

BITÉ Group Sustainability Statement for 2023



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BITĖ Group Sustainability Statement for 2023

BITĖ Group is a leading telecommunications and media group in Lithuania, Latvia and Estonia which makes a significant economic contribution to all three countries. Our operations and processes are geared towards advancing digitalisation as an important context for innovation, as well as to creating a more sustainable environment and society. We know that smart solutions make daily life easier. Our aim is to ensure that such solutions are so user-friendly that they become a part of daily life. And we believe that a technologically effective society benefits everyone by increasing access to education and healthcare. Smart digital solutions can give a significant boost to economic growth and make the best possible use of scarce resources. Above all, digital access strengthens people's fundamental human rights – like freedom of speech and the right to personal development.



Pranas Kuisys,
CEO of BITÉ Group

We are proud to share the BITÉ Group's Sustainability Statement for 2023

As we have grown our group, we have increasingly emphasised the integration of ESG considerations into the key aspects of our operations, including our decision-making and reporting processes, with board-level oversight and accountability. We are a signatory of the UN Global Compact and are committed to making the corresponding principles in the areas of human rights, labour, environment and anticorruption an integral part of our strategy, culture and day-to-day operations. We are committed to transparently communicating about our ESG performance. It is in line with such commitments that we publish this report, adhering to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This comprehensive report provides stakeholders with a detailed overview of our initiatives, achievements and ongoing efforts in the realm of sustainability, offering a transparent and responsible account of our progress in these critical areas. Our main goal remains to provide fast and reliable connections to information, knowledge and entertainment – an essential part of the infrastructure of the modern world on which many of the United Nations' Sustainable Development Goals are based.

As part of our continuing development in this area, we are focused on the following key

ESG elements and associated KPIs to help us further improve on existing practices and to set and exceed ever new goals:

Environmental sustainability

Environmental footprint reduction

To promote environmental sustainability in our operations, we are taking active steps to minimise our environmental footprint while also collecting and analysing group historical data to shape climate change policy, efficient energy use and renewable energy sourcing. In keeping with the Paris Agreement, we have committed to the Science Based Targets initiative ("SBTi") and set ambitious greenhouse gas ("GHG") emission reduction targets consistent with a 1.5°C trajectory. Our decarbonisation efforts are ahead of schedule, with significant reductions in Scope 1 and 2 emissions through renewable energy sourcing and efficiency improvements. Sourcing renewable energy for our own operations enabled us to achieve a faster-than-required year-on-year decrease in absolute Scope 1 and 2 GHG emissions in 2023, for a 33% reduction from the 2020 baseline. We have also met our target of reducing the intensity of scope 3 GHG emissions by 27% from the 2020 baseline in the committed scope 3

categories through engagement with key suppliers in emission-intensive areas such as network modernisation, convergence and deployment of new technologies. In 2023, we went the extra mile in our long-term decarbonisation strategy and committed to the SBTi Net-Zero Standard, setting a robust emissions reduction target at the pace and scale required by climate science.

Scaling circularity

As the rapid development of broadband, television and IT technology necessitates the continual replacement of legacy network elements and the upgrading of our networks to accommodate increased bandwidth requirements and new services, we regularly recycle obsolete equipment and strive to extend the lifecycle of our products. In 2023, for example, we broadened our rental service for phones to other types of devices as well. Turnover from other device rental is expected to grow by 10 times. Scaling the rental of devices to our subscribers enables us to contribute to a more sustainable world with a circular business model and helps us meet circular economy principles by minimising the negative environmental impact from electronic devices. Our telecommunications operations have earned ISO14001 certification, a global standard for environmental management.



Responsible suppliers

We also recognise the importance of responsible procurement and supply chain management. We seek to work with suppliers who are economically, environmentally and socially responsible, and who contribute to sustainable development. Our Supplier Code of Conduct lays out the principles according to which we expect our suppliers to act. Those principles include seeking to minimise the greenhouse gas emissions that stem from our supply chain. We are committed to ensuring our suppliers' compliance with the Supplier Code of Conduct.

Social responsibility

Engaged employees

We focus on fostering a diverse and inclusive workplace. To inform our social management targets, we regularly conduct employee engagement surveys, and we take a number of specific actions to ensure a dynamic, safe, and attractive workplace that promotes growth, fairness and well-being and rewards talent. Our aim is for the group to be a top employer, maintaining an employee engagement level of at least 70%. We continually invest in our employees' physical and emotional health and growth, also striving to promote an inspiring internal culture. Over time these efforts have brought gratifying results. In 2023, BITÉ Group was honoured with UK-based "HR Brilliance Awards" for "Diversity and Inclusion" (Silver) and "Recruitment and Retention" (Silver). Also in 2023, BITÉ Latvia was ranked among the world's "Top 50 Inspiring Workplaces".

Grateful customers

We believe we offer a high-quality, consistent customer care experience with harmonised points of sale and well-trained staff to serve our customers. In 2023, we enhanced our customer service by establishing new customer service guidelines for the organisation, launching a campaign ("Happy Because Grateful") to promote customer appreciation for good service, and offering 5G free trials for customers with compatible devices. During the year, we expanded the services of our specially trained customer service professionals to all our outlets and digital channels. These steps were taken with the goal of maintaining a customer net promoter score of 20% or more across the group's companies.

Social inclusion of people with disabilities

We actively support the communities in which we operate and coordinate efforts in this regard among our companies. In 2023, BITÉ Group introduced a new long-term social responsibility strategy aiming at helping people with disabilities by focusing not on their weaknesses but their strengths. Several programmes now foster inclusion of people with disabilities, creating value and connection with our employees. We signed a four-year partnership agreement with the Lithuanian and Latvian Paralympic Committees and together with our media companies aim to increase social inclusion of people with disabilities by promoting awareness of their achievements in professional and non-professional sports. The group is committed to acting to advance

societal goals and contribute to good corporate citizenship and sustainable growth through responsible and creative leadership.

Governance

Transparency

We aim to act honestly, openly, and respectfully in all areas of operations to protect our reputation and the value of our brands. Transparency is a key component of these efforts, and we have implemented a transparency policy to promote these values across our businesses. We are committed to actions that advance societal goals and exemplify good corporate citizenship.

Zero corruption cases

To facilitate further transparency and accountability, we have a completely anonymous whistle-blowing programme which is easily accessible on our corporate websites. There is a whistle-blowing hotline for employees, customers and business partners to report violations of our Code of Conduct inside or outside the group. As a member of the UN Global Compact, BITÉ Group supports the United Nations Convention Against Corruption. We have not had any cases of non-compliance. The group is committed to maintaining the current level of zero corruption cases.

Key achievements

Figure 1. Key achievements

	 <p>Double materiality assessment and first voluntary sustainability statement according to CSRD</p>
	 <p>BUSINESS AMBITION FOR 1.5°C  </p> <p>Targets versus 2020 base year achieved in line with the Science Based Targets initiative (SBTi) and Business Ambition for 1.5°C:</p> <ul style="list-style-type: none"> • absolute Scope 1 and 2 GHG emissions reduced by 33% • Scope 3 intensity per service subscription reduced by 27%
	 <p>New long-term social responsibility strategy for helping people with disabilities</p>
	<p>WE SUPPORT</p>  <p>Transparency and zero corruption</p>

BITÉ Group closely follows the development of sustainability regulations. On 31 July 2023, the European Commission adopted the European Sustainability Reporting Standards (ESRS) for use by all companies subject to the [Corporate Sustainability Reporting Directive \(CSRD\)](#). The CSRD will become mandatory for BITÉ Group starting from the reporting period for the calendar year 2025. The ESRS cover the full range of environmental, social, and governance issues, including climate change and human rights – i.e., the information investors need to understand the sustainability impact of the companies in which they invest. International investors from outside the EU will find a very high degree of interoperability with global standards like those of the [Global Reporting Initiative \(GRI\)](#) and the [International Sustainability Standards Board \(ISSB\)](#). Realising the importance of the CSRD and of unifying reporting standards in the transition to a sustainable EU economy, BITÉ Group took a voluntary decision to issue this sustainability statement for the year 2023 in accordance with ESRS requirements. The structure of the sustainability statement and relation to ESRS are depicted in [Table 1](#).

Table 1. Structure of the sustainability statement and relation to ESRS

Main parts of the statement	ESRS codification	Title
General information	ESRS 2	General disclosures
Environment	Not applicable	Taxonomy (Disclosures pursuant to Article 8 of Regulation (EU) 2020/852)
	ESRS E1	E1 Climate change
	ESRS E2	E2 Pollution
	ESRS E3	E3 Water and marine resources
	ESRS E4	E4 Biodiversity and ecosystems
	ESRS E5	E5 Resource use and circular economy
Social	ESRS S1	S1 Own workforce
	ESRS S2	S2 Workers in the value chain
	ESRS S3	S3 Affected communities
	ESRS S4	S4 Consumers and end-users
Governance	ESRS G1	G1 Business conduct

The report provides a comprehensive review of BITÉ Group's actions and the impact our operations have on the environment, communities, customers and our employees. It also examines how we are coping with various challenges in responding to climate-related risks. We outline the steps we are taking to further strengthen our approach to ESG and sustainability. The reporting period is the calendar year 2023. The report is based on annual statistics and actual data for 2023. Previous figures have been included to help assess progress to the current indicators for 2023. The report is also published online at www.bitegroup.net.



General Information



1. Basis for preparation

BP-1 – General basis for preparation of sustainability statements

BITÉ Group is the operating name for a group of entities in the Baltic countries of **Lithuania, Latvia, and Estonia**. The parent company which owns and controls BITÉ Group is PLT VII International S.à r.l., with PLT VII Finance S.à r.l. as the consolidating group parent entity, both based in Luxembourg in the EU. The **headquarters** of BITÉ Group is in **Vilnius, Lithuania**, also in the EU.

BITÉ Group combines technologies to provide connectivity and entertainment services for individuals and businesses. We offer a one-stop solution for all connectivity and entertainment needs. In past years, the group has successfully consolidated a variety of companies in the fixed broadband, media, and ICT markets.

