abepa

SUSTAINABILITY REPORT 2025

About the sustainability report

UAB ABEPA, registered at Vokiečių str. 187, LT-45251 Kaunas (further - ABEPA, the Company) presents its second Sustainability Report, covering the reporting period for 2025. The report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and has not been subject to external assurance or audit.

This report reveals how ABEPA contributes to the United Nations Sustainable Development Goals (SDGs) and adheres to the United Nations Global Compact.

ABEPA started its operations in Kaunas, Lithuania, in 1994. Since then, the Company has developed long-standing traditions and a reputation for serving numerous clients in welding, grinding, and other metal-processing areas. Our company focuses on rapid order fulfilment, competitive pricing, and, most importantly, quality.

Questions about the report can be submitted to the following contact: info@abepa.lt

GRI 2-1 GRI 2-3 GRI 2-5 GRI 2-6

Mission

We are an innovative metal processing company constantly striving to provide comprehensive value to our clients.

Vision

Our goal is to become a leading supplier of metal products to wind turbine manufacturers worldwide.

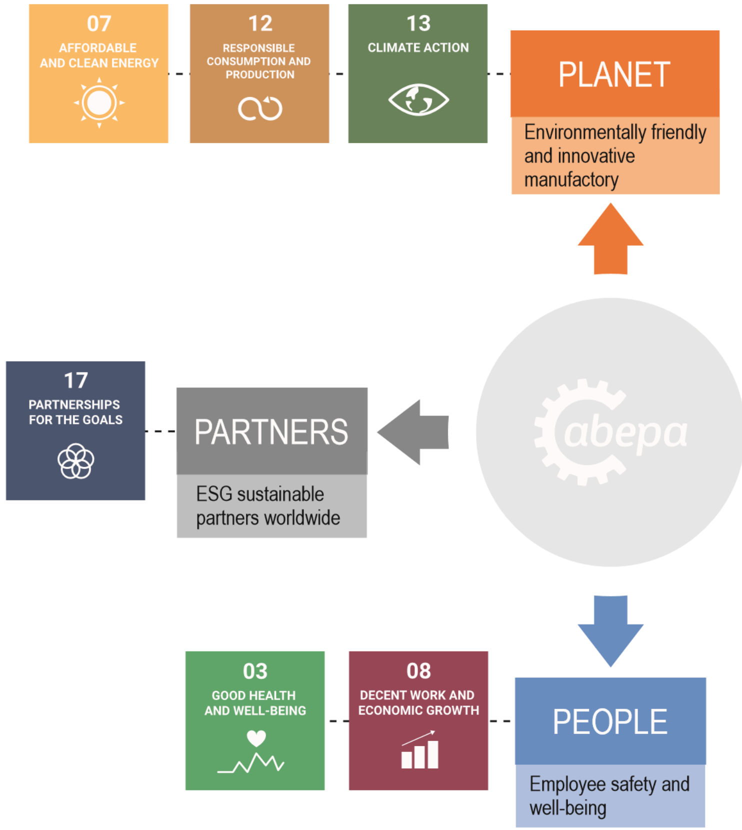
Principles and strategies of sustainable development of the company

Our sustainability strategy is guided by the well-established **3Ps framework – People, Planet, and Profit –** which supports the creation of long-term sustainable value. This framework recognises that businesses have a responsibility not only to achieve economic success but also to create positive outcomes for their employees, customers, and other stakeholders, while minimising their environmental impact and contributing to a more sustainable future.

We have replaced the profit part with “partner” in our framework to demonstrate our commitment to a sustainable supply chain and our customers' interests.

By focusing on the impact of our operations on people, the planet, and our business partners, we strive to create a more sustainable and inclusive future that delivers long-term value for both the Company and society.

We also support the United Nations Sustainable Development Goals (SDGs). Our people are at the heart of our business, and we are committed to protecting the health, safety, and well-being of our employees. In this area, our actions are guided by **SDG 3 – Good Health and Well-being** and **SDG 8 – Decent Work and Economic Growth**, promoting a safe, healthy, and inclusive working environment while supporting sustainable economic development.



