

**„VIČIŪNAI GROUP”
SUSTAINABILITY REPORT 2023**

VIČIŪNAI
GROUP

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MANAGEMENT LETTER

As the world changes, sustainability is becoming one of the key driving forces in business. Our approach to sustainability is based on ensuring a balance of three essential components: economy, social well-being, and the environment. In developing our business, we aim to achieve economic growth without negatively impacting the environment, our employees, or society. We are committed to seeking more efficient, innovative solutions and turning emerging challenges into new opportunities.

Achievements in 2023:

In 2023, we made significant progress in increasing energy efficiency and in the transformation process. More than 80% of the electricity consumed by our group was sourced from renewable resources. 90% of the required for our companies' operations was generated from renewable energy sources. We have a solid action plan for 2024 and the coming years, with the goal of becoming climate-neutral by 2050.

In recent years, we have introduced optimized packaging solutions to the market: where food safety and quality requirements allowed, we replaced plastic packaging with paper. The next step is easily recyclable packaging, which, although it may not always appear the most attractive on the shelf, represents our commitment to the environment.

In 2023, 86% of the primary raw material we use – fish – was certified by MSC and ASC, guaranteeing sustainable practices. We purchase more sustainably certified raw materials than we have orders for products labeled with the same certification. This is not only a strategic choice for us but also a way to promote a sustainable fishing sector. Circular solutions in our factories have helped reduce water consumption, saving not only water but also financial resources. Each year, we increase the proportion of waste designated for recycling and reuse, aiming to completely eliminate landfill waste disposal.



Our Greatest Asset – Our Employees:

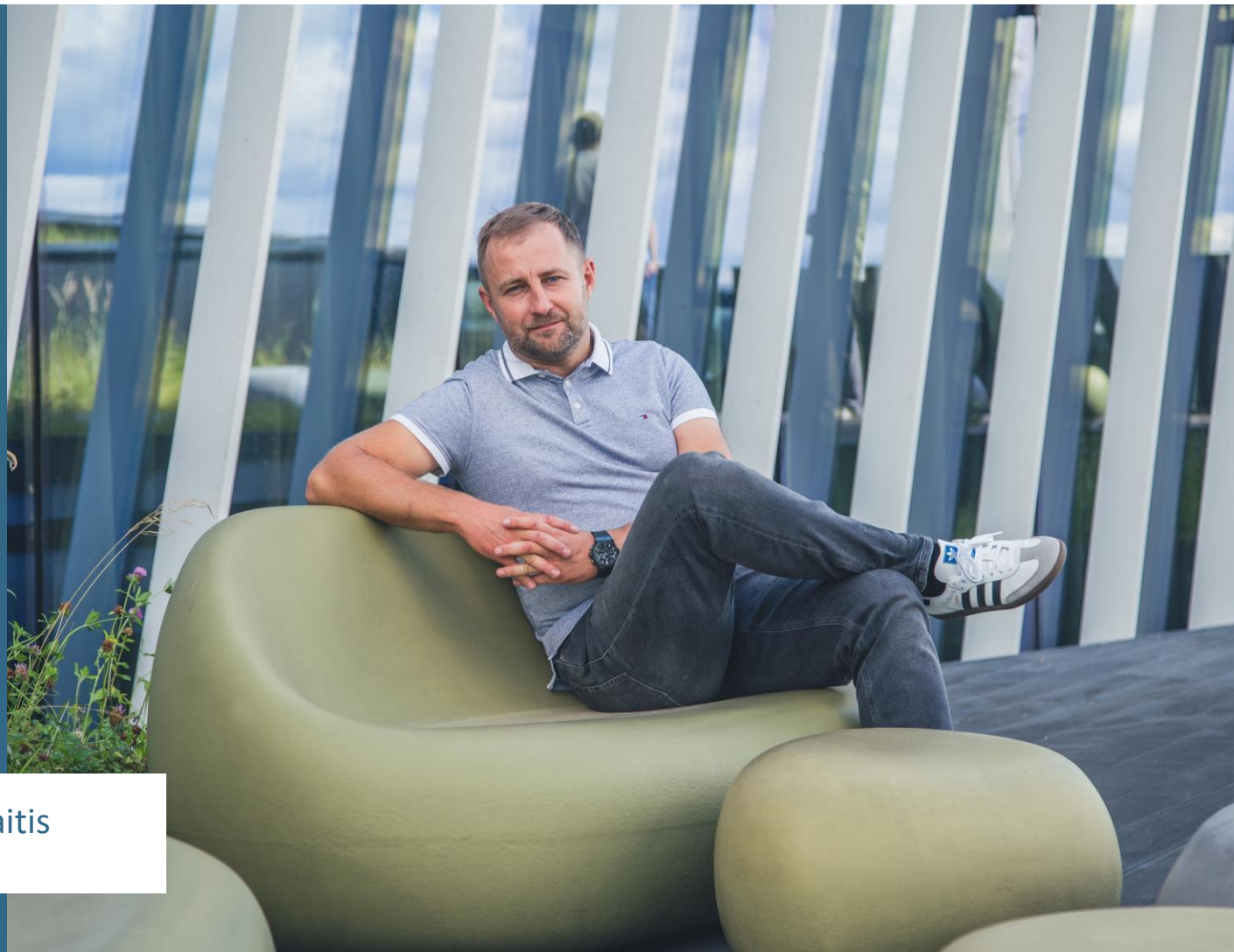
Our key competitive advantage is our people. Technologies and equipment may be the same, but the final result is determined by who operates them and how. Therefore, we place special emphasis on employee development, safety, and well-being. We strive to create an environment where every employee can grow, feel valued, and contribute to the overall success of the organization.

Additionally, we are active members of society, constantly seeking ways to contribute to the well-being of local communities. We invest in social projects that promote education, health, and social inclusion, as we believe that a sustainable society is the key to long-term success.

This path to sustainability is not easy, but we are committed to continuing this journey, as we believe that responsible business can help create a better future for us all.

Šarūnas Matijošaitis

CEO, UAB „Vičiūnų grupė“



An aerial photograph of a large, modern industrial building with a flat roof and multiple loading docks. The building is surrounded by a parking lot with several vehicles, including a large semi-truck. In the background, there are trees and other industrial structures. A white line graphic, consisting of three curved segments, starts from the top right and ends near the building. The entire image has a blue tint.