The sustainability statement covers all entities controlled by the parent company, including telco companies in Lithuania and Latvia fully controlled by BITÉ Group through equity stakes, media companies in Lithuania, Latvia and Estonia fully controlled by All Media Group through equity stakes, and Teletower in Lithuania and Latvia. A structure chart of the entities controlled by the parenting entity and covered by this sustainability statement is presented in **Figure 2**.

General Information

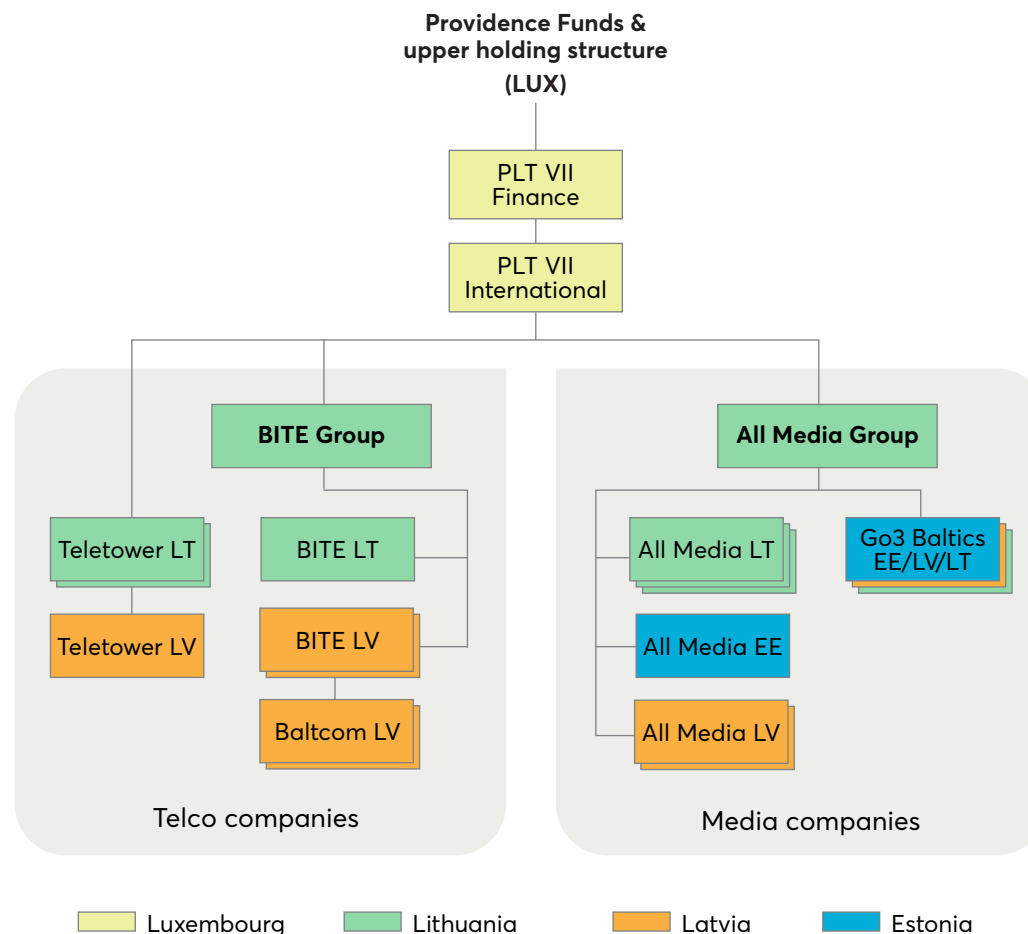


Figure 2. Structure chart of BITÉ Group's telco and media entities controlled by the parent entity in Luxembourg.



The sustainability statement covers the entities in the Baltic countries of Lithuania, Latvia and Estonia, including Bité Group, All Media Group and their subsidiaries, which operate in the mobile, pay TV, fixed broadband, media and content sectors.

The parent entity in Luxembourg had 5 employees as of the end of 2023 and did not constitute a significant location of operations. Therefore the data on the parent's employees is not disclosed in the S1 part of this statement. To be fully aligned with ESRS requirements, we plan to include the employees of the parent entity in the next sustainability statement.

The **sustainability statement covers the upstream and downstream value chain** of BITÉ Group suppliers and partners in the following aspects:

- Our [Supplier Code of Conduct](#) was developed to ensure that suppliers adhere to environmental and social standards, such as respecting labour rights and reducing carbon emissions.
- During 2023, we engaged with the suppliers in our **upstream value chain** in the following areas:
 - Measuring and reducing environmental impact together with key suppliers in the most emissions-intensive capital goods areas.
 - Increasing the share of renewable energy from vendors in the most energy-intensive area of our operations, sourcing energy for the telecommunication network, where direct power purchase agreements (PPAs) for renewable energy are not available.
 - Converging the backbone for our mobile, ICT and fixed networks, using mobile backhaul

for ICT services and using Telco data centres to host content delivery from media companies.

- Unifying enterprise resource planning (ERP) systems and cyber security solutions, sharing IT and telco equipment across different companies, and utilising the same vendors on the basis of the same [Supplier Code of Conduct](#) principles.
- In our **downstream value chain** – the distribution and consumption of our key services – the following initiatives were taken to increase sustainability:
 - Converging networks and systems for service delivery to our customers with continuous performance optimisation, and fully migrating customers from acquired companies into the group's Telco IT ecosystem.
 - Scaling device rental to enable our subscribers to contribute to a more sustainable world in line with circular economy principles for minimising the negative environmental impact from electronic devices.
 - Leading the provision of ICT services – a key enabler for sustained climate protection. The environmentally friendly ICT solutions we offer our customers and business partners are gaining increasing momentum in the fight against climate change across all industrial sectors. Through dematerialisation, ICT is making further emission reductions possible.
 - BITÉ Group's [Transparency Policy](#) guides communication about possible misconduct. Any customer or partner can report incidents via a completely anonymous [whistleblowing system](#) that is easily accessible on our

corporate websites in all the Baltic countries. During 2023, the system was upgraded with Progressive Web App to be adaptive to mobile devices, for much greater freedom in the communication of concerns.

BITÉ Group's **materiality assessment** of impacts, risks and opportunities covers the entire upstream and downstream value chain. In 2023, the group committed to the [SBTi Net-Zero Standard](#) to set a robust emissions reduction target at the pace and scale required by climate science. The [GHG Protocol](#) calculation tool shows that the majority of greenhouse gas (GHG) emissions occur in the group's upstream value chain and relate to Scope 3 emissions generated by suppliers in the industrial sector producing end-user appliances and infrastructure for telco and media services. Thus, reaching the [net-zero target](#) will entail coordinated action throughout value chains to promote all mitigation options, including demand management, energy and materials efficiency, circular material flows, abatement technologies and transformational changes in production processes. The [net-zero commitment](#) requires the group to consider all risks and opportunities in the value chain to reach the target by 2050.

Progressing towards net zero would not be possible without optimising our downstream value chain and changing the behaviour of our customers. Our services help our customers and society act efficiently and reduce their environmental impact. Positive impacts from products with sustainability characteristics constitute material financial opportunities and are incorporated into our strategy.



In evaluating the material impacts on the communities where we operate, we have noted the need to strengthen corporate social responsibility and help the most vulnerable members of society. BITÉ Group's CSR strategy focuses on increasing the inclusion of people with disabilities in social life, the labour market, society, and especially in professional and leisure sports. In short, the goal is to make their lives a little bit easier.

BITÉ Group is committed to acting responsibly and transparently. Anyone – employees, workers in the value chain, suppliers, partners and customers – can flag failures to uphold the core values incorporated in the [BITÉ Code of Conduct](#) through a completely anonymous [whistleblowing system](#). Our materiality assessment of governance related topics highlights the need to continually enhance the accessibility of our transparency channels and ensure compliance with the [European Union Directive for the Protection of Persons Reporting on Breaches of Union Law](#), otherwise known as the EU Whistleblower Directive.

BITÉ Group policies such as the [BITÉ Code of Conduct](#), the [Supplier Code of Conduct](#), and the [Transparency Policy](#) extend to our value chain. Actions and targets such as the [Business Ambition for 1.5 °C](#) and a [net-zero commitment](#) require us to engage all of those in the value chain.

BITÉ Group includes upstream and downstream value chain data when disclosing metrics in these sections of the sustainability statement:

- **E1 Climate change** – The [science-based target](#) for Scope 3 GHG emissions includes a 51.6% reduction of emissions from our value

chain per service subscription by 2030 in the following categories: purchased goods and services, capital goods and the use of sold products.

- **E5 Resource use and circular economy** – Device rental key performance indicators (KPIs) related to our downstream value chain.
- **S1 Own workforce** – Employee engagement level in BITÉ Group companies kept at no lower than 70%.
- **S2 Workers in the value chain** – Inclusion of the [Supplier Code of Conduct](#) in agreements and the purchase process; assessment of suppliers from risky countries.
- **S3 Affected communities** – Commitment to invest 1.5 million euros in projects to promote inclusion of people with disabilities.
- **S4 Consumers and end-users** – A net promoters score (NPS) for BITÉ Group customers of no less than 20%.
- **G1 Business conduct** – Zero tolerance for corruption: maintain the current level of 0 corruption cases.

BP-2 – Disclosures in relation to specific circumstances

BITÉ Group's companies follow standards approved by the European Standardization System. SIA Bite Latvija's operations are certified for the ISO9001 quality management standard and the ISO27001 information security, cybersecurity and privacy protection standard. SIA Bite Latvija and UAB Bite Lietuva both have earned ISO14001 certification for environmental management systems and ISO50001 certification for efficient energy management.

General Information

Value chain estimation

BITÉ Group believes that the highest risk of inaccuracy in estimation results relates to Scope 3 GHG emissions due to difficulties obtaining upstream and downstream value chain emissions data, and the timing of the availability of such data where it can be obtained directly from members of the value chain. In the previous sustainability report, Scope 3 emissions were calculated using the **GHG Protocol Scope 3 Evaluator** – a free entry-point for companies to make a rough approximation of their emissions across all 15 Scope 3 categories, according to the [Scope 3 Standard](#). Because the GHG Protocol Scope 3 Evaluator was decommissioned on 30 August 2023, a new reliable and auditable emission calculation tool was sought. On 23 November 2023, BITÉ Group concluded an agreement for the use of the [Sustainalyse](#) sustainability management platform. Historical Scope 1 and Scope 2 emission data was transferred to the new platform and recalculated with the newest available emission factors, resulting in a minor (-0.3%) deviation from the baseline approved by the SBTi. Scope 3 recalculation with the newest emission conversion factors from spend-based data by sector resulted in a significant 27% decrease in the Scope 3 baseline compared to the baseline approved by the SBTi. The recalculated baseline will be submitted for the SBTi's validation.