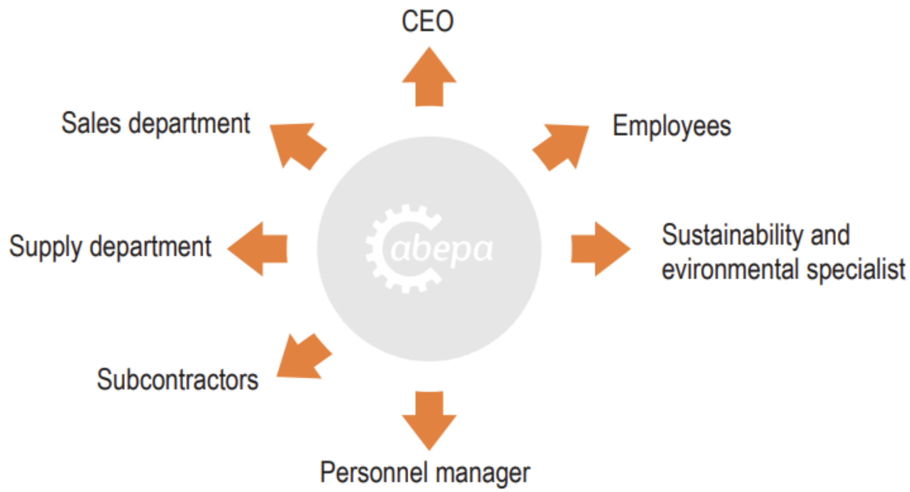
We are committed to protecting the environment in which we live and operate by promoting environmentally responsible and innovative production practices. Our environmental approach is aligned with **SDG 7 – Affordable and Clean Energy**, **SDG 12 – Responsible Consumption and Production**, and **SDG 13 – Climate Action**, reflecting our commitment to improving resource efficiency, reducing environmental impacts, and contributing to a more sustainable future.

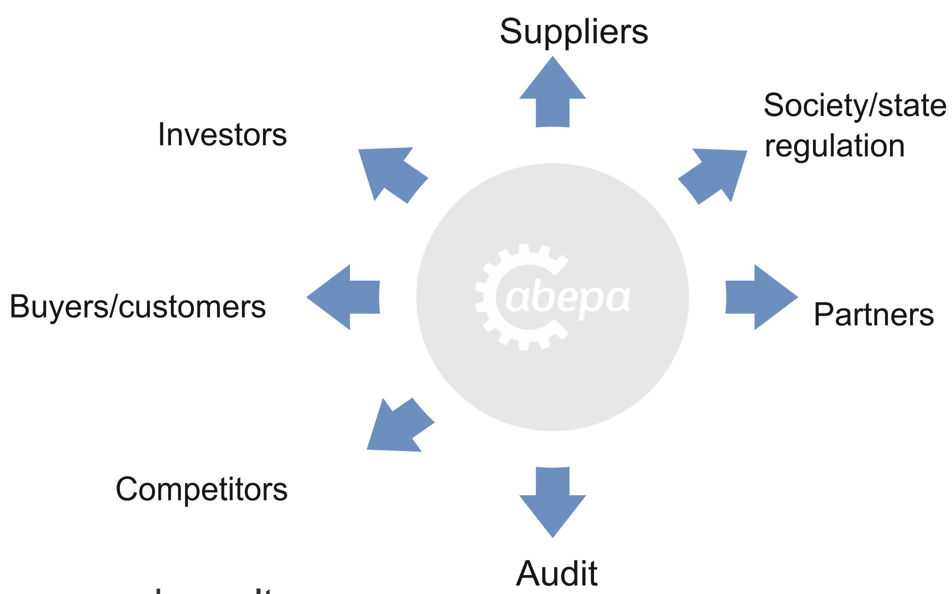
Our business partners are an integral part of our sustainability journey. We collaborate with customers operating in global markets and work with suppliers from various countries, recognising that responsible and sustainable partnerships are essential for long-term success. By fostering transparent, ethical, and mutually beneficial relationships throughout our value chain, we support **SDG 17 – Partnerships for the Goals**.

GRI 2-23   GRI 2-24

Stakeholders

To conduct the materiality assessment, the Company identified its key stakeholders whose views and expectations are relevant to its sustainability priorities. The stakeholder map includes both internal and external stakeholder groups.





External stakeholders

Internal stakeholders

GRI 3-1 GRI 2-29

Materiality Assessment 2023

The Company's materiality assessment was developed using recognised sustainability frameworks and industry guidance, including the Global Reporting Initiative (GRI), the SASB Materiality Map, ISO 14001 principles, and the EcoVadis assessment framework. These references were used to identify and prioritise material sustainability topics while also considering the sustainability expectations and requirements of the Company's customers.