ABOUT THE COMPANY

MISSION | High-quality food for the whole family, anywhere in the world
VISION | To become a global brand in the food industry

The "Vičiūnai" Group was founded in 1991 in the heart of Europe – Lithuania, and since then, we have not only achieved outstanding results but also secured a special place in the European surimi and fish products industry. The "Viči" brand reigns in major retail chains and delights families worldwide with its quality and excellent taste.

Every year, we successfully expand our product sales, delivering them to consumers in more than 57 countries across the globe. The "Vičiūnai" Group consists of dozens of companies operating in 15 countries, with 8 factories producing high-quality products. Our group employs over 4,400 talented individuals.

We produce chilled and frozen food products in our factories located in Lithuania, Estonia, and Spain.



The second-largest surimi producer in the world



Products sold in 57+ global markets



15 trading companies in 15 countries with 500+ sales professionals



4400+ employees



Constantly growing turnover (~€815 million) and EBITDA



State-of-the-art in-house laboratories and a Research & Development department



International food producer with modern factories in Lithuania, Estonia, and Spain



Fully control the entire business chain, including our own logistics and sales network



ABBREVIATIONS

- VG** – UAB “Vičiūnų Grupė”
- BFE** – UAB „Baltic fish export”
- PKP** – UAB „Plungės kooperatinė prekyba”
- VIP** – UAB „Vičiūnai ir partneriai”
- BFP** – UAB „Baltic food partners”
- OKF** – UAB „Orka foods”
- PD** – UAB „Plungės duona”
- PKT** – AS „Paljassaare Kalatoostus”
- SB** – S.L.U. „Sistemas Britor”
- VIK** – UAB „Vičiūnai” ir Ko
- VIC** – UAB „Vičiūnai”
- ES** – Europos sąjunga
- UK** – Jungtinė karalystė



2. OUR PRODUCTS

Products

Our group's product portfolio includes more than 3,000 products under the brands "Viči," "Esva," "Columbus," "Moonstery," "Food Luck," "Real is good," and others. Our range includes various types of surimi products, salted and marinated fish, seafood, breaded fish products, pizzas, crepes, culinary dishes, dumplings (Gyoza, Khinkali, Xiao Bao, and others), salmon, and a variety of salads and mixed dishes.



Every year, we release around 100 new products to the market.



FOOD LUCK

GYOZA

MOONSTERY

Khinkali

Organic product line

When creating organic products, we thought not only about the final product but also about the sustainability of the entire chain – the conditions of raw material cultivation, extraction, purchasing, packaging, and transportation. The idea to develop organic products arose from the desire to meet consumer and societal expectations related to more sustainable products. A significant motivator was also the need to comply with environmental and social requirements.

- This year, our assortment includes 53 different organic product SKUs (Stock Keeping Units).
- We began producing organic products in 2018, starting with 7 different recipes for organic dumplings, pancakes, and pizzas.
- VIČI BIO products are labeled with the registered trademark "Real is Good" and are certified with the Eco certification, indicating that the products are made exclusively from high-quality, organically grown raw materials.



Vegan product line

VIČI VEGAN was launched in 2015 to expand product choices in response to growing consumer needs related to dietary preferences due to health, seafood allergies, or personal beliefs. The soy used in VEGAN line products is non-GMO, ensuring the quality of the product.

Additionally, VEGAN products have a smaller environmental impact compared to meat industry products.



This year, 3 VEGAN product codes are very suitable in our assortment, while we started with only 3 positions in 2015.



2.2. GMO-free

All our products are made without the use of genetically modified organisms (GMO), palm oil, or coconut oil. We aim to continue successfully expanding our product range, not only meeting the highest quality standards but also raising consumer awareness and meeting the expectations of every consumer.



Raw materials free from genetically modified organisms (GMO)



The "Vičiūnai Group" companies have made the decision to avoid using GMOs in our products due to the potential negative impacts on human health and the environment, including flora and fauna, soil fertility, the decomposition of organic matter in the soil, the food chain, biodiversity, animal health, and antibiotic resistance issues.

The negative impacts of GMOs include the following aspects:

- Food safety, including allergic or toxic effects of GMOs;
- Animal and plant diseases, including toxic and, in some cases, allergic effects;
- Effects on the dynamics of species populations and the genetic diversity of each of these populations in their respective environments;
- Altered sensitivity to pathogens, leading to easier transmission of infectious diseases and/or the emergence of new disease outbreaks;
- Harm to preventive or therapeutic treatments;
- Effects on biogeochemistry (biogeochemical cycles), especially carbon and nitrogen cycling, when the decomposition of organic matter in the soil is altered.

Products Without Palm Oil



We do not use palm oil as an ingredient in our products.

We adhere to the following principles:

- We do not use palm oil as an ingredient in our products.
- When purchasing raw materials that contain palm oil, we ensure they are certified by RSPO (The Roundtable on Sustainable Palm Oil).

The RSPO certification confirms that the palm oil used in our products is sourced from responsibly managed palm plantations that do not have a negative impact on local communities, the environment, and ecosystems. We made this decision understanding that the palm oil production process can be harmful to the environment and human health, as it often involves deforestation, pollution, palm tree harvesting, destruction of tropical ecosystems, and the endangerment of animal species.

Deforestation in tropical regions reduces CO₂ absorption and contributes to the increasing concentration of greenhouse gases in the atmosphere, thereby accelerating greenhouse effect and climate change issues.

Product Range and Development

We aim to create a diverse product range where the products are not only high-quality, tasty, and easy to prepare but also enhance consumers' understanding of food composition, nutritional value, and its connection to human health.

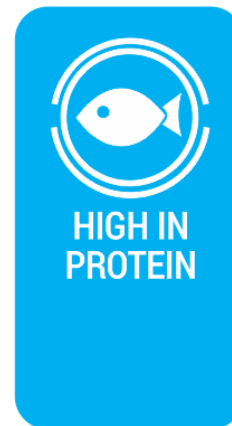
As we expand our product range, we seek to include food products made from natural, certified organic raw materials that are low in fats, sugars, and salt, free from preservatives and added flavor enhancers, and enriched with proteins, omega-3 fatty acids, fiber, and various vitamins.



Product Range and Development

In 2023, the quantity of products certified according to third-party sustainable sourcing standards (MSC, ASC) accounted for 30.4% of the total volume of all products sold.