2. Governance

GOV-1 The role of the administrative, management and supervisory bodies

The Senior Management Team at BITÉ Group has full oversight of ESG-related risks and opportunities. The team's primary role is to develop, approve and update the organisation's purpose, value and mission statements, strategies, policies, and goals related to sustainable development. It is the responsibility of the Senior Management Team, the Audit Committee and the Supervisory Council, which oversees the organisation's due diligence and other processes, to identify and manage the group's impacts on the economy, the environment, and people. The Senior Management Team engages with and receives regular feedback from key stakeholders – customers, employees, suppliers, governments, society, and investors. The primary role of the governance bodies is to review the effectiveness of the group's processes on a regular basis. **Figure 3** depicts the BITÉ Group's organisation of governance with regard to sustainability matters.

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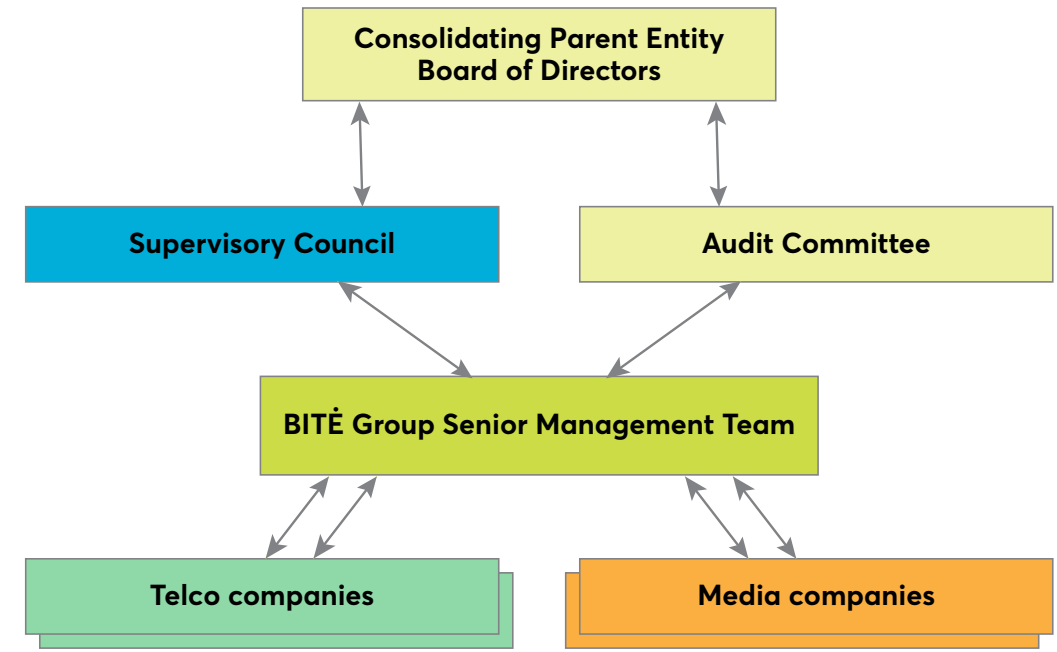


Figure 3. BITÉ Group's organisation of governance regarding sustainability matters

The Supervisory Council and the Audit Committee review economic, environmental, and social topics, including impact, risks and opportunities, at least annually. The Supervisory Council and the Audit Committee also review and approve the organisation's Sustainability Statement and ensure that all material topics are covered. BITÉ Group's Senior Management Team is involved in setting strategic ESG objectives as well as incorporating them into the daily routines of the managerial bodies and cascading them across the organisation.

Composition and diversity of the members of the Supervisory Council:

- (a) number of executive members – 1, non-executive members – 4;
- (b) there is no representation of employees or other workers;
- (d) gender - 20% of members are female, 80% are male;
- (e) independent non-executive members - 20%.

BITÉ Group has a strong Senior Management Team with over 100 years of combined experience. The Senior Management Team adheres to an entrepreneurial culture that drives innovation to cement our status as a sustainable customer-focused organisation. Nomination and selection of Senior Management is based on competencies relevant to the material impacts of the organisation, including the impacts associated with the BITÉ Group's strategic and technological development and knowledge of the material impacts, risks and



opportunities for products and services in our significant geographic locations. The expertise of Senior Management Team members on whom BITÉ Group relies to oversee sustainability matters is described in this sustainability statement in section **G1 - Business conduct**. In 2021, the group's management appointed a member of the Senior Management Team who is the CFO of BITÉ Group as the person responsible for ESG/sustainability strategy and also appointed an ESG Officer. The primary responsibility of the ESG Officer is to monitor the newest developments, standards, and regulations in the sustainability area, building knowledge through associations, industry bodies, events and peers, and sharing that knowledge with the Senior Management Team to foster a deep understanding of what keeps our organisation sustainable. The CFO of BITÉ Group is responsible for the funds necessary to gain access to the sources of expertise: specific experts, trainings and other educational initiatives to update and develop sustainability-related expertise within the group.

GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

BITÉ Group's management and supervisory bodies receive full information on overarching targets that in accordance with our double materiality assessment have the biggest impact on our operations from the sustainability perspective. The material sustainability targets are approved by the management and supervisory bodies of the group and disclosed in the following sections of the sustainability statement:

- **E1 Climate change** – information regarding the achievement of **science-based targets** in pursuit of the **Business Ambition for 1.5 °C** and our **net-zero commitment**.

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- **E5 Resource use and circular economy** – development of device rental KPIs and fulfilment of circular economy principles by minimising the negative environmental impact from electronic devices.
- **S1 Own workforce** – maintaining employee engagement within BITÉ Group companies at a level of at least 70%.
- **S2 Workers in the value chain** – supplier management and inclusion of the **Supplier Code of Conduct** into agreements and the purchase process; assessment of suppliers from risky countries.
- **S3 Affected communities** – approval of 1.5-million-euro investment and progress on projects for inclusion of people with disabilities.
- **S4 Consumers and end-users** – monitoring of NPS targets for BITÉ Group customers and specification of levels higher than 20% for different customer segments.
- **G1 Business conduct** – **whistleblowing system** and commitment to maintain the current level of zero corruption cases.

BITÉ Group's governance bodies ensure that an appropriate mechanism for performance monitoring is in place:

- Climate change targets are validated by **SBTi** and calculated in accordance with **GHG Protocol** standards; performance is tracked and reported annually.
- Financial KPIs such as device rental turnover and investments in projects to promote the inclusion of people with disabilities are included in the annual financial audit performed by **PWC**, the results of which are presented every year to the Audit Committee.

- Employee engagement surveys are conducted annually by an independent consulting company, **Kincentric**, and the results are presented to the governance bodies of each company.
- NPS scores for each customer segment are tracked by an independent research company and presented to the Senior Management Team on a quarterly basis.
- Possible misconduct can be reported by employees, customers and suppliers via a completely anonymous **whistleblowing system**. Responsible members of the Audit Committee have access to the whistleblowing portal and can inspect any reported case any time.
- All material topics for the BITÉ Group are disclosed in the annual sustainability statement which is approved by the governance bodies before publication.

GOV-3 – Integration of sustainability-related performance in incentive schemes

We have implemented a management incentive system which we believe provides our management team with strong incentives and motivation to maximise the value of our business over the long term. ESG targets, including the development of ESG policy, employee engagement and improved customer satisfaction as measured by the NPS indicator, are incorporated into the group's strategy and incentive system. We also have a broad performance-based management compensation system. The process for determining remuneration includes setting key performance indicators and measuring performance. Remuneration is dependent on the achievement of KPIs. The Remuneration Committee supervises the integration of ESG



targets into the remuneration schemes of senior executives and other employees. The BITÉ Group's commitment to science-based targets has facilitated the incorporation of our ESG priorities into the long-term incentive plan for executives. Targets include a specific greenhouse gas reduction goal linked to the 2030 target of reducing our emissions from the year 2020 baseline by at least 42%, envisaging a bonus pay-out for the achievement of a 5% annual decrease in GHG emissions. The Remuneration Committee approves and reviews the terms of incentive schemes for the Senior Management Team. The Senior Management Team approves the terms of incentive schemes for all other employees.

GOV-4 – Statement on due diligence

Due diligence is the process by which the BITÉ Group identifies, prevents, mitigates and accounts for how to address actual and potential negative impacts on the environment and people connected with our business. This includes negative impacts connected with our own operations and the upstream and downstream value chain, including our products and services as well as our business relationships. Due diligence is an on-going practice that triggers changes in the BITÉ Group's strategy, activities, business relationships, operations, sourcing and sales of connectivity and entertainment products and services. Our due diligence process is performed in accordance with the [UN Guiding Principles on Business and Human Rights](#) and [the OECD Guidelines for Multinational Enterprises](#) and is summarised in [Table 2](#).

General Information



Table 2. Core elements of the due diligence process

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy, and the business model	GOV-2 , GOV-3 , SBM-3
b) Engaging with affected stakeholders in all key steps of due diligence	GOV-2 , SBM-2 , IRO-1 , MDR-P , E1 , E5 , S1 , S2 , S3 , S4 , G1
c) Identifying and assessing adverse impacts	IRO-1 , SBM-3
d) Taking actions to address those adverse impacts	MDR-A , E1 , E5 , S1 , S2 , S3 , S4 , G1
e) Tracking the effectiveness of these efforts and communicating	MDR-M , MDR-T , E1 , E5 , S1 , S2 , S3 , S4 , G1

GOV-5 – Risk management and internal controls over sustainability reporting

Internal controls over sustainability reporting include the following main risk management and internal control processes and systems:

- The BITÉ Group's sustainability risks and opportunities were subjected to a double materiality assessment adhering to the principles listed in the ESRS, under the supervision of external consulting company [Vesta Consulting](#).
- The double materiality assessment included the identification of material risks and their attribution to the relevant internal functions and processes.
- The materiality assessment determined the type of information that is being monitored and disclosed on an annual basis in accordance with the ESRS.

