ESRS;
- preparing the disclosures in note "Disclosures under the EU Taxonomy Regulation" within section "6.2. Environment" of the Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- designing, implementing and maintaining such internal controls that Management of the Group determines are necessary to enable the preparation of the Sustainability Statement, including GHG information, such that they are free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances;
- making judgments and estimates that are reasonable in the circumstances;
- preventing and detecting fraud;
- selecting the content of the Sustainability Statement, including identifying and engaging with intended users to understand their information needs;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- supervision of other staff involved in the preparation of the Sustainability Statement, including GHG information.

Those charged with governance are responsible for overseeing the reporting process for the Group's Sustainability Statement, including GHG information.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statement, Management of the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

As described in note "E1-6 Gross Scopes 1, 2, 3 and total GHG emissions" to the GHG Information, GHG emissions quantification is unavoidably subject to significant inherent limitations, because of incomplete scientific knowledge used to determine emissions factors and limitations inherent in the nature of and methods used for determining emissions data. The selection by Management of the Group of different but acceptable emissions factors or measurement techniques could have resulted in materially different GHG emissions being reported.



Our responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement, including GHG information, are free from material misstatement, whether due to fraud or error, and reporting our limited assurance conclusion to the Management of the Group. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

Our responsibilities in relation to the Process for reporting the Sustainability Statement include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note "IRO-1 Materiality assessment process" within section "6.1 ESRS 2: General information".

Our other responsibilities in respect of the Sustainability Statement, including GHG information, include:

- Obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement, including GHG information, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures focused on disclosures in the Sustainability Statement, including GHG information, where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work we performed as the basis for our conclusion

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement, including GHG information. We designed and performed our procedures to obtain evidence about the Sustainability Statement, including GHG information, that is sufficient and appropriate to provide a basis for our conclusion. The nature, timing and extent of our procedures depended on our understanding of the Sustainability Statement, including GHG information, and other engagement circumstances, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement, including GHG information. We exercised professional judgment and maintained professional scepticism throughout the engagement.



In conducting our limited assurance engagement, with respect to the Process, the procedures we performed included:

- Obtaining an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by Management of the Group (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Group's internal documentation of its Process; and
- Evaluating whether the evidence obtained from our procedures about the Process was consistent with the description of the Process set out in note "IRO-1 Materiality assessment process" within section "6.1 ESRS 2: General information".

In conducting our limited assurance engagement with respect to the Sustainability Statement, including GHG information, the procedures we performed included:

- Obtaining an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement, including GHG information by:
 - performing inquiries to obtain an understanding of the Group's reporting process relevant to the preparation of the Sustainability Statement and GHG information;
 - assessed data management processes, information systems and working methods used to gather and consolidate the Sustainability Statement disclosures, including the disclosures on GHG information; and
- Evaluating whether material information identified by the Process is included in the Sustainability Statement;
- Evaluating whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performing inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement;
- Performing substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Statement;
- Obtaining evidence on the methods, assumptions and data for developing material estimates and forward-looking information and on how these methods were applied;
- Obtaining an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Selecting items to test from the GHG information and vouching the activity data disaggregated by scope and categories in the GHG inventory disclosures to relevant documentation.
- Other procedures performed with respect to the EU taxonomy disclosures.



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

On behalf of KPMG Baltics, UAB

A handwritten signature in blue ink, appearing to read 'Rokas Kasperavičius', written over a faint, larger blue signature.

Rokas Kasperavičius
Partner

Practitioner's Certificate No. T000045

Vilnius, the Republic of Lithuania
24 February 2026

AB “Ignitis grupė”

Laisvės Ave. 10, LT-04215 Vilnius, Lithuania
Company code 301844044
+370 5 278 2222
grupe@ignitis.lt
www.ignitisgrupe.lt/en/

Investor relations
ir@ignitis.lt

Sustainability
sustainability@ignitis.lt

Corporate communication
media@ignitis.lt

Publication
25 February 2026