Internal stakeholders participated in a survey in which they were asked to assess the significance of sustainability topics by assigning a rating from 1 to 3, with higher scores indicating greater importance.

The topics were divided according to the categories E-environmental, S-social and G-governance. Each topic was evaluated and assigned a number, which was then added and divided by the number of survey participants.

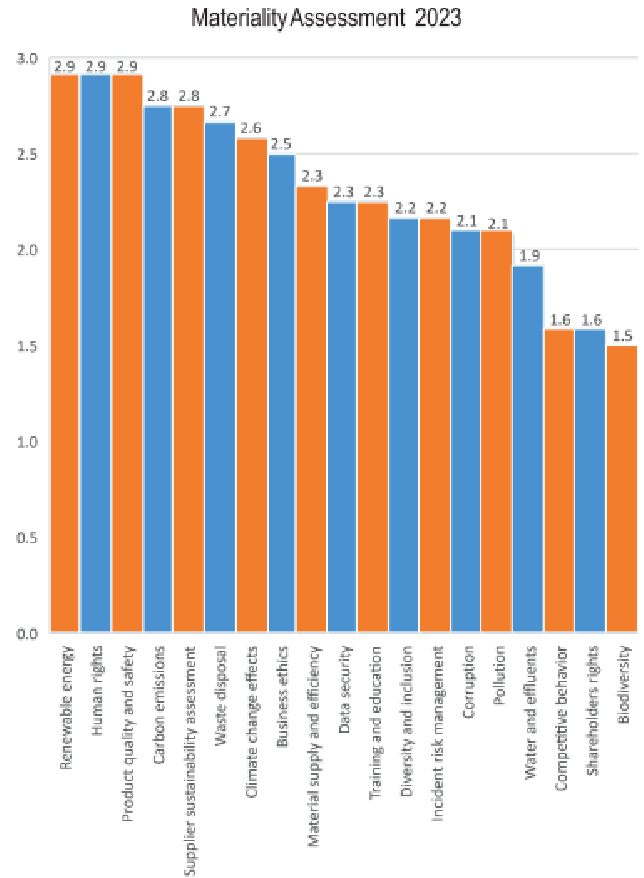
Impact effect	Impact points
Low	1
Medium	2
High	3

Categories	Issues	1 - low	2 - medium	3 - high
E	Carbon emissions			
E	Climate change effects			
E	Pollution			
E	Waste disposal			
E	Renewable energy			
E	Biodiversity			
E	Water and effluents			
S	Corruption			
S	Data security			
S	Diversity and inclusion			
S	Human rights			
S	Training and education			
S	Product quality and safety			
G	Competitive behavior			
G	Shareholders rights			
G	Material supply and efficiency			
G	Business ethics			
G	Incident risk management			
G	Supplier sustainability assessment			

GRI 3-1 GRI 3-2 GRI 3-3

Materiality matrix

For the results tables, average values were calculated using input from internal stakeholders and the EcoVadis industry risk profile. In the results obtained, we notice three main topics: renewable energy, human rights, and product quality and safety.



Environment

We recognise the importance of protecting the environment and are committed, through our environmental policies, to:

- Using energy responsibly and efficiently while managing greenhouse gas emissions;
- Managing materials, chemicals, and waste in a responsible and effective manner; and
- Protecting water resources through sustainable practices.

ABEPA has an ISO 14001 certificate. This certificate is an internationally recognised standard for environmental management systems (EMS). It provides a framework for organisations to develop and implement EMS and continuously improve their environmental performance. By complying with this standard, we can ensure that we are taking steps to reduce our environmental impact, meet relevant legal requirements, and achieve our environmental goals.

In 2025, the Company installed a solar power plant on the roof of its premises to increase the use of renewable energy in its operations.

ABEPA implements waste sorting practices on an ongoing basis. Metal waste is collected separately and sent for recycling. Employees have access to information and guidance on waste sorting procedures.

The Company maintains the documentation and procedures required under its ISO management system, including those related to environmental management.

During the reporting period, ABEPA organised training on sustainability principles, energy efficiency, emissions reduction, and responsible waste management in manufacturing.