- Annual financial and non-financial reporting cycles are aligned for all BITÉ Group business units and geographies and are supervised by the Audit Committee.
- The level of internal controls required for disclosure on each of the material topics is determined in keeping with the BITÉ Group's reporting principles – the information collected should be auditable and traceable and should contain references to the original sources.
- Key sustainability figures collected from the original sources are checked by financial analysts, comparing them to the financial reports, audited consolidated financial statements and other relevant sources of information.
- BITÉ Group GHG Emissions are entered into the auditable sustainability management platform [Sustainalyse](#).



- Targets for material topics are reported and reviewed by decision makers on a regular basis, at least annually, in keeping with processes for materiality assessment and strategic review.
- ESG is incorporated into the strategy and communicated via multiple internal communication channels, such as intranet, workplace notices, email, and presentations in management meetings, to ensure information reaches the relevant employees at all levels of the organisation.

The approval of BITÉ Group's Senior Management Team and Audit Committee is necessary before publishing sustainability statements on corporate websites such as www.bitegroup.net.

The BITÉ Group considers that the highest risk regarding the accuracy of estimates relates to Scope 3 GHG emissions. This is due to the low availability of data on upstream and downstream value chain emissions and the timing of the availability of such data when it can be obtained directly from value chain members. Thus this sustainability statement is being published in the 3rd quarter of 2024 when value chain members and external bodies, including but not limited to the [Association of Issuing Bodies](#), have issued the data required for emissions calculation for 2023.

3. Strategy

SBM-1 Strategy, business model and value chain

BITÉ Group strategic statement: The fastest-growing converged mobile, fixed internet, pay TV, and media services business in the Baltics, delivering high customer satisfaction, employee engagement, and returns to shareholders.

The BITÉ Group maps its significant activities in accordance with ESRS sectors on the basis that each accounts for more than 10% of the group's revenue and relates to actual material impacts of the group:

- ESRS sector group – **Technology**
- ESRS sector – **Media and Communication**
- ESRS sector code – **TMC**

BITÉ Group offers products and services in the following markets:

- Telco businesses in Lithuania and Latvia provide mobile and fixed telecommunication services and pay TV services to customers in **Lithuania, Latvia, and Estonia**.
- The media and content business includes media operations in Lithuania, Latvia, and Estonia, i.e., TV, commercial radio, streaming radio, video on demand, news and entertainment portals, and advertising as well as content production and distribution services.
- In addition to its primary businesses, the group sells a variety of equipment to support provision of the above-mentioned services to customers.

The cost structure and revenue of our business segments, in line with IFRS 8 disclosure requirements, is presented in the PLT VII FINANCE S.ā r.l. ANNUAL REPORT for the year 2023, published [here](#).

The BITÉ Group provides a variety of mobile services to private and business customers through its own front-line sales and care channels and its own infrastructure companies. The group's mobile business focuses on meeting growing demand in the region for high quality network experience by providing excellent customer service through retail companies that

distribute products and services and through separate companies that are responsible for the ownership, management, development and rental of towers and masts.

The group's fixed broadband and pay TV business includes fixed broadband internet services, ICT services and pay TV offerings through the Home3 satellite platform and the Go3 OTT streaming solution.

The group's media and content business includes TV, video on demand services, commercial radio, streaming radio, digital advertising, news and entertainment portals, advertising services across its own portfolio of media assets as well as via third-party channels, and digital production and distribution services.

The BITÉ Group is undertaking strategic initiatives to converge the technologies and services offered by the group of entities. This strategy results in (1) higher resource efficiency and increased sustainability, as reflected in this sustainability statement in section [E1 – Climate change](#), and (2) additional values for customers, increasing their satisfaction and NPS values, as described in section [S4 – Consumers and end-users](#).

Our **key business relationships** in the **upstream value chain** are with the suppliers in the following areas:

- Telecommunication network maintenance, modernisation and 5G roll-out,
- IP network infrastructure for telco and media services,
- Electronic equipment that the group sells to support connectivity and entertainment services,
- Entertainment and content services.



The key inputs into our value chain are: network infrastructure, spectrum licences, and hardware and software for network management systems and usage of our connectivity services. The indispensable partners are network equipment and terminal equipment suppliers, such as Ericsson, Nokia, Apple and Samsung, as well as content providers, integrators and application service providers. We constantly invest in infrastructure development and collaborate with technology vendors to ensure a quality of connectivity appropriate for the entertainment services. The downstream value chain consists of our physical outlets, online portals, telemarketing and customer care for providing connectivity services. For entertainment services, we use TV, video on demand services, commercial radio, streaming radio, digital advertising, news and entertainment portals, advertising services across our own portfolio of media assets as well as via third-party channels, and digital production and distribution services. The end-users of our connectivity and entertainment services are private and business customers in the three Baltic countries.

The BITÉ Group's assessment of **impacts, risks and opportunities** extends to our upstream and downstream value chain. In 2023, the BITÉ Group committed to reach a **net-zero target** by 2050. The target is based on the **SBTi Net-Zero Standard** for reducing GHG emissions at the pace and scale required by climate science. The **GHG Protocol** requires accounting for emissions throughout the value chain. Based on calculations in line with the **GHG Protocol**, the majority of GHG emissions occur in the group's upstream value chain. These Scope 3 emissions are generated by suppliers in the manufacturing sector which produce end-user appliances and infrastructure for telco and media services. In

the near term, the BITÉ Group is committed to reducing Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription by the year 2030.

In pursuit of the **Business Ambition for 1.5°C** and our **net-zero commitment**, the group has already begun coordinating actions throughout the value chain to promote mitigation by requiring renewable energy certificates and the collection of information on emissions, and to promote responsible and ethical behaviour through the principles in our **Supplier Code of Conduct**. Any misconduct can be reported via our **whistleblowing system**. The system has been integrated into our corporate websites across the Baltics and upgraded to a progressive web app that is adaptive to mobile devices. This enables convenient and completely anonymous communication of concerns in the local languages as well as in English.

Network modernisation and deployment of new technologies together with our key suppliers provides opportunities to reduce our carbon footprint and achieve the **science-based targets** for halving GHG emissions by 2030 and reducing them across the value chain to net zero by 2050.

The materiality assessment performed by the BITÉ Group in line with ESRS 1 chapter 3, includes the risks and opportunities related to the value chain. The material aspects are already incorporated into our strategy.

SBM-2 – Interests and views of stakeholders

The BITÉ Group has adopted a stakeholder-based approach to sustainability to guide the management of its opportunities and risks. This approach better ensures that we generate

and sustain value for stakeholders, effectively manage risks, and steer our strategic objectives towards achieving more successful outcomes. Our key stakeholders are the individuals, groups and organisations that have an interest in or are affected by the activities and decisions of the group. The key stakeholders were prioritised during our double materiality assessment process and are presented in **Table 3**.

Table 3. Key stakeholders of the BITÉ Group

Key stakeholders	
1	Customers
2	Employees
3	Investors
4	Suppliers and business partners
5	Society

Our double materiality assessment process reflected the significant impacts of the Group that can substantially influence the decisions of our stakeholders. The views and interests of key stakeholders, expressed as part of our engagement through established due diligence processes, are crucial to our strategy and business model. Regular engagement with stakeholders ensures that the BITÉ Group operates responsibly and sustainably. The group is committed to communicating regularly and building positive relationships with key stakeholders. We see such relationships as a solid basis for sustainable business operations. We regularly monitor and engage with our key stakeholder groups to ensure that our sustainability strategy is aligned with their expectations. Interactions with the BITÉ Group's key stakeholders are summarised in **Table 4**.

Table 4. Interactions with the BITÉ Group's key stakeholders

Key stakeholder	Interactions	Interest incorporated into strategy	Paragraphs in the sustainability statement
Customers	<ul style="list-style-type: none"> • Call centres • Outlets • Websites • E-shops • Apps • E-mail • Chat • Social media • Regular Measurement of NPS 	NPS (Net Promoter Score) not lower than 20%	S4 Consumers and end-users
Employees	<ul style="list-style-type: none"> • Workplace • Newsletters and electronic communication • Regular management team meetings • B Team elected to represent employees receives concerns and ideas for improvement • Whistleblowing hotline • Employee engagement survey 	Employee engagement level of at least 70%	S1 Own workforce
Investors	<ul style="list-style-type: none"> • Investor relations website • Investor Calls • Investor meetings and roadshows 	<ul style="list-style-type: none"> • Returns to shareholders • Science-based targets achievement pursuing the Business Ambition for 1.5 °C and a net-zero commitment. • Zero tolerance for corruption: maintain whistleblowing system and current level of 0 corruption cases. 	E1 Climate change G1 Business conduct
Suppliers and business partners	<ul style="list-style-type: none"> • Tenders • Requests for proposals • Negotiations • Supplier assessments 	<ul style="list-style-type: none"> • Zero tolerance for corruption • Supplier management and inclusion of Supplier Code of Conduct into agreements and purchase process; assessment of suppliers from risky countries • Development of device rental KPIs 	G1 Business conduct S2 Workers in the value chain E5 Resource use and circular economy
Society	<ul style="list-style-type: none"> • Community interaction via support launched for people with disabilities • Participation in forums and working groups 	CSR – 1.5-million-euro investment in projects to promote inclusion of people with disabilities.	S3 Affected communities

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and the business model

This disclosure aggregates groups of material **impacts**, **risks** and **opportunities** according to the **topical ESRS standards**. We consider that such grouping provides a relevant overview and does not obscure material information. The overview of material impacts, risks and opportunities and their interaction with strategy is summarised in **Table 5**.