One of the most commonly used labels is "**High in protein**" / "**Source of protein.**" The quantity of these products ("with increased protein content") in 2023 increased by 2% compared to 2022, making up 12.9% of the total volume for 2023.



Product Range and Development

Another commonly used nutritional label is "**No added taste enhancers**". Its quantity in 2023 increased by 1.42% compared to 2022.



2.3. MSC/ASC products

The number of products labeled with **MSC** and **ASC** marks, which certify sustainable fishing, remained the same in 2023 compared to 2022.





3. FOOD SAFETY

3.1. Food Safety Assurance

- Special attention is given to ensuring food safety throughout the supply chain. In 2023, 83.93% of raw materials (by value) were purchased from GFSI-certified suppliers.
- In our production facilities, we ensure food safety management by adhering to FS and BRCGS standards. The standards are detailed in section 3.1.1.
- There were no significant food safety violations recorded in 2023, with only 1 product recall from the market.



3.1.1. Food safety certifications

All group companies successfully completed 24 GFSI certification cycles in 2023, encompassing IFS Food, BRCGS Food, Global G.A.P., IFS Logistics, and IFS Broker standards.

LOGO	Lygis (Jei taikoma) /galiojimo data								Pavadinimas/ Sritis
	PKP	VIP	BFP	OKF	PD	BFE	PKT	SB	
	Higher (Unannounced) 2024-06-16	Higher (Unannounced) 2024-06-18	Higher (Unannounced) 2024-06-10	Higher (Unannounced) 2024-11-24	Higher (Unannounced) 2024-03-26	Higher (Unannounced) 2024-06-15	Higher (Unannounced) 2024-04-04	Higher (Unannounced) 2024-12-23	IFS Maisto sauga
	AA+ 2024-04-02	AA+ 2024-04-23	AA+ 2024-03-23	AA+ 2024-07-24	AA+ 2024-04-09	A+ 2024-05-08	A+ 2024-02-14	A+ 2024-12-08	BRCGS Maisto sauga
	2025-08-22	2025-06-02	2024-06-03	Netaikoma	Netaikoma	2026-01-16	2025-08-27	2026-01-17	MSC Tvari tiekimo grandinė
	2025-08-22	2025-06-02	Netaikoma	Netaikoma	Netaikoma	2026-01-16	Netaikoma	Netaikoma	ASC Tvari tiekimo grandinė
	2025-07-23	2025-07-23	2025-07-23	2025-07-23	2025-07-23	Ruošiama	Ruošiama	Ruošiama	ISO 14001 Aplinkosauga
	2025-07-23	2025-07-23	2025-07-23	2025-07-23	2025-07-23	Ruošiama	Ruošiama	Ruošiama	ISO45001 Darbo sauga

3.1.1. Food safety certifications

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LOGO	Lygis (Jei taikoma) /galiojimo data								Pavadinimas/ Sritis
	PKP	VIP	BFP	OKF	PD	BFE	PKT	SB	
	SAQ 2024-03-04	SAQ 2024-03-04	SAQ 2024-03-04	SAQ 2024-03-04	Ruošiama	SAQ 2024-03-04	SAQ 2024-03-04	Ruošiama	SEDEX Socialinis
	Patvirtinta	Patvirtinta	Ruošiama	Ruošiama	Ruošiama	Ruošiama	Ruošiama	Ruošiama	SMETA Socialinis
	Ruošiama	2024-03-30	Ruošiama	2024-09-30	Ruošiama	Ruošiama	Ruošiama	Ruošiama	EKO Tvari gamyba ir pirkimas
	2025-04-21	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Netaikoma	RSPO Tvari tiekimo grandinė
	Netaikoma	2024-06-09	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Global G.A.P. Tvari tiekimo grandinė/ maisto sauga
	Ruošiama	Netaikoma	Ruošiama	Sertifikuota	Ruošiama	Ruošiama	Ruošiama	Ruošiama	V Label Tvarumas/ veganiški produktai
	Netaikoma	Netaikoma	Netaikoma	Cacao products 2026-03-17	Netaikoma	Netaikoma	Netaikoma	Netaikoma	Rainforest alliance Tvarūs produktai

A worker in a warehouse is using a pallet jack to move a pallet loaded with large white bags. The bags have 'IRISLAND' printed on them. The scene is overlaid with a blue tint and white curved lines. The text '4. SUPPLY CHAIN' is in the bottom left.

4. SUPPLY CHAIN

4.1. Our Suppliers

In collaboration with our suppliers, we aim to create a sustainable supply chain that meets our sustainability requirements in the areas of environmental protection, product safety and quality, employee safety and health, social responsibility, and business ethics. To ensure our commitment to sustainable development goals, supplier engagement and participation are of utmost importance to us.

In the "Vičiūnai" group of companies, all purchases of raw materials, packaging, and services are conducted according to a supplier approval and monitoring system. This system assesses and manages potential risks related to quality and product safety, social responsibility, sustainability, corruption prevention, and compliance with legal requirements.

The assessment of supplier risks and compliance with our sustainability requirements is conducted at the Group level periodically, once a year.

Suppliers classified as low-risk are evaluated based on the results of the "Supplier Questionnaire," while medium or high-risk suppliers are further assessed during scheduled audits.

In 2023, the risk assessment for 657 suppliers was updated:

- 98.9% of them are classified as low risk
- 1.1% as medium or high risk
- Three supplier audits were conducted.

i The processes for supplier selection, approval, and periodic evaluation are carried out in accordance with the requirements outlined in internal procedures.



4.3. MSC/ASC Certified raw material



All fishing-related raw materials are purchased only with EUIUU* certificates. The certificate for each purchased batch confirms that the fish was caught in compliance with national and international fishing laws, as well as conservation and management requirements.

Our goal is to establish a certified raw material supply chain according to MSC, ASC, and Global GAP standards. In order to contribute to the preservation of living marine resources, responsible fishing, and the sustainable use of responsibly farmed fish and seafood, we prioritize raw materials certified by MSC (Marine Stewardship Council), ASC (Aquaculture Stewardship Council), and Global GAP. MSC and ASC certifications ensure sustainable fishing by assessing fish stocks, environmental impact, and management effectiveness.