TÜV THÜRINGEN

CERTIFICATE

for the management system
according to DIN EN ISO 14001:2015 (ISO 14001:2015)

The proof of the conforming application with the regulation was furnished and in accordance with certification procedure it is certified for the company

UAB "Abepa"
Vokiečių st. 187
LT-45251 Kaunas
Lithuania

This certification is only valid for this location

abepa

Scope of application

Production of complements of wind power-plants, fastening details and metal constructions.

Certificate Registration No.:	15104252234	Valid until:	2028-11-16
Audit Report No.:	3330/3HCT/A0	Valid from:	2025-11-17

This certification was carried out in accordance with TÜV-Thüringen e.V. auditing and certification procedures and is regularly monitored.

Jena, 2025-11-17

TÜV Thüringen e.V.
Certification body for
systems and personnel

IAF

DAkkS
Deutsche
Akkreditierungsstelle
D-ZM-16006-05-00

01/2025

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Training also covered environmental challenges specific to the metal processing industry, the financial aspects of environmental initiatives and waste management, and employee engagement in sustainability practices, supporting the integration of sustainable development principles into daily operations.

Water consumption

Water within ABEPA is used exclusively for domestic and sanitary purposes, including employee hygiene and other office-related activities. No water is used in production processes, incorporated into products, or consumed in operational activities that would result in significant process-related water losses. Most of the withdrawn water is discharged to the municipal wastewater system. Thus, water consumption is considered immaterial, and no significant water consumption was identified during the reporting period.

Water consumption

	Amount in megaliters	
	2025	**2024**
Total water consumption from all areas	0	0
Total water withdrawal	0.998	0.889

Note: Total water withdrawal is based on data reported in water utility invoices received during the reporting period.

GRI 303-5

GHG emissions

In 2025, combined Scope 1 and Scope 2 emissions increased moderately, driven primarily by higher fuel consumption for energy generation. Transport-related emissions remained broadly stable, while market-based electricity emissions declined, partially offsetting the increase in direct emissions. No emissions were reported from heating, refrigerant leakage or other fugitive sources.

GHG emissions

	Measurement units	2024	2025	YoY
Direct (Scope 1)[1]	t CO^2-eq	89.4	117.1	+31.0%
Indirect (Scope 2)[2]		245.9	231.0	-6.1%
TOTAL		**335.3**	**348.0**	**+3.8%**

Note:
All figures are presented in metric tonnes of greenhouse gases, and the CO^2 equivalent includes all other relevant gases such as CH4, N2O, etc.
No significant biogenic emissions occur during the operations.

GHG emissions intensity

Metric	**t CO^2e**	**t CO^2e**	**YoY**
	2024	**2025**	
per 1 employee, t	2.99	3.00	+36.5%
per revenue, t	0.000026	0.000036	+0.2%

GHG accounting methodology

The GHG inventory covers all company facilities of operation for the disclosed reporting periods. The organisational boundary was established using the operational control approach. Emissions were calculated in accordance with the GHG Protocol Corporate Standard.

Base year

The company selected 2024 as its GHG emissions base year because it was the first year for which complete, reliable, and representative activity data were available for Scope 1 and Scope 2.

Base-year emissions are recalculated where significant changes to the organisational boundary, calculation methodology, emission factors or underlying data would materially affect comparability.

Calculation basis and data quality

Emissions were calculated by multiplying activity data obtained from invoices, meter readings and fuel records by emission factors from LT NIR 2025, AIB 2025 and IPCC. Emissions were converted into CO_2 equivalents using 100-year global warming potential values from IPCC assessment report AR 6. The calculation included CO_2, CH_4, N_2O and any other applicable gases.

Emission factors and calculation methods were applied consistently across the reporting and base years.

Scope 2 and exclusions

Scope 2 emissions were calculated using both the location-based and market-based methods. The location-based calculation used AIB Production mix values, while the market-based calculation reflected AIB residual-mix factors on purchased non-green electricity.

Reported figures represent gross emissions before carbon offsets, avoided emissions or GHG trades. No significant biogenic CO_2 emissions were identified.

GRI 305-1 GRI 305-2 GRI 305-4

Energy consumption

ABEPA's energy consumption is primarily associated with its operations. Natural gas is used for building heating and production processes, electricity is consumed in manufacturing and general operations, fuel is used for the Company's vehicle fleet, and gas-powered forklifts are used for internal material handling.