Table 5. Material impacts, risks and opportunities and their interaction with strategy

Topical ESRS	Material impact	Material risks and opportunities	Interaction with strategy
<u>E1 Climate change</u>	Use of non-renewable energy in the telco network where connectivity to a PPA electricity provider is not available, and at data centres, offices and studios during content production generates emissions contributing to climate change (Scope 1 and 2) Emissions generated in the value chain (products and services provided to the BITÉ Group) contribute to climate change (Scope 3)	Risk: failure to align with society's transition to a low-carbon economy and failure to carefully manage our own transition may result in an irreversible negative impact on the environment and financial losses due to higher borrowing costs and consumer decisions to refuse unsustainable products and services. There are opportunities to reduce our carbon footprint and achieve science-based targets by converging networks and systems, continuous performance optimisation, engagement with key suppliers in emission-intensive areas such as network modernisation and deployment of new technologies, smart solutions, IoT, and ICT products.	Science-based targets pursuing the Business Ambition for 1.5 °C and a net-zero commitment : <ul style="list-style-type: none"> • The BITÉ Group has committed to reducing absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year. • The BITÉ Group has also committed to reducing Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription within the same timeframe. • The BITE Group has committed to the long-term science-based target of net-zero value chain GHG emissions by 2050.
<u>E5 Resource use and circular economy</u>	Use of non-circular electronic and ICT equipment contributes to waste generation and landfill issues, impacting waters, biodiversity, air quality and climate change.	Risk: failure to promote a circular economy and manage circularity in our own operations. Opportunity: new revenue streams from device rental services, take-back programmes and sales of refurbished devices.	Development of device rental KPIs.
<u>S1 Own workforce</u>	Working conditions (e.g. corporate culture, employee empowerment, inclusion, leader support) affect employees' engagement, motivation and commitment to perform high-quality work and contribute to company success.	Risk: failure to provide an engaging culture or secure and flexible working conditions that support employees' good mental health and wellbeing may result in poor company performance. Opportunity: create a dynamic, safe, and attractive workplace that promotes growth, fairness and well-being and rewards talent.	Maintain a 70% employee engagement level with: <ul style="list-style-type: none"> • An entrepreneurial mindset, flat structure, and high employee empowerment • A culture that is lively and engaging, empowering, and rewards growth. • A performance-based management incentive system.

	Material impact	Material risks and opportunities	Interaction with strategy
<u>S2 Workers in the value chain</u>	Unsafe working conditions, disrespect for human rights, exploitation of workers and/or child labour may cause disruptions in our value chain or lead consumers to prefer services that are more ethically and sustainably sourced.	Risks linked to unsafe working conditions in sourcing locations may disrupt our value chain. Opportunity: preference for suppliers that ensure employees' safety and security can ensure a more sustainable supply chain.	Supplier management and inclusion of the <u>Supplier Code of Conduct</u> in agreements and the purchase process; assessment of suppliers from risky countries.
<u>S3 Affected communities</u>	CSR programmes on social issues, human rights, diversity, and equality help shift of societal norms towards a more accepting and tolerant society and enhance the reputation of the BITÉ Group as a socially responsible business.	Risk: inability to meet affected communities' expectations and failure to help address important social issues may harm the group by giving it a reputation as socially irresponsible. Opportunities: support projects for inclusion of people with disabilities; develop technology-driven solutions to help reach and include customers with differing physical abilities.	CSR direction: 1.5-million-euro investment and focus on projects for greater inclusion of people with disabilities, empowering them to achieve remarkable results.
<u>S4 Consumers and end-users</u>	Customers' loyalty, continuous use of our products and services, and likelihood of recommending BITÉ Group as a sustainable business deliver great value to the group.	Risk: failure to offer sustainable products and services may affect consumer purchasing decisions. Opportunity: offer products that enhance customers' own sustainability.	Monitoring of NPS targets for BITÉ Group customers with target levels of more than 20% for specific customer segments.
<u>G1 Business conduct</u>	Preventing corruption, fraud and conflict of interest protects the stakeholders' interests, preventing economic harm and distortions of the BITÉ Group's activity.	Risk: failing to detect, address, and prevent unethical business practices. Opportunities: ensure compliance and proper business conduct through anti-corruption efforts, maintain ethical standards, train staff, ensure fair remuneration, and be transparent with stakeholders.	Commitment to maintain the <u>whistleblowing system</u> and the current level of zero corruption cases.



4. Impact, risk and opportunity management

IRO-1 - Description of the process for identifying and assessing material impacts, risks and opportunities

In 2023, the BITÉ Group reassessed its material topics in the light of CSRD requirements. The group's Telco companies and stakeholders were involved extensively in the materiality assessment reported in the group's previous sustainability reports, which was carried out under the supervision of the external consulting company [Vesta Consulting](#). In 2023, a double materiality assessment of the group's media companies was performed with the same external consultants. That separate assessment of the media side of the BITÉ Group was conducted to consider the specific circumstances of material matters in the area and assess the need for entity-specific disclosures on impacts, risks, and opportunities. In their materiality assessment, the media companies considered the list of topical sustainability matters covered in the ESRS. The methodology for the assessment of material topics in the group's media companies served as a basis to develop a consolidated approach for the BITÉ Group to reassess its material topics in keeping with the double materiality principles set out in the ESRS.

The process of identifying impacts, risks, and opportunities and assessing which ones are material involved sustainability experts and Senior Management Team members from the BITÉ Group with knowledge of the key stakeholder information obtained via the interaction processes listed in [Table 4](#), as well as knowledge of the group's activities, business relationships, geographies and other factors giving rise to heightened risk of adverse impacts with financial effects.

The process of identifying, assessing, prioritising and monitoring the BITÉ Group's potential and actual impacts on people and the environment took place in the following stages:

- Stakeholder assessment - identification and prioritisation of key stakeholders.
- Double materiality assessment I - identification of material impacts.
- Double materiality assessment II - evaluation of risks and opportunities.
- Definition of targets - aims, objectives, key performance indicators (KPIs) and recommended timelines and policies.

BITÉ Group experts and Senior Management Team members deemed a sustainability matter material from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the group. Also considered was whether a sustainability matter generates risks or opportunities that have a material influence or could reasonably be expected to have a material influence, on the business's development, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long term. In the evaluation process, sustainability matters were not limited to those within the control of the group but also included risks and opportunities attributable to business relationships beyond the scope of equity ownership control. During the process, the experts considered dependencies on human and social resources that may affect the group's ability to continue successful business operations.

Impacts were prioritised based on their relative severity and likelihood in accordance with ESRS 1 section 3.4. Which sustainability matters are material for reporting purposes was determined based on the relative scale, scope, and likelihood of each impact. A five-point scale was used to rate the extent of an impact on territory and people, the scale of violations, and remediability in terms of resources and time. An impact was considered material if it accumulated 6 or more points. Financial impact was evaluated based on its likelihood on a four-point scale, with the probability ranging from 25% to 75% and the financial effect on EBIT ranging from 5% to 30%. An impact is considered material and must be prioritised and reported if it accumulates 3 points. Note that impacts which are material to the BITÉ Group's activities are regularly monitored through formal due diligence processes and KPIs. The group constantly seeks to seize opportunities and minimise material risks. The BITÉ Group conducts annual reviews, engages with stakeholders, and updates its strategy to reflect how material impacts adapt to the evolving connectivity and media landscape within the Baltic markets. The process of double materiality assessment helped to attribute impacts, risks and opportunities to the relevant ESRS topics and structure the sustainability statement according to CSRD requirements.

IRO-2 – Disclosure requirements in ESRS covered by the sustainability statement

As there are no significant variations of material impacts, risks, and opportunities across the three Baltic countries, we present aggregated information on impacts, risks, and opportunities for the BITĖ Group. Note that the group's mobile networks operate in Latvia and Lithuania, thus in Estonia its carbon footprint is comparatively small. However, we deem that the impact on climate cannot be immaterial and so equally prioritise it in all group entities. As per the ESRS sector classification, the group operates in only

the Media and Communication sector (ESRS sector code – TMC). Consequently, information is not disaggregated for the telco and media sectors. The BITĖ Group is presenting its sustainability statement at a consolidated level, thus the assessment of material impacts, risks and opportunities was performed for the entire consolidated group. This ensures that all subsidiaries are covered in a way that allows for unbiased identification of material impacts, risks and opportunities. The list of the Disclosure Requirements complied with in preparing the sustainability statement is presented in **Table 6**.

Table 6. ESRS disclosure requirements covered by the sustainability statement

Main parts of the statement	ESRS codification	Disclosure requirements
General information	ESRS 2	General disclosures
Environment	ESRS E1	E1 Climate change
	ESRS E2	E2 Pollution – not material
	ESRS E3	E3 Water and marine resources – not material
	ESRS E4	E4 Biodiversity and ecosystems – not material
	ESRS E5	E5 Resource use and circular economy
Social	ESRS S1	S1 Own workforce
	ESRS S2	S2 Workers in the value chain
	ESRS S3	S3 Affected communities
	ESRS S4	S4 Consumers and end-users
Governance	ESRS G1	G1 Business conduct



Table 35, which can be found in the Indexes of this sustainability statement, shows all the datapoints that derive from other EU legislation as listed in Appendix B of the ESRS 2 standard, indicating where they can be found in the sustainability statement and including those that BITĖ Group has assessed as not material.

MDR-P – Policies for managing material sustainability matters

The BITĖ Group has adopted several key policies across all the entities it controls in Lithuania, Latvia and Estonia to prevent, mitigate and remedy actual and potential material impacts, to address material risks, and to pursue material opportunities. Given the interdependency between impacts on people and the environment, risks, and opportunities, some of the policies apply to several material sustainability matters involving more than one topical ESRS. The group policies that are applicable across all controlled entities are presented in **Table 7**. The topical ESRS addressed by a policy indicates which material impacts, risks and/or opportunities the policy relates to.