*EU Regulation to end illegal, unreported, and unregulated (IUU) fishing.

i In 2023, MSC and ASC certified raw materials accounted for 86.1% of all raw materials used. **Our goal is to maintain at least 85% of certified fish raw material and seek opportunities to increase this percentage each year.**

Cocoa products certified by Rainforest Alliance



One of our factories (**OKF**) includes products made from cocoa raw materials in its assortment. The cocoa products used in this factory are labeled with the **Rainforest Alliance certification**.

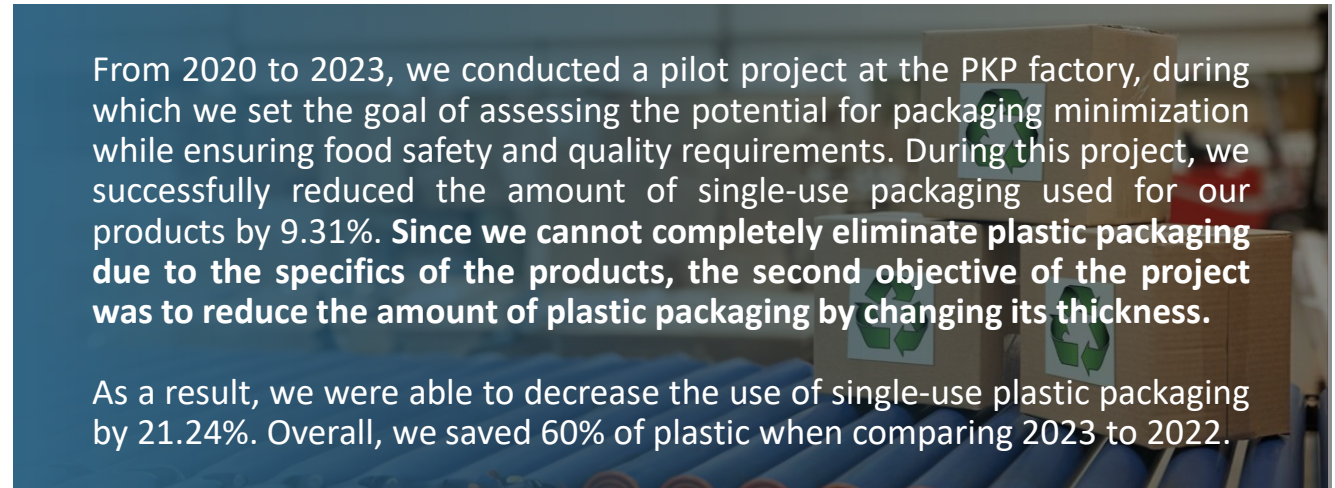
The Rainforest Alliance certification guarantees:

- Positive environmental impact: Farms practice agriculture without depleting soil, conserving water, and increasing productivity while reducing land requirements.
- Positive impact on tropical forest ecosystems: Certified products ensure that forests are not cleared for the expansion of production areas, and farming methods preserve the biodiversity of tropical forests.
- Better working conditions, employee health, and safety standards in certified farms.

4.3. Packaging



In our efforts to reduce the environmental impact of our products, we pay great attention to packaging. Wherever possible, we choose paper packaging. We aim to have as many packages as possible made from recycled materials.



From 2020 to 2023, we conducted a pilot project at the PKP factory, during which we set the goal of assessing the potential for packaging minimization while ensuring food safety and quality requirements. During this project, we successfully reduced the amount of single-use packaging used for our products by 9.31%. **Since we cannot completely eliminate plastic packaging due to the specifics of the products, the second objective of the project was to reduce the amount of plastic packaging by changing its thickness.**

As a result, we were able to decrease the use of single-use plastic packaging by 21.24%. Overall, we saved 60% of plastic when comparing 2023 to 2022.



**Recycled
Material in
Packaging:**

**2023 m -
53%**

To ensure sustainable forestry in our supply chain (for paper and wooden packaging), we prioritize FSC-certified products.

In 2023, the number of FSC-certified packages reached 65%.



The next phase of our project is to ensure that by 2024, 85% of our packaging used is easily recyclable (solo/mono packaging). We plan to apply the project results across the entire group, which will further reduce the environmental impact of our packaging.



5. ENVIRONMENT

5.1. Air Quality

We operate a fleet that ensures the delivery of our products from factories to distribution and retail centers. The total emissions (NOX, SOX, CO, PM, THC) amounted to 15 tons per year in 2023, compared to 16 tons per year in 2022. Emissions per kilometer traveled decreased slightly in 2023. This positive change for the environment was achieved by renewing fleet and training drivers in eco-driving practices.

From 2022 to 2023, UAB “Vičiūnai” implemented an eco-driving system, introduced technical measures, and conducted driver training sessions.



- **In 2024**, we plan to improve the transportation activity accounting system, which will help analyze operational specifics in more detail and increase transport efficiency.
- **In 2025**, we will continue updating our vehicles and explore alternative fuel options.



5.2. Water resource management

Water is very important to our operations. We use it in production processes, for equipment cleaning, and in administrative areas.



81% of our water was sourced from areas experiencing low water stress*, while 10% came from areas with high water stress. The water usage from areas with very high water stress is 0%.



*Analysis was conducted using the Aqueduct tool (Water Risk Atlas tool, Aqueduct).

In 2023, our water consumption in production and distribution reached 626790 m³. Compared to 2022, water usage decreased. To further reduce water consumption, we are improving our accounting systems and implementing closed-loop solutions:

- From 2023 to 2025, we are implementing a water monitoring program in our production facilities in Plungė, which will allow us to accurately identify areas for potential water savings.
- From 2022 to 2023, we modernized the PKP packaging equipment by installing closed systems for equipment cooling. We also updated the condensers of the refrigeration equipment, which eliminated the need for additional water usage.



In 2023, the volume of wastewater was 626790 m³, and this amount has been steadily decreasing. **Wastewater from production units is treated at local treatment facilities and is then discharged into municipal treatment systems.**

5.3. Food waste management

- The total amount of waste increased from 0.081 to 0.083 tons per ton of produced goods. In 2023, the share of recycled waste increased from 0.059 to 0.06 tons per ton of production. The amount of food waste also increased from 0.011 tons per ton in 2022 to 0.012 tons per ton in 2023.
- The main reasons for this increase are the expansion of a more diverse product range and decreasing production batches.
- 63% of food waste is passed on as raw material for feed production and the cosmetics industry, while the remaining portion is composted or used for biogas production.