Total energy consumption increased in 2025, primarily due to higher use of natural gas and electricity. The increase was partly offset by increased self-generated electricity capacity and lower diesel consumption. The stronger contribution from renewable generation increased the share of renewable energy in the overall energy mix, supporting our strategic progress towards a less carbon-intensive energy supply.

Energy consumption within the organisation

Disclosure requirements	**MWh**		**YoY**
	2024	**2025**	
Fuel consumption from non-renewable sources:			
Petrol	28	40	43%
Diesel	141	117	-17%
LPG	44	65	48%
Natural gas	174	305	75%
Total:	387	527	36%
Fuel consumption from renewable sources:			
n/a	0	0	-
Total:	0	0	-
Electricity and heating consumption			
Electricity consumption	433	420	-3%
Heating consumption	0	0	-
Cooling consumption	0	0	-

Steam consumption	0	0	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	0	0	-
Consumption of self-generated electricity from renewable sources	61	169	177%
Total:	**494**	**589**	19%
Electricity and heating sold:			
Electricity consumption	0	0	-
Heating consumption	0	0	-
Cooling consumption	0	0	-
Steam consumption	0	0	-
Total:			
Total energy consumption:	**881**	**1 115**	**27%**
Total renewable energy consumption	**61**	**169**	**177%**
Share of renewable sources in total energy consumption (%)	**6.9%**	**15.1%**	

Energy intensity

Metric	**t CO2 eqv./metric**	**t CO2 eqv./metric**	**YoY**
	2024	**2025**	
per 1 employee, t	7.88	9.62	66.4%
per revenue, t	0.00006955	0.00011571	22.1%

Note: all energy types are included in the intensity ratio.

Energy calculation methodology

Energy consumption was calculated using primary activity data from fuel purchase records, meter readings and other internal records. Fuel quantities were converted into energy units using the applicable net calorific values published in the Lithuanian National Inventory Report 2025 and, where relevant, the EMEP/EEA Air Pollutant Emission Inventory Guidebook 2023. Self-generated electricity was reported separately and included in total consumption only once to avoid double-counting. The same calculation approach was applied consistently to the 2024 and 2025 reporting periods.

GRI 302-1 GRI 302-3

Waste management

The Company's waste-related impacts arise primarily from its metal processing activities, which generate metal scrap, packaging waste, used consumables, and other production residues. These impacts are mainly associated with waste generated in the Company's own operations, while upstream impacts relate to the procurement of raw materials and packaging, and downstream impacts may occur during the use and end-of-life management of its products.

In production, we try to use all raw materials to the maximum. We recycle the remaining metal waste. In 2025, 10.6 tons of metal waste was handed over to licensed waste management and recycling operators.

Metal waste is handed over to licensed waste management and recycling operators

	Amount, t	
	2025	2024
Metal waste handed over to third parties	10.611	8.560

Waste by composition

Waste composition	Weight, t	
	2025	**2024**
Non-hazardous waste	53.965	30.284
Hazardous waste	2.322	6.109
Total waste	**56.287**	**36.393**

Note: Waste data is collected from the Unified Product, Packaging and Waste Record Keeping Information System (GPAIS), which serves as the primary source for recording and monitoring the Company's waste streams. Here, records are maintained based on waste transfer documents issued for the handover of waste to authorised third-party waste management companies.

GRI 306-3   GRI 306-1

Social

Labor and Human Rights

We are committed to fostering a values-driven workplace culture that attracts and retains talent, promotes equal opportunities, and supports the overall well-being of our employees.

Respect for human rights is a fundamental international principle and a key element of social sustainability. A consistent human rights approach helps create a responsible and inclusive management culture, fosters a respectful and dignified workplace, enhances employee engagement and productivity, and supports the attraction and retention of talent over the long term.

During the reporting period, ABEPA organised training for its employees on workplace violence and harassment prevention through the external training provider UAB “SDG”.

Professional growth and development of employees

At ABEPA, all employees are encouraged to learn, grow and improve, to deepen existing knowledge, to acquire new competencies independently and with the contribution of the company. The continuous education process is encouraged at all levels of management and among employees.

Health and Safety

The Company is certified to ISO 45001:2018, the internationally recognised standard for occupational health and safety management systems. This certification supports the systematic identification of workplace hazards, the management of occupational health and safety risks, the clear definition of employee

TÜV THÜRINGEN

CERTIFICATE

for the management system according to DIN EN ISO 45001:2023 (ISO 45001:2023)

The proof of the conforming application with the regulation was furnished and in accordance with certification procedure it is certified for the company

UAB "Abepa"
Vokiečių st. 187
LT-45251 Kaunas
Lithuania

This certification is only valid for this location

abepa

Scope of application

Production of complements of wind power-plants, fastening details and metal constructions.