Table 7. BITĖ Group policies addressing material ESRS topics

Policy	Description	Topical ESRS addressed by the policy
<u>BITĖ Group Code of Conduct</u>	Sets out the principles for putting the BITĖ Group's values and standards into practice. We expect all our employees to act in a fair and ethical way and to look out for each other and the environment on an everyday basis.	<u>S1 Own workforce</u> <u>G1 Business conduct</u> <u>E1 Climate change</u> <u>S3 Affected communities</u> <u>S2 Workers in the value chain</u> <u>S4 Consumers and end-users</u>
<u>Supplier Code of Conduct</u>	Sets out the principles according to which we expect our suppliers to act (noting they may also follow their own similar, equivalent principles and standards). The principles included relate to human and labour rights, occupational health and safety, the environment, and business ethics.	<u>S2 Workers in the value chain</u> <u>E1 Climate change</u>
<u>Transparency Policy</u>	Sets out measures for countering fraud, corruption, theft, and conflicts of interests. All BITĖ Group employees must commit to complying with the principles laid down in this policy.	<u>G1 Business conduct</u>
<u>Conflict of Interests Policy</u>	Regulates situations where BITĖ Group employees must take a decision or carry out an assignment related to their private interests while carrying out their work duties or assigned task.	<u>G1 Business conduct</u> <u>S1 Own workforce</u>
<u>Sanctions Policy</u>	Sets out the procedures for identifying, evaluating and mitigating the risk of a violation of applicable legal acts regarding sanctions, and provides guidance on the principles for screening vendors and business customers.	<u>G1 Business conduct</u> <u>S2 Workers in the value chain</u>
<u>Fair Competition Policy</u>	Strictly prohibits any discussions with competitors or actions to agree on prices for services or products, coordinate marketing actions, or do anything of that nature which may impact the market in any way.	<u>G1 Business conduct</u> <u>S1 Own workforce</u> <u>S2 Workers in the value chain</u>

Policy	Description	Topical ESRS addressed by the policy
Equal Opportunity Policy	Prohibits direct and indirect discrimination, harassment, and sexual harassment, including discrimination on the basis of gender, race, nationality, language, origin, social status, age, sexual orientation, gender identity, disability, ethnicity, or membership in a political party or an association as matters unrelated to the requirements for employees.	G1 Business conduct S1 Own workforce
Privacy Policies	Each entity of the BITÉ Group describes its approach to personal data protection and the exercise of related rights.	G1 Business conduct S1 Own workforce S4 Consumers and end-users
Information Security Policy	Describes the general principles for managing information security in the BITÉ Group's companies.	G1 Business conduct S1 Own workforce S2 Workers in the value chain S4 Consumers and end-users

These policies are supervised by relevant members of BITÉ Group's Senior Management Team who are accountable for the implementation of the policies.

The policies are based on internationally recognised third-party standards and initiatives that the BITÉ Group has committed to respect:

- The [BITÉ Group Code of Conduct, Supplier Code of Conduct](#) and Equal Opportunity Policy demonstrate our commitment to respect internationally recognised human rights. Internationally recognised human rights are generally understood to be the human rights contained in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), coupled with the

principles concerning fundamental rights in the eight core conventions of the International Labour Organisation (ILO) as set out in the Declaration on Fundamental Principles and Rights at Work. The policies reaffirm our commitment to the principles of the [UN Global Compact](#) in our short and medium-term strategic priorities for contributing to sustainable development in our controlled entities as well as in our upstream and downstream value chain.

- The Fair Competition Policy, governed by the [Competition Policy of the European Commission](#), applies to our controlled entities as well as the upstream and downstream value chain. Incidents can be reported via the group's anonymous whistleblowing system.
- The Transparency Policy ensures compliance with the [European Union's Directive for the Protection of Persons Reporting on Breaches of Union Law](#), otherwise known

as the EU Whistleblower Directive. Anyone from our controlled entities or upstream and downstream value chain can report issues via a completely anonymous [whistleblowing system](#).

- The Sanctions Policy, based on the EU's [Guidelines on Implementation and Evaluation of Restrictive Measures \(Sanctions\) in the Framework of the EU Common Foreign and Security Policy](#) and the [United Nations Security Council Policy on Sanctions](#), is applicable to our controlled entities as well as the upstream and downstream value chain.
- The privacy and information security policies ensure compliance with the [General Data Protection Regulation \(GDPR\)](#) and protection of the privacy and security of our customers and employees. The information security policy is based on the [ISO27001 standard](#). These policies are applicable to the auxiliary data processors in our value chain.

Separate entities of the BITÉ Group have policies of their own on sustainability matters. For example, Bite Lietuva has adopted a policy on anti-mobbing (psychological violence management). Bite Lietuva and Bite Latvija have implemented energy efficiency management policies based on the ISO50001 standard and environmental management systems ISO14001 standard. The BITÉ Group is currently developing a Sustainability Policy for ensuring compliance with the European Commission's corporate sustainability reporting standards. This policy is planned to be finalised and adopted in 2024.

MDR-A – Actions and resources in relation to material sustainability matters

Key actions that materially contribute to achieving the BITÉ Group's objectives in addressing material impacts, risks and opportunities are aggregated at the group level and presented for each topical ESRS in **Table 8**.

Table 8. Actions and resources in relation to material sustainability matters

Topical ESRS	Key actions and resources
E1 Climate change	<ul style="list-style-type: none"> • 100% of energy purchased via PPA is renewable • The use of non-renewable energy where connectivity to a PPA provider is not available is covered by GO (Guarantees of Origin) renewable energy certificates (required OpEx included in budget) • Converging networks and systems • Continuous performance optimisation • Engagement with key suppliers in the emission-intensive areas of network modernisation and deployment of new technologies. CapEx investment in 2023 of 62 million euros. • Smart solutions, IoT, ICT products to reduce carbon footprint • Achieved CDP (carbon disclosure project) rating of B, as taking coordinated action on climate issues, in CDP SCORE REPORT - CLIMATE CHANGE 2023 • Achieved CDP rating of B-, as taking coordinated action on supplier engagement issues, in CDP SUPPLIER ENGAGEMENT RATING REPORT 2023
E5 Resource use and circular economy	<ul style="list-style-type: none"> • Expansion of device rental services. Participation in take-back programmes. Sales of refurbished devices. • Recycling of used electronic equipment

Topical ESRS	Key actions and resources
<u>S1 Own workforce</u>	<ul style="list-style-type: none"> • Conducted employee engagement survey and implemented a number of actions to ensure a dynamic, safe, and attractive workplace that promotes growth, fairness and well-being and rewards talent. • Continued talent and mentoring programs • Teambuilding activities • Travel abroad with colleagues • 2023 HR Brilliance Awards (London, UK): <ul style="list-style-type: none"> - for Diversity & Inclusion (Silver) - for Recruitment & Retention (Silver) • Bite Latvija recognised as one of the world's "Top 50 Inspiring Workplaces" in 2023
<u>S2 Workers in the value chain</u>	<ul style="list-style-type: none"> • Supplier management in accordance with the Supplier Code of Conduct
<u>S3 Affected communities</u>	<ul style="list-style-type: none"> • New CSR direction focused on empowering people with disabilities to achieve remarkable results • Signed four-year partnership with Paralympic Committees in Latvia and Lithuania • 1.5-million-euro investment over 4 years to increase social inclusion of people with disabilities through awareness of their achievements in professional and non-professional sports
<u>S4 Consumers and end-users</u>	<ul style="list-style-type: none"> • Monitoring of NPS and initiatives to improve the score • New customer service guidelines for the organisation • "Happy Because Grateful" campaign to promote customer appreciation for good service • Expanding PROFAS services to all our outlets and digital channels • 5G free trials for customers with compatible devices
<u>G1 Business conduct</u>	<ul style="list-style-type: none"> • Transparency policy revised to reflect situation after restructuring and cover all needed entities • As of December 2023, the group's Estonian companies introduced a fully anonymous Whistleblower system. • Whistleblower system was upgraded to Progressive Web App adaptive to mobile devices, which provides much more freedom in communicating critical concerns. • Local languages (Estonian, Latvian and Lithuanian) were added to the English IVR hotline. • Participated in UN Global Compact early adopters programme to issue Communication on Progress Report • Winner of the 2023 PR Impact Award for Leadership Communication.

The BITÉ Group plans to invest adequate financial resources in continuing the actions listed in [Table 8](#) to achieve the mid-term targets described in the next section of this sustainability statement.

5. Metrics and targets

MDR-M – Metrics in relation to material sustainability matters

The metrics that BITÉ Group uses to track the effectiveness of its actions to manage material sustainability matters are presented in **Table 9**.

Table 9. BITÉ Group metrics

Topical ESRS	Metrics
E1 Climate change	<p>Science-based targets set in pursuit of the Business Ambition for 1.5 °C and net-zero commitment. Emission reduction targets validated by the SBTi. GHG emissions measured in accordance with the GHG Protocol. Absolute emission reduction for Scope 1 and 2 GHG emissions and intensity-based reduction per subscription for Scope 3 emissions from purchased goods and services, capital goods and the use of sold products per service subscription; measured relative to 2020 base year; to be reached by 2030. Metrics tracked in the auditable sustainability management platform Sustainalyse. In 2023, the BITÉ Group committed to setting long-term science-based targets to reach net-zero value chain GHG emissions by no later than 2050 in accordance with the SBTi Net-Zero Standard.</p>
E5 Resource use and circular economy	Device rental KPIs based on audited financial data from the consolidated financial statements – turnover from rental services in euros.
S1 Own workforce	Employee engagement as measured by an independent consulting company, KINCENTRIC , which uses the same methodology across all companies worldwide.
S2 Workers in the value chain	Supplier management and inclusion of the Supplier Code of Conduct into agreements and the purchase process, measured by the number of suppliers who comply with the code. Assessment of suppliers from risky countries: automatic scanning of negative information and due-diligence through self-assessment questionnaires developed based on the principles in the UN Global Compact and the SDGs .
S3 Affected communities	CSR direction: a 1.5-million-euro investment and focus on projects to promote the inclusion of people with disabilities, measured in euros on the basis of audited financial data.
S4 Consumers and end-users	Net Promoter Score (NPS): a customer experience metric that measures loyalty and is predictive of business growth. The methodology was developed by Fred Reichheld in 2003 after analysing how traditional customer satisfaction survey questions correlate to consumer behaviour and is now utilised worldwide. NPS is calculated by asking an initial survey question on a 0–10 rating scale: "How likely are you to recommend [company] to a [friend or colleague]?" Then the accumulated ratings are graded as one number between -100 and 100. This number expresses how customers perceive a company.
G1 Business conduct	Number of cases received through the anonymous and easily accessible whistleblowing system that correspond to the terms set out in our Transparency Policy .