The amount of waste sent to landfills has consistently decreased: **in 2023, it was 10% lower than in 2022 and 64% lower than in 2018.** We continue to seek ways and solutions to ensure the reduction of food waste and achieve zero waste to landfills.



6. ENERGY MANAGEMENT

6.1. Energy resources

In our production facilities, we use thermal energy (for heating/cooling and steam production) as well as electricity. To manage energy resources, we have formed an energy management group and developed energy management plans for our production units. In 2023, natural gas consumption decreased, and **92% of total energy was generated from renewable sources**.

i **Electricity consumption per ton of production decreased** from 1.079 MWh/t to 1.054 MWh/t, **while the share of electricity obtained from renewable sources increased**. In 2023, this share reached 84%, compared to 60% in 2022. **Our goal is to ensure that 100% of the electricity used comes from renewable sources** (through purchasing and/or production).

Electricity consumption varied among different companies depending on changes in product range and implemented energy efficiency measures.

From 2022 to 2023, a project was carried out in two production facilities to assess greenhouse gas (GHG) emissions and identify compensation opportunities. We plan to continue this project in 2024.

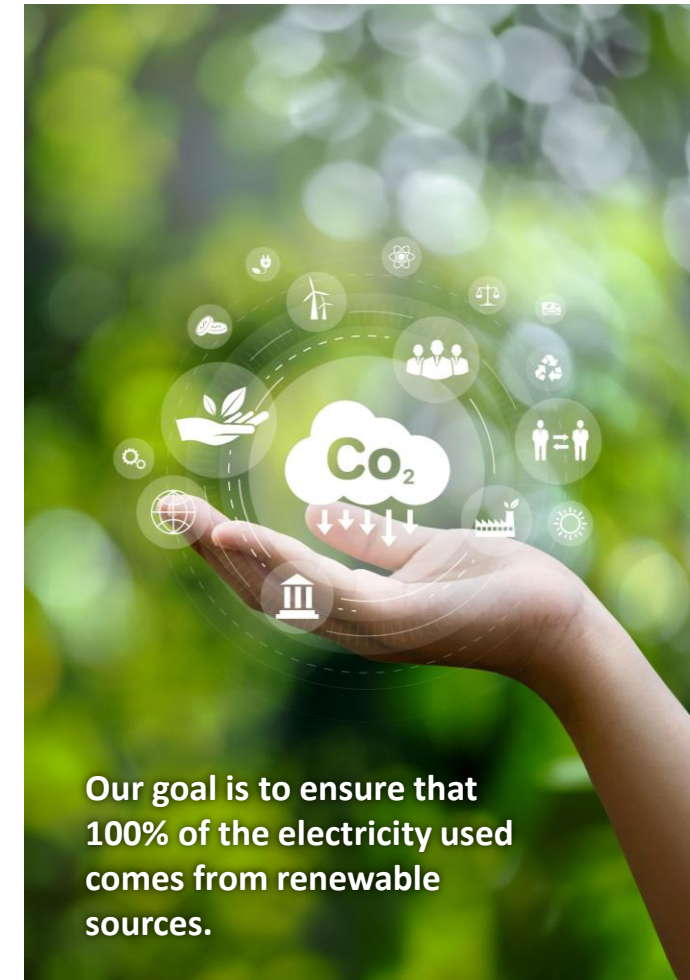


6.2. Greenhouse Gas (GHG) emissions

The calculations of greenhouse gas emissions were conducted in accordance with the GHG Protocol guidelines. In 2023, the primary actions focused on reducing natural gas usage, increasing share of renewable energy. Additionally, work began on replacing refrigerants. A new refrigeration system using the refrigerant NH3 was installed at the OKF factory. Furthermore, partial renewal of the transport fleet was carried out to reduce emissions.

GHG Sources (Scope 1)	2022	2023
Fossil fuels (gas)	3363	2271
Transportation (internal and product delivery to distribution/retail centers)	23 570	22 162
Refrigerants (production, distribution center)	4095	3249
All t CO ₂ e:	31 028	27 682

The majority of Scope 2 GHG emissions in 2023 were associated with electricity usage. **In 2023, Scope 2 GHG emissions were reduced by more than 50 percent** by transitioning to electricity from renewable resources.



Our goal is to ensure that
**100% of the electricity used
comes from renewable
sources.**

The background is a dark blue collage. It features several hands reaching out and clasping each other in a gesture of unity. There are also images of books, a globe, and some abstract shapes. A large, white, stylized arrow or swoosh graphic curves across the upper right portion of the image.

7. SOCIAL CONDITIONS

Social responsibility

Our employee safety and health and social responsibility policy encompasses the following areas:



Safe workplace



Career management and training



Working conditions and compensation



Child labor, forced labor, and migrants



Social dialogue



Diversity, discrimination, and harassment



Commitment of business partners to implement the principles of the Human Rights Declaration

In our operations, we adhere to the **“Employee Safety and Health, Social Responsibility Policy,”** which is an integral part of the “Vičiūnai” Group's vision and values across all companies belonging to the Vičiūnai Group.

The **“Employee Safety and Health, Human Rights, and Social Responsibility Policy”** is known to all employees of the company and those associated with it and is publicly available to our clients, suppliers, business partners, the community, and stakeholders.



7.1. Accidents and transport incidents



The accident frequency rate for the Group in 2023 is 13.03, which has decreased from 16.75 in 2022.

By increasing awareness and involvement among each employee and implementing technical and organizational measures, we have significantly reduced the number of accidents. In 2024, we plan to implement an incident reporting system at the PKP factory, which will allow us to promptly identify and address risks. All our employees are covered by “Accident Insurance,” which is effective 24/7, covering not only working hours but also commutes to/from work and leisure time.