Certificate Registration No.:	1511825703	Valid until:	2028-11-16
Audit Report No.:	3330/3HCT/A0	Valid from:	2025-11-17

This certification was carried out in accordance with TÜV-Thüringen e.V. auditing and certification procedures and is regularly monitored.

Jena, 2025-11-17

TÜV Thüringen e.V.
Certification body for systems and personnel

IAF DAkkS Deutsche Akkreditierungsstelle D-ZM-16006-05-00

01/2025

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responsibilities, and compliance with applicable legal and regulatory requirements, contributing to a safe and healthy working environment.

The Company organises on-site health check-ups, providing employees with the opportunity to receive vaccinations, undergo blood tests, and assess their overall health status conveniently at the workplace.

During the reporting period, ABEPA organised training via training provider UAB “SDG” on various health and safety-related topics, incl. safe operation of material handling equipment, including forklifts, powered industrial trucks, and overhead cranes. Specialised training is also delivered to employee representatives and occupational health and safety committee members to strengthen workplace safety management.

GRI 403-1 GRI 403-5

The Company has identified work involving forklifts, overhead cranes, moving machinery parts, and elevated noise levels in welding operations as the main occupational hazards that could result in injuries. These hazards are identified and regularly assessed through the Company's occupational risk assessment process.

During the reporting period, none of these identified hazards resulted in or contributed to high-consequence injuries. Following any workplace incident or near miss, the Company conducts a review of the event, reinforces safe working practices, and provides refresher instructions and training to employees. These measures support the continuous elimination or reduction of risks through preventive controls and ongoing employee awareness.

During the reporting period, the Company recorded no fatalities resulting from work-related ill health, no recordable cases of work-related ill health, and no identified cases of work-related illness.

Work-related injuries

	Number	Rate	Number	Rate
	2025		2024	
Number of fatalities as a result of work-related injury	0	-	0	-

Number of high-consequence work-related injuries (excluding fatalities)	0	-	0	-
Number of recordable work-related injuries*	1	4.99	2	9.68
Number of days lost to work-related injuries, fatalities, and ill health	47		16	

Note: The total number of hours worked per year by all employees together in 2024 - 206,671 hours, and in 2025 was 200,344 hours. The rates were calculated per 1,000,000 hours worked using the methodology and formulas specified in GRI 403-9. *No incidents were recorded. The Company recorded only minor workplace accidents during 2024-2025. The main types of work-related injuries recorded during the reporting period were cuts and lacerations and finger fractures, primarily resulting from handling materials or equipment during work activities. No employees were excluded from the calculation.

GRI 403-9 GRI 403-10

Diversity and equal opportunity

ABEPA's workforce is predominantly male, reflecting the characteristics of the metal mechanical processing industry and the available labour market for technical and production roles.

Diversity of employees

	All employees	
	number	*%*
	2025	
Total number	**116**	

By gender		
Women	14	12.1%
Men	102	87.9%
By age		
Up to 29	25	21.6%
30-59	81	69.8%
More than 60	10	8.6%
By citizenship		
Lithuania	100	86.2%
Other countries*	16	13.8%

Note: The data is reported as of **December 31, 2025**, and reflects the employee headcount.
* Other countries include Ukraine, India, Afghanistan, the United Kingdom, Venezuela, and Belarus.

Diversity of governance bodies

	Top management team	
	number	*%*
	2025	
Total number	**16**	

By gender		
Women	2	12.5%
Men	14	87.5%

Note: The data is reported as of **December 31, 2025**, and reflects the employee headcount.

GRI 405-1, GRI 2-7

Unadjusted gender pay gap

	Average unadjusted gender pay gap, %	
	2025	**2024**
All employees	-4.54%	-44.08%

Note: Average unadjusted gender pay gap formula - [average pay of men - average pay of women] ÷ average pay of men × 100. The calculation includes data on the salaries of all employees who worked for at least part of the year. As the calculation does not account for differences in employment duration during the year, changes in workforce composition and employee turnover may affect the year-on-year comparability of the indicator.