Targets MDR-T – Tracking effectiveness of policies and actions through targets

The information on progress made towards achieving BITĖ Group's targets is presented in **Table 10**, which includes information on the baseline and target values and performance over prior periods.

Table 10. BITĖ Group targets

Topical ESRS	Target	Target achievement
<u>E1 Climate change</u>	Science-based targets achievement pursuing the Business Ambition for 1.5 °C and a net-zero commitment : <ul style="list-style-type: none"> BITĖ Group commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from the 2020 base year. BITĖ Group also commits to reduce Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription within the same timeframe. BITĖ Group commits to set long-term science-based targets to reach net-zero value chain GHG emissions by no later than 2050. 	Targets achieved in line with the requirements of the Science Based Targets initiative (SBTi) and the Business Ambition for 1.5°C: <ul style="list-style-type: none"> absolute Scope 1 and 2 GHG emissions in 2023 decreased by 12% from 2022 and by 33% from the 2020 base year. Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products decreased by 4% per service subscription from 2022 and by 27% from the 2020 base year.
<u>E5 Resource use and circular economy</u>	Ten-fold growth of device rental revenue in 3 years, i.e. from 200,000 euros in 2023 to 2 million euros in 2026	<ul style="list-style-type: none"> Target was not yet set in 2022.
<u>S1 Own workforce</u>	Employee engagement level – 70%	<ul style="list-style-type: none"> Target was not yet set in 2022. 69% achieved in Lithuania Telco in 2023.
<u>S2 Workers in the value chain</u>	Supplier management and inclusion of the Supplier Code of Conduct into agreements and the purchase process; assessment of suppliers from risky countries.	<ul style="list-style-type: none"> Target was not yet set in 2022.
<u>S3 Affected communities</u>	CSR direction: a 1.5-million-euro investment and focus on projects for the inclusion of people with disabilities, empowering them to achieve remarkable results.	<ul style="list-style-type: none"> Target was not yet set in 2022.
<u>S4 Consumers and end-users</u>	NPS targets for BITĖ Group customers specifying levels higher than 20% for the different customer segments.	<ul style="list-style-type: none"> Target was not yet set in 2022. Target achieved in Lithuania Telco in 2023.
<u>G1 Business conduct</u>	Commitment to maintain the whistleblowing system and current level of zero corruption cases.	<ul style="list-style-type: none"> Target achieved: zero corruption cases in 2023.

A painting of a white swan with a golden crown on its head. The swan is facing right, and its neck is curved. The background is a bright blue sky with white clouds. In the foreground, there are two figures with long dark hair, wearing green tops, looking up at the swan. The word "Environment" is written in white text across the middle of the image, enclosed in a white rectangular box.

Environment

EU Taxonomy

The BITÉ Group is voluntarily disclosing non-financial information because our investors' expectations are influenced by the Sustainable Finance package which enables the EU Green Deal by directing private investment to a climate-neutral economy. The Sustainable Finance package includes the EU Taxonomy, which provides clarification around the economic activities that most contribute to meeting the EU's environmental objectives. We see a risk that the list of activities does not contain telecommunications and may mislead potential investors. Not aligning with the EU Taxonomy can limit access to capital and credit.

We have reviewed the EU Taxonomy list of activities for climate mitigation and adaptation and concluded that the following activities attributed to the Information and Communication sector are relevant for the BITÉ Group:

- Data processing, hosting and related activities
- Data-driven solutions for GHG emissions reductions
- Computer programming, consultancy and related activities
- Programming and broadcasting activities

These activities represent 31% of the BITÉ Group's turnover. The proportion is relatively low because most turnover is related to telecommunications and is not included in the sectors covered by the EU Taxonomy. Following the European Commission's explanation that **computer programming, consultancy, and related activities are classified as adaptation activities**, their turnover cannot be recognised for Taxonomy-eligibility or alignment. Consequently, the turnover was recalculated, resulting in a total turnover decrease to 28.31%.

Data-driven solutions for GHG emissions reductions are not quantified in our accounting at the moment but are considered as a potential future activity significantly contributing to climate mitigation. The activities are associated with NACE code J63.1.1, NACE code J62 and NACE code J60 according to the statistical classification of economic activities established by Regulation (EC) No 1893/2006. **Table 11** presents the amounts and proportions of turnover, OpEx and CapEx related to those activities in 2023.



Table 11. Proportion of Taxonomy-eligible economic activities in total turnover, CapEx and OpEx in 2023

Data processing, hosting and related activities	Taxonomy-eligible economic activities (euros)	Proportion of Taxonomy-eligible economic activities
Turnover	671,000	0.12%
Capital expenditure (CapEx)	125,471	0.20%
Operating expenditure (OpEx)	474,707	0.13%

Computer programming, consultancy and related activities	Taxonomy-eligible economic activities (euros)	Proportion of Taxonomy-eligible economic activities
Turnover	-	0.00%
Capital expenditure (CapEx)	2,819,702	4.53%
Operating expenditure (OpEx)	10,668,010	2.90%

Programming and broadcasting activities	Taxonomy-eligible economic activities (euros)	Proportion of Taxonomy-eligible economic activities
Turnover	158,980,145	28.19%
Capital expenditure (CapEx)	4,919,382	7.91%
Operating expenditure (OpEx)	115,601,567	31.37%

Total of Taxonomy-eligible economic activities	Taxonomy-eligible economic activities (euros)	Proportion of Taxonomy-eligible economic activities
Turnover	159,651,145	28.31%
Capital expenditure (CapEx)	7,864,555	12.65%
Operating expenditure (OpEx)	126,744,284	34.40%



The physical climate risks that are material to the activities were identified from those listed in the EU Taxonomy by performing a climate change risk and vulnerability assessment. The BITÉ Group's activities are expected to have a lifetime longer than 10 years. We selected the Net Zero Emissions by 2050 Scenario (NZE). The NZE Scenario is a normative International Energy Agency (IEA) scenario that shows a pathway to achieve net zero CO₂ emissions by 2050. The scenario also meets key energy-related United Nations Sustainable Development Goals and secures improvements in air quality. The BITÉ Group chose this transition scenario because it is consistent with limiting the global temperature rise to 1.5°C. The group is already committed to the 1.5°C initiative and has set targets validated by the SBTi. The IPCC's Sixth Assessment Report on Mitigation of Climate Change assessed a large number of scenarios that led to at least a 50% chance of limiting the temperature rise to 1.5°C in 2100. The NZE Scenario trajectory is well within the envelope of these scenarios. In 2023, the BITÉ Group committed to reach net zero emissions by 2050 and the SBTi confirmed our commitment to the [SBTi Net-Zero Standard](#) to reduce GHG emissions at the pace and scale required by climate science.

We take a consistent approach to addressing risks, impacts and regulatory compliance through our environmental management actions. The assessment of adaptation solutions that can reduce the identified physical climate risks, such as damage from floods or fire, has been included in disaster recovery plans. Resources are foreseen for

developing geo-redundant back-up facilities for data centres and media services along with reserves of critical infrastructure parts.

Eligible EU Taxonomy activities were assessed using the following technical screening criteria for substantial contribution to climate change adaptation:

- Physical climate risks are material to the activity.
- Assessment uses climate projections in line with the IPCC reports which are consistent with the expected lifetime of the activity.
- Adaptation solutions implemented for the activity, such as geo-redundancy, back-ups, and technical measures for high availability, substantially reduce the key physical climate risks. These adaptation solutions do not adversely affect other economic activities and they favour nature-based solutions, such as the use of renewable energy, in line with national adaptation plans. However, pre-defined indicators are not directly attributed to the Taxonomy-eligible activities. To some extent, pre-defined indicators may be applicable through ISO standards. Both BITÉ Group Telco companies are ISO14001-certified, and energy efficiency management is also certified under ISO50001.

'Do no significant harm' analysis showed that, in terms of climate change mitigation, newly opened data centres follow the relevant practices listed in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency. However, older data centres cannot be assigned the maximum values under that code.

All EU Taxonomy-eligible activities at the BITÉ Group comply with the criteria for sustainable use and protection of water and marine resources, as use of water is immaterial and is obtained from the public system in the Baltics, where no water stress problems have been identified.

The equipment used at newly opened data centres meets the requirements laid down in Directive 2009/125/EC for servers and data storage products and does not contain the restricted substances listed in Annex II to Directive 2011/65/EU. However, older data centres need to upgrade some servers and data storage products.

A waste management plan is in place and ensures maximal recycling of electrical and electronic equipment at end of life, including contractual agreements with recycling partners. At end of life, equipment undergoes preparation for recycling, including the removal of all fluids and selective treatment according to Annex VII to Directive 2012/19/EU.

All BITÉ Group activities listed in the EU Taxonomy adhere to the Guiding Principles on Business and Human Rights and meet the 'do no significant harm' criteria.

The BITÉ Group carried out an **assessment of minimum safeguards compliance** in the following areas:

Human rights:

- The group has put in place an adequate human rights due diligence (HRDD) process as outlined in the UN Guiding Principles (UNGPs) and the OECD Guidelines for Multinational Enterprises.



- There are no signs that the group abuses human rights. BITÉ companies have never been found in breach of labour law or human rights and they regularly engage with stakeholders.

Corruption:

- The group has anti-corruption processes in place.
- The group and its senior management, including subsidiaries' senior management, have never been convicted for corruption.

Taxation:

- The BITÉ Group treats tax governance and compliance as important elements of oversight and has adequate tax risk management strategies and processes in place.
- The group and its subsidiaries have not been found to have violated any tax laws.

Fair competition:

- The group promotes employee awareness of the importance of compliance with all applicable competition laws and regulations.
- The BITÉ Group and its senior management, including subsidiaries' senior management, have never been found to be in violation of competition laws.

We consider that about 28% of the BITÉ Group's turnover should be Taxonomy-aligned. The details on EU taxonomy KPIs are presented in [Annex 1](#). However, the eligibility figures capture only the percentage of the group's business linked to activities for which the EU Taxonomy has established sustainability criteria. This percentage does not reflect the overall sustainability of the BITÉ Group's business, but rather the degree of coverage of the business under the activities proposed in the EU Taxonomy.