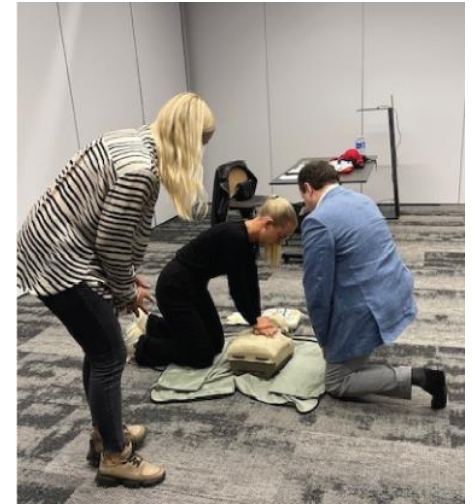
i Our goal is for every employee to return home safely to their family after a workday. By ensuring safe working conditions, we systematically assess occupational risks and equipment safety. We take all necessary measures to eliminate or reduce the risks of illness and injury.

7.2. Employee training

We raise positive culture that motivates every employee, encourages their engagement, teamwork, and continuous learning and development. We have formed a training and competency development team that focuses on strengthening employees' professional skills. Each year, we prepare and implement development plans.

The mandatory training plan includes the following areas:

1. Employee safety and health;
2. Ethics, social responsibility, and human rights;
3. Cybersecurity;
4. Transparency and corruption prevention;
5. Personal data protection;
6. Violence and harassment prevention and psychological safety;
7. Competition;
8. Hygiene and food safety, as well as other training.



Career management and training

- By increasing each employee's awareness and involvement, and implementing technical and organizational measures, we have significantly reduced the number of accidents.
- In 2024, we plan to implement an incident reporting system at the PKP factory, which will allow us to promptly identify and address risks.
- All our employees are covered by “Accident Insurance,” which is effective 24/7, covering not only working hours but also commutes to/from work and leisure time.
- In 2023, the internal career factor decreased by 10% compared to 2022.

The execution of the
mandatory training
plan aims to:

100%



Employee career management is a standardized process involving regular employee discussions with their direct supervisors. During these discussions, performance and competency expectations, psychological well-being, and growth and career plans are addressed.

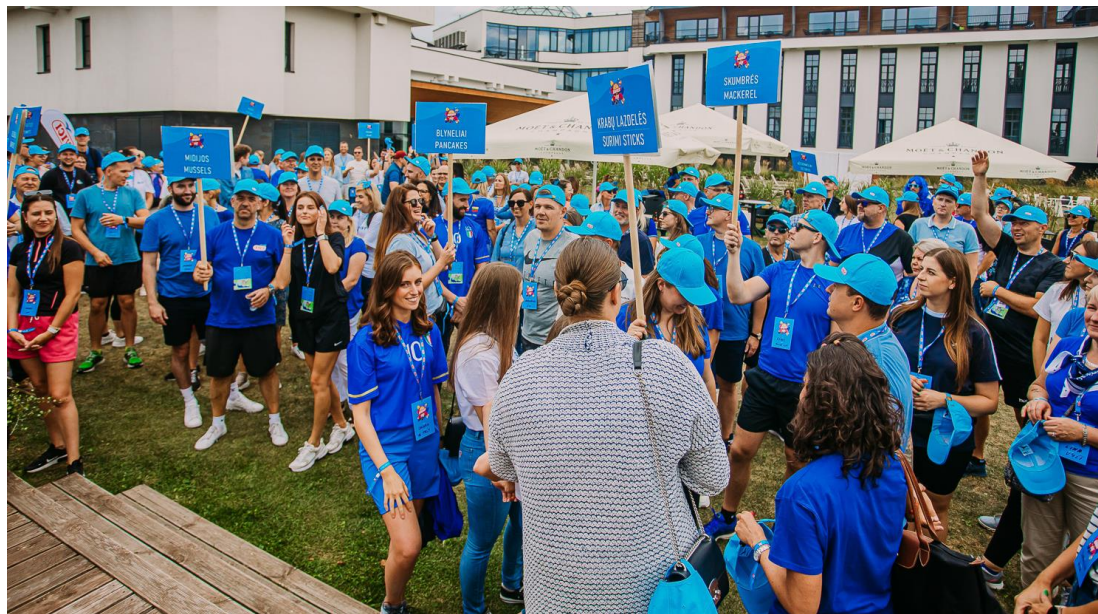
7.3. Employee satisfaction

Our employees are the key factor in our success.

To strengthen the employee community, we organize various traditional events and celebrations every year, not only for employees but also for their children. These events help build a stronger organizational community, improve the workplace atmosphere, and foster an inclusive culture of employee relations.



Sports olympics, summer hikes, and winter celebrations are effective ways to promote healthy lifestyles, employee interaction, and communication.



We value not only our employees but also their families, which is why we host special events for children and give themed gifts.



For several years now, our company has been celebrating **Children's Day**. Additionally, we congratulate all future first-graders of our employees with back-to-school gifts each **September 1st**, offering encyclopedias. During the **winter holidays**, all children receive a sweet gift and a themed book.

Diversity and equal opportunities

Every employee in the VG Group follows the Equal Opportunities Policy, which outlines actions ensuring that no current or future employee is or will be discriminated against based on beliefs, age, gender, marital status, parenthood, race, religion, or sexual orientation. All employees are equally provided with opportunities for personal development and career advancement.

We strive to create a work environment where everyone can feel safe, recognized, and valued, regardless of their personal characteristics. Thus, we aim to foster a culture where tolerance and diversity become our strengths, and discrimination, hatred, or any other violations of legitimate freedoms are unacceptable.

Employee Age: 39% of the company's employees are between the ages of 20 and 40, 51.63% are between 40 and 60 years old, 8.72% are over 60 years old.

In 2023, we conducted training on non-discrimination and anti-harassment, and we plan to continue these sessions in the coming years.

Gender Equality		Diversity	
Men	31 %	Number of foreign employees	236
Women	57 %	Number of nationalities	25
Men in leadership positions	47 %	Number of employees with disabilities	22
Women in leadership positions	53 %		

Each year, an employee engagement survey is conducted, which helps create action plans to improve both physical and psychological well-being.



In 2023, the average gift package for employees amounted to €250 per person, which is double that of 2022.

Transparency line

To ensure a fair and transparent environment, the group operates a whistleblowing channel called the Transparency Line.

Both employees and any other stakeholders can report anonymously any observed or suspected unethical behavior. Reports can be made via phone, email at skaidrumas@vici.eu, through the intranet (accessible only to employees), or directly to the person responsible for corruption prevention.



In 2023, one report with indications of corrupt behavior was received through the Transparency Line, which was thoroughly analyzed and resolved.



