

STI objectives and achievement in 2022

Performance criteria	Weight ⁹	Targets	Access threshold (70%)	Threshold I (80%)	Threshold II (90%)	Target and maximum (100%)	2022 actual result	Achieved performance	Achieved payment
Financial targets	36.8%	Group Adjusted EBITDA	EUR 279 million	1	1	EUR 309 million	EUR 469.3 million	100%	36.8%
Strategic projects and key milestones	42.1%	Greenfield development projects: land secured (contracts signed) for Green Generation own development early-stage projects, according to the approved scope (10.5%)	355 MW	1	1	455 MW	1,733 MW	100%	10.5%
		M&A and co-development projects: SPAs signed in 2022 for Green Generation development projects with planned CODs in 2023–2025 ² , according to the approved scope (10.5%)	2023: 100 MW 2024: 200 MW 2025: 0 MW	1	1	2023.: 230 MW 2024: 270 MW 2025: 90 MW	2023: 0. MW 2024: 137 MW 2025: 300 MW post-2025: 418 MW ³	70%	7.4%
		Vilnius CHP biomass unit construction project: restart according to the approved schedule and scope (10.5%)	31/12/2023	28/02/2023	31/01/2023	31/12/2022	by 31/03/2023 ⁴	70%	7.4%
		Offshore wind development: key milestones according to the approved project schedule and scope (10.5%)	3/5 milestones	-	-	5/5 milestones	5/5 milestones	100%	10.5%
		Asset rotation: at least one transaction (0%)	SPA signed	-	-	Transaction closed	Objective removed in order to keep the best interests of the Group	n/a	n/a
Sustainability targets	21.1%	Net-zero target alignment with science-based targets: to conduct a viability assessment of revalidation of a science-based GHG emissions reduction target to net-zero ⁵ (5.3%)	31/12/2022	30/11/2022	31/10/2022	30/09/2022	30/09/2022	100%	5.3%
		Resilient Network: electricity SAIDI ⁶ , min. (5.3%)	129	1	1	112	98.5	100%	5.3%
		Group employee experience: Group eNPS (5.3%)	eNPS ≥70% vs. 2021 average	eNPS ≥80% vs. 2021 average	eNPS ≥90% vs. 2021 average	eNPS ≥95% vs. 2021 average	eNPS = 108% vs. 2021 average ⁷	100%	5.3%
		Security at workplace: TRIR ⁸ and 0 work-related fatal accidents of own employees (5.3%)	2.59 and 0 fatal accidents	2.49 and 0 fatal accidents	2.39 and 0 fatal accidents	2.25 and 0 fatal accidents	TRIR=1.69 and 1 fatal accident of own employee	0%	0%
STI, %			-	-	-	-	-	100%	88%
STI, % of FBS (maximum STI level equal to 20% of annual FBS)			-	-	-	-	-	20%	17.6%

¹ Target to be measured according to the achievement scale with linear interpolation between the thresholds.

² The target assumes the base case scenario. If the success rates of projects are different from the base case, the Supervisory Board of the parent company can adjust the targets accordingly. If the cumulative MW target (300 MW–590 MW) is reached for the periods other than defined in the target, 70% achievement can be considered.

³ The Supervisory Board of the Group approved the 70% achievement of the target and considered the cumulative MW target condition (the cumulative 855 MW achievement) that also includes SPAs signed in 2022 for development projects with planned CODs in post-2025 periods.

⁴ The 70% of target achievement is approved by considering the condition that Vilnius CHP biomass power plant hot testing phase (incl. the first heat production from biomass) is estimated by 31/03/2023. In the event that unforeseen circumstances arise and the biomass power plant hot testing phase (incl. the first heat production from biomass) is not implemented by 31 March 2023, this target would be assessed as not achieved and the rollback of targets achievement will be implemented.

⁵ Alignment of the target with Science-Based Targets initiative (SBTi) depends on the ability of SBTi to revalidate the target in 2022.

⁶ Electricity SAIDI – 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.

⁷ Group employee NPS for 2021 – 57.4%, for 2022 – 61.8%.

⁸ TRIR – the rate of total recordable work-related injuries.

⁹ Weight of performance objective was recalculated as list of objectives has changed to keep the best interest of the Group (the weight of „Asset rotation“ objective distributed proportionally to all the remaining objectives).