GRI 405-2

Annual total compensation ratio

	2025	2024
The ratio of the annual total compensation for the organisation's highest-paid individual to the average annual total compensation for all employees (excluding the highest-paid individual)	3.47	3.59

GRI 2-21

During the reporting period, one incident related to workplace harassment was reported and investigated in accordance with the Company's internal procedures. The investigation has been completed, and the incident no longer requires further action. As part of the corrective measures, recommendations were issued to conduct preventive discussions with both parties involved to reinforce respectful workplace behaviour and help prevent similar incidents in the future.

Incidents of discrimination and corrective actions taken

	Number
	2025
Total number of incidents of discrimination during the reporting period	1

GRI 406-1

Parental leave

	2025		
	All	Women	Men
Total number of employees who took parental leave	12	6	6

GRI 401-3

Governance

Business ethics and company culture

ABEPA has established commitments related to business ethics, anti-corruption, fraud prevention, conflicts of interest, and information security in its Ethics Policy. Through these commitments, the Company aims to:

- Conduct its business ethically and responsibly, maintaining the highest standards of integrity in all activities;
- Ensure that all business decisions and actions are guided by ethical principles, fair business practices, respect for diversity, and transparency;
- Foster a working environment in which employees, customers, suppliers, and other stakeholders are treated with respect and can engage with the Company in a safe and trustworthy manner, supporting long-term and sustainable partnerships.

The Company has separate policies on information security and on corruption, fraud, and conflicts of interest. The Company also applies a Gift Management Policy, under which only reasonable hospitality gifts are permitted in accordance with established internal rules.

The Company is certified to ISO 27001, the internationally recognised standard for information security management systems. This certification demonstrates the Company's commitment to protecting information assets through a systematic approach to managing information security risks, ensuring the confidentiality, integrity, and availability of data, and supporting compliance with applicable legal and regulatory requirements.


TÜV THÜRINGEN

CERTIFICATE

for the information security management system
ISO/IEC 27001:2022

The proof of the conforming application with the regulation was furnished and in accordance with certification procedure it is certified for the company

UAB "Abepa"
Vokiečių st. 187
LT-45251 Kaunas
Lithuania

This certification is only valid for this location

abepa

Scope

Production of complements of wind power-plants, fastening details and metal constructions.

Statement of applicability		Revision:	2024-09-13
Certificate Registration No.:	1512125288	Valid until:	2028-11-16
Audit Report No.:	3330/3HCT/A0	Valid from:	2025-11-17

This certification was carried out in accordance with TÜV-Thüringen e.V. auditing and certification procedures and is regularly monitored.

Jena, 2025-11-17

TÜV Thüringen e.V.
Certification body for
systems and personnel

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Reporting on ethics and information security

KPI Indicator	2023	2024	2025
Number of confirmed corruption incidents	0	0	0
Number of confirmed information security incidents	0	0	5
Percentage of employees trained on business ethics-related topics*	23%	n/a	26.7%

Note: *Regarding the percentage of employees trained on business ethics-related topics, in 2025, the Company's employees participated in information security training (31 employees attended). No data is available for 2024.

GRI 205-3

Sustainable Procurement

Most of our suppliers are local. We have a Sustainable Procurement Policy that aims to use our purchasing power to support markets for more sustainable goods and services and to increase their availability. Currently, we do not perform sustainability assessments of our suppliers.

Reporting on sustainable procurement

KPI Indicator	2023	2024	2025
Percentage of targeted suppliers who have signed the supplier code of conduct	21.5%	0%	0%
Percentage of targeted suppliers with contracts that include clauses on environmental, labour, and human rights requirements	0%	0%	0%
Percentage or number of targeted suppliers covered by a CSR assessment	21.5%	0%	0%

Percentage of new suppliers that were screened using environmental criteria	0%	0%	0%
Percentage of new suppliers that were screened using social criteria	0%	0%	0%

GRI 308-1, GRI 414-1

Procurement breakdown by country

Country	Percentage
Lithuania	65,85%
Check Republic	13,37%
Italy	12,26%
Poland	4,50%
Germany	1,63%
France	0,92%
Latvia	0,44%
Denmark	0,37%
Spain	0,21%
Netherlands	0,14%
Slovakia	0,12%
Sweden	0,12%
Slovenia	0,04%
Finland	0,01%
Turkey	0,01%
Estonia	0,01%

United Kingdom	0,01%
USA	<0,01%

www.abepa.lt