External social responsibility projects

Sponsorships:

- **"Flame of Hope" – glasses for children from underprivileged families.** This is our annual project, continued for 4 consecutive years.
- **Visiting the elderly in Kaunas district** – over 20 elderly individuals with limited mobility were visited and given food and gift baskets.
- **"Kaunas Old Town Daycare Center" – fulfilling Christmas wishes for children.** Over 15 children's wishes were fulfilled, and the desired gifts sent in letters to Santa Claus were purchased.
- **Sponsoring Plungė city and district schools** – for the second year in a row, this initiative was carried out, where all first-grade students in Plungė city and district were greeted on September 1st.
- **The 2023 gift package included** – an umbrella with markers, a backpack, pencils, and a reflector. In total, 362 children from 11 schools were greeted.



External social responsibility projects

Participation:

- **Plungė City Festival** – a parade featuring employees working in Plungė during the festival.
- **Water Sports Festival "Viking Regatta"** – our Plungė employees' teams competed in water races against other regional teams.



8. GOVERNANCE



8.1. Data Protection

The VIČIŪNAI Group places great emphasis on ensuring data security by improving digital systems and enhancing employee competencies.

- In 2023, the group recorded 157 incidents (2022 – 158).
- Additionally, 9 attempts were identified where users' logins were targeted in efforts to breach the internal systems or access sensitive personal data (2022 – 13).
- Thanks to the effective functioning of the digital infrastructure, no user data was leaked, and neither the company nor its employees suffered any harm.

Metrics	Goal	Fact 2022	Fact 2023
Employee training on Personal and IT Data Protection Policy, Confidentiality Policy	100 %	100 %	100 %
Number of internal information security tests conducted annually	12	12	12
Number of external information security tests conducted annually	4	4	4
Number of recorded (identified) incidents	i	158	157
Attempts to misuse user logins	i	13	9

Employee education on data security assurance

In 2023, three informational announcements on cybersecurity and data protection topics were published for employees on the intranet.

Date	Titles of the informational announcements	Number of views
2023-04-13	Cybercriminals are not sleeping	649
2023-09-22	Please stay vigilant	596
2023-12-11	Cybercriminals are not sleeping	683



Business ethics

UAB Vičiūnų Group strives to create and maintain a transparent, open, and honest environment, setting the highest expectations for business ethics, which are formalized in the "Corruption and Misconduct Prevention Procedure" applied to all group companies. The company has zero tolerance for corruption and aims to prevent its manifestations by educating and involving employees in building a transparent and honest environment.

Employees are educated and trained on topics of anti-corruption, fair competition, and transparency.

Metric	Fact 2022	Fact 2023
Percentage of employees familiarized with the "Transparency and Business Ethics" policy compared to the total number of employees.	100 %	100 %



Avoidance of conflicts of interest

To ensure that organizational rather than personal interests are prioritized, employees are encouraged to voluntarily declare their private interests.

When faced with a situation where they must choose between fulfilling their duties and personal interests, employees are urged to inform their direct supervisor and recuse themselves from the discussion and decision-making process.



To manage potential conflicts of interest, a special form for voluntary declaration of private interests was created within the company group. In 2023, 130 employees of the group voluntarily declared their interests, and 34 updated their previously submitted declarations of interest

Metric	Fact 2022	Fact 2023
Filling out private interest declarations	240	130
Number of cases of recusal/disqualification from decisions due to conflicts of interest	0	0



In 2023, no cases were recorded where employees reported recusal due to a potential conflict of interest.

Business gifts



The company has implemented a Gift Giving and Receiving Policy, which aims to enhance transparency in operations and prevent the misuse of unethical gifts that could exert illegal influence, cause reputational damage, or impact decision-making.



Employees are allowed to give promotional gifts intended to increase brand awareness and strengthen the company's image. Offering gifts to secure favorable decisions or obtain any other unfair advantage is not tolerated.



Employees may accept symbolic promotional gifts valued up to 30 euros; any gifts exceeding this amount must be registered in a designated gift registry. Employees are prohibited from accepting monetary gifts or any equivalents (such as discounts, gift vouchers, checks, etc.), regardless of the value.



In 2023, no promotional gifts exceeding 30 euros were registered in the company's gift registry.

Cases where employees were offered gifts that contradict the approved policy:

- **2022: 1 case recorded** (the gift was returned to the giver).
- **2023: no cases recorded.**

The background is a solid dark blue. In the upper right, there are two white, curved, overlapping lines that resemble a stylized 'V' or a checkmark. Faintly visible in the background is a light blue line chart with several data points and a bar chart with four bars of increasing height. The text '9. PERFORMANCE INDICATORS' is located in the lower left area.

9. PERFORMANCE INDICATORS

Performance indicators

This sustainability report includes information covering the group companies engaged in food production, retail, and distribution. It presents consolidated achievements in the environmental, social, and governance (ESG) areas for the year 2023. The group's sustainability report has been prepared in accordance with SASB standards. The disclosed data in the report adheres to the following standards:

The report includes the best available data at the time of its publication. Actions are planned for the next period to improve the necessary information to comprehensively and accurately disclose all relevant performance indicators.

1. SASB Sustainability Accounting Standard.
Processed Foods. Food and Beverage
Sector. FB-PF.

2. SASB Sustainability Accounting Standard.
Retailers and Distributors. Food and
Beverage Sector. FB-FR.

3. SASB Sustainability Accounting Standard.
Road Transportation. TR-RO.

Performance indicators according to the applicable SASB standards and their values for 2023 are presented as follows:

Reference to the standard	Indicator	Measurement unit	2023 value
FB-PF-000.A	Volume of products sold	t	90805.82
FB-PF-000.B	Number of manufacturing companies	number	8
FB-FR-000.A	Number of logistics centers	number	1
FB-FR-000.B		m2	17000
FB-FR-000.A	Number of retail centers	number	0
FB-FR-000.B		m2	0
FB-FR-000.C	Number of vehicles for product transportation	number	249
FB-FR-000.D TR-RO-000.A	Ton-kilometers (for transportation and distribution of products)	t x km	1,08425E+12
TR-RO-000.B	Load factor (km with load/total km)	%	11
TR-RO-000.C	Number of employees/number of drivers (in departments providing transport services)	number	467/316
TR-RO-120a.1	Emissions from vehicles (NOX; SOX; PM 10)	t	15
FB-PF-140a.1	Total volume of water extracted/percentage from areas of high and very high water stress	th.m3/%	626,790/10
FB-PF-140a.2	Number of water management discrepancies	number	0

Reference to the standard	Indicator	Measurement unit	2023 value
FB-PF-140a.1	Amount of food waste/percentage not directed to waste stream	t/%	1764/64
FB-FR-130a.1 FB-PF-130a.1	Energy consumed for operations (heat and electricity)	GJ	866768
FB-FR-130a.1 TR-RO-110a.3	Electricity from renewable/non-renewable sources	%	84
FB-FR-110a.1	Amount of fuel consumed (heat), % from renewable sources	%	92
FB-FR-110b.1	CO2 emissions from refrigerants (Scope 1)	(t) CO ₂ -e	3249
FB-FR-110b.2	Amount of refrigerants with zero ozone depletion potential used for system replenishment	%	0
FB-FR-110b.3	Average refrigerant emission rate	%	N/A
	CO2 emissions from transport (Scope 1)	(t) CO ₂ -e	22,162
TR-RO-110a.1	Total CO2 emissions (Scope 1)	(t) CO ₂ -e	27,682
Data protection			
FB-FR-230a.1	(1) Data breach incidents, (2) percentage of personal data breaches, (3) number of affected customers	number/%	0/0
Products and food safety			
FB-FR-250a.1	High-risk food safety violation rate	norm	0
FB-FR-270a.3 FB-PF-270a.2	Ratio of products labeled as containing genetically modified organisms (GMO) to those labeled as non-GMO	% from profit	11

Reference to the standard	Indicator	Measurement unit	2023 value
FB-FR-270a.1 FB-PF-270a.3	Cases of non-compliance with mandatory product labeling or marketing codes	number	0
FB-PF-270a.1	Percentage of ad impressions (1) targeted at children and (2) shown to children promoting products that meet nutritional guidelines	%	0
FB-FR-270a.2 FB-PF-270a.3	Financial losses incurred due to non-compliance with mandatory product labeling or marketing codes	Eur	0
FB-FR-430a.1	Number of products third-party certified under sustainable sourcing standards (MSC; ASC)	% of the total amount	30,4
FB-FR-430a.2	Number of products labeled "made with free-range eggs"	% of the total amount	17,88
FB-FR-260a.1 FB-PF-260a.1	Products labeled with wellness and healthy eating claims (only high protein)	% of the total amount	12,9
FB-FR-250a.2 FB-PF-250a.4	Number of market recall incidents/number of units recalled/of which private-label products	number/%	N/A
FB-PF-250a.4	Number of initiated market recalls/number of products recalled	number/tons	1/1
FB-PF-250a.2	Percentage of raw materials sourced from GFSI-certified suppliers (1 supplier)	% according to EUR	83.9
FB-PF-250a.3	Recorded food safety violation incidents/of which corrective actions were taken	number/%	1
FB-PF-250a.1	Number of GFSI audits	number	25
	Number of non-conformities and corrective actions taken; ratio of major to minor non-conformities		101/101

Reference to the standard	Indicator	Measurement unit	2023 value
FB-PF-410a.1	Total packaging weight/from recycled materials	t/%	8 277 107/52
Work conditions			
TR-RO-520a.1	Accident and fatality rates for direct employees and those hired through employment agencies	unit million working hours	13,03/0
TR-RO-520a.2	Voluntary employee turnover	%	21
TR-RO- 540a.1	Number of road incidents (transportation)	number	174
TR-RO-540a.3	Environmental spills during road incidents	number/m3	not captured
FB-FR-310a.1	Average hourly wage in distribution centers/% of employees receiving minimum wage	Eur/%	10,96/0
FB-FR-310a.2	% of employees working under collective bargaining agreements	%	78
FB-FR-310a.3	Cases of operational disruption due to employee refusals to work and the number of days lost	number/days	0
FB-FR-310a.4	Financial losses due to labor law violations and employee discrimination cases	Eur	0
FB-PF-430a.1	Quantity of raw materials from suppliers certified under environmental or social responsibility standards (ASC/MSC) / % for each standard	%	86.1
FB-PF-430a.2	Supplier social responsibility audits/non-conformities and corrective action levels	number	3
FB-PF-440a.1	Raw materials from regions classified as having high or very high water scarcity	% according to price	N/A



10. FUTURE PLANS

Future. Goals. Commitments.

To ensure focused activity, we plan to:

1.



Develop a sustainability strategy at the "Vičiūnai Group" level by consolidating operational data from manufacturing units and distribution centers (Food production, trade, and distribution).

2.



Integrate sustainability strategic objectives into the group's strategic action plan.

3.

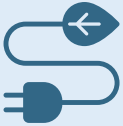


Allocate the necessary human and financial resources for the implementation of the action plan.

Future. Goals. Commitments.

SUSTAINABILITY DIRECTIONS AND STRATEGY

Environmental protection:

-  1. Approve a methodology for calculating CO2 emissions (Scope 1, Scope 2, Scope 3) for the "Vičiūnai Group." Identify opportunities to reduce CO2 emissions in manufacturing, distribution, and logistics centers.
-  2. Set CO2 reduction targets and register on the SBTi platform by Q2 2025.
-  3. Improve water accounting and implement technical measures to reduce water usage.
-  4. Implement energy reduction measures and increase the share of green energy in total energy consumption.
-  5. Reduce emissions from vehicles by optimizing route management and renewing the vehicle fleet.

Future. Goals. Commitments.

SUSTAINABILITY DIRECTIONS AND STRATEGY

Employee Safety and Health, Social Responsibility, and Human Rights:

-  1. Reduce the number of accidents.
-  2. Implement and promote safety culture principles.
-  3. Improve the employee training system.
-  4. Enhance the collection and analysis of human resource management indicators.

Future. Goals. Commitments.

SUSTAINABILITY DIRECTIONS AND STRATEGY

Sustainable Procurement:

1.  Develop a sustainable procurement policy.
2.  Review sustainable procurement indicators.

Future. Goals. Commitments.

SUSTAINABILITY DIRECTIONS AND STRATEGY

Ethics and Business Transparency:

-  1. Increase employee awareness related to corruption and business risk.
-  2. Implement a business partner reliability assessment system.
-  3. Prepare a business continuity plan.