E1 Climate Change

The climate change disclosures cover all entities controlled by the parent company, including telco companies in Lithuania and Latvia fully controlled by the BITĖ Group through equity stakes, media companies in Lithuania, Latvia and Estonia fully controlled by All Media Group through equity stakes, and Teletower in Lithuania and Latvia. The [GHG Protocol](#) calculation tool shows that the majority of GHG emissions occur in the group's upstream value chain and relate to Scope 3 emissions generated by suppliers in the industrial sector producing end-user appliances and infrastructure for telco and media services. Thus, climate change disclosures cover the upstream and downstream value chain of BITĖ Group suppliers and partners.

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

The BITĖ Group's climate-related considerations are factored into the remuneration of Senior Management Team members. Their performance is assessed against the GHG emission reduction targets reported under Disclosure Requirement E1-4. The percentage of remuneration linked to climate-related considerations which is recognised in the current period is 15% of the annual bonus. The climate considerations relate to achieving absolute emission reduction science-based targets for Scope 1 and Scope 2 emissions to align with a 1.5 °C trajectory. The group has committed to reducing absolute Scope 1 and 2 GHG emissions by 42%

by 2030 from a 2020 base year. This target was validated by the SBTi in 2022. As per SBTi requirements, a market-based approach is used to calculate Scope 2 GHG emissions. The Senior Management Team target is a 5% annual reduction of Scope 1 and Scope 2 GHG emissions – i.e. by 1,013 Co2-eq(t/year).

E1-1 – Transition plan for climate change mitigation

To ensure that the BITĖ Group's strategy and business model are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5 °C in line with the Paris Agreement, the group in 2021 joined the [Business Ambition for 1.5 °C](#). In 2022, the group's emission reduction targets were validated by the SBTi, which classified our group's Scope 1 and 2 target ambition and determined that it is in line with a 1.5 °C trajectory. The group commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year. The group also commits to reduce Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription within the same timeframe.

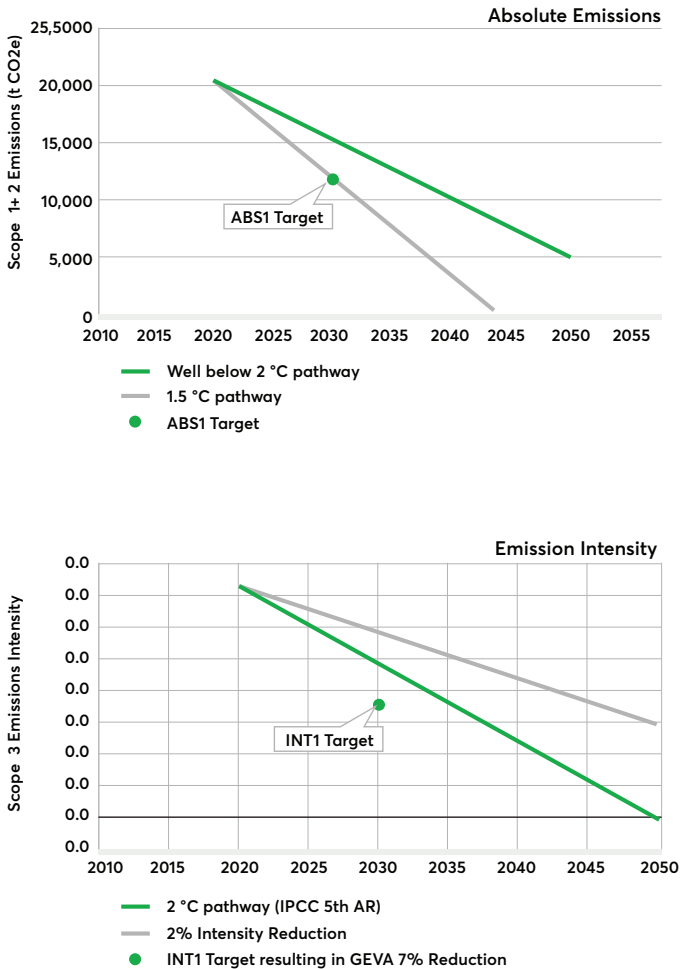


Figure 4. Reduction of Scope 1 + 2 and Scope 3 emissions over time



In 2023, the BITÉ Group committed to reaching a **net-zero target** by 2050. Its commitment to develop targets based on the **SBTi Net-Zero Standard** and to reduce GHG emissions at the pace and scale required by climate science was acknowledged by the SBTi.

During our GHG emissions evaluation process, we identified the **decarbonisation** levers. The biggest opportunities are in energy efficiency, renewable energy, and circularity. Further, we provide an explanation of how the actions related to the decarbonisation levers tie into the overall GHG emission reduction targets and climate change mitigation actions as required by E1-3 and E1-4.

We determined that electricity represents the greatest source and opportunity for reducing our carbon emissions in our telecommunication networks and data centres. **Energy efficiency** is a strategic priority for the BITÉ Group's telecommunications companies. Energy is an important component of operational costs and energy prices have been highly volatile over the past few years, increasing the urgency of maximising energy efficiency. Energy efficiency per monetary unit has fallen over the past years. That has been due to the implementation of newer, more efficient technologies and the converging of networks from acquired subsidiaries. In the transitional period, CapEx investments in new technologies, such as network modernisation and 5G development, will amount to 100 million euros. Note that the list of EU Taxonomy activities does not contain telecommunications, therefore these investments are not

classified as taxonomy-aligned CapEx. (EU Taxonomy-aligned CapEx related to media and broadcasting activities is presented in Table 11). Despite the higher energy efficiency of 5G, greater density of towers means there is expected to be an increase in electricity consumption over the near term. In 2023, energy efficiency per monetary unit increased by 1.3%. The potential locked-in GHG emissions from the BITÉ Group's key assets are largely related to the electricity consumption in our telecommunication networks. However, these emissions will not jeopardise the achievement of the group's GHG emission reduction targets and do not constitute a significant transition risk due to our plans to manage energy-intensive assets by provisioning renewable electricity.

We have committed to purchasing **100% renewable electricity**. In 2022, we entered into a power purchase agreement to purchase 100% renewable electricity directly from the supplier Enefit. We purchased the remaining electricity from third parties in network locations where direct sourcing is not available. We engaged with those third parties, requiring that they present information on renewable energy certificates. In 2023, we collected 50 renewable certificates from such parties covering 5,954 MWh of usage in the year. In 2023, 67% of the electricity we purchased was covered by PPA or GO (guarantees of origin) renewable certificates. In the transition plan, we aim for 100% of the electricity used by the group to be renewable. The premium price for renewable electricity is included in the OpEx costs budgeted for the

intermediate transition period. Adjustments are made based on the electricity usage in the telecommunication networks and data centres and fluctuations in renewable electricity prices. OpEx for sourcing renewable electricity align with the criteria established in the Commission Delegated Regulation for EU Taxonomy. The BITÉ Group's activities are excluded from the EU Paris-aligned benchmarks. The transition plan is embedded in our general business plan and is aligned with the group's overall business strategy and financial planning. Financial plans are approved by the management and supervisory bodies. The transition plan is expected to be updated in line with the latest SBTi recommendations. Once finalised, the transition plan will also be approved at the highest level of top management. Plans are to update the transition plan during 2024 and publish it in 2025 together with the next sustainability statement. Currently the BITÉ Group is progressing faster than needed to decarbonise in accordance with the EU Paris-aligned **Business Ambition for 1.5 °C**.

Material impacts, risks, and opportunities, as well as their interaction with strategy and business model, are summarised in the disclosure of **ESRS 2 SBM-3** (see **Table 5** and the related narrative description).



The BITÉ Group's assessment of **impacts, risks and opportunities** extends to our upstream and downstream value chain. The **GHG Protocol** requires accounting for emissions throughout the value chain. Calculations according to the **GHG Protocol** show that the majority of GHG emissions occur in the group's upstream value chain. These Scope 3 emissions are generated by suppliers in the manufacturing sector producing end-user appliances and infrastructure for telco and media services. In the near term, the BITÉ Group is committed to reducing Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription by the year 2030.

Pursuing the **Business Ambition for 1.5 °C** and its **net-zero commitment**, the group has already begun coordinating efforts throughout the value chain to promote mitigation options by requiring renewable energy certificates and collecting information on emissions. Network modernisation and deployment of new technologies together with key suppliers constitute **opportunities** to reduce our carbon footprint and achieve **science-based targets**, making it possible to halve GHG emissions by 2030 and reduce them across the value chain to net zero by 2050 with no or low overshoot.

A climate change risk and vulnerability assessment has identified the physical climate risks that are material to our activities.

The Report of the UN Intergovernmental Panel on Climate Change (IPCC) released in August 2021 stated that global temperatures

were likely to rise above the 1.5°C target set in the Paris Agreement as early as 2040. Global emissions must be halved by 2030 to keep global warming at the Paris-agreed levels. The BITÉ Group evaluated its climate-related risk impact and actions in terms of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) for assessing business resilience under different climate-related scenarios modelled on representative concentration pathways (RPCs). RCP4.5, with medium greenhouse gas emissions, and RCP8.5, with high greenhouse gas emissions, involve physical risks related to more frequent and severe climate extremes which may increase interruptions of our connectivity and media services and cause damage across operations and supply chains, with consequences for costs, revenues and insurance claims. Climate change will influence our network infrastructure in terms of rising temperatures, changing precipitation and storm patterns, weather variability, weather extremes, and wind waves. Recent snowstorms have already caused an interruption of power supply in the region due to falling trees, requiring additional resources to maintain the connectivity of base stations. This experience strengthened our skills and capacities for adapting to climate change over the longer term.

Climate-related transition events in the telecommunications and media industry were evaluated as part of our double materiality assessment process. The main transition events were identified over the short-, medium-, and long-term, and screened for exposure of assets

and business activities. In the analysis we used two climate-related scenarios: one consistent with the Paris Agreement and limiting climate change to 1.5 °C in the medium term, i.e. until 2030, and a longer-term one envisaging a net-zero situation by the year 2050. Transition events were identified with corresponding exposure assessment, considering their likelihood, magnitude, and duration. To sum up, the following notable developments and decarbonisation imperatives were identified which are crucial for achieving our medium-term SBTi goals and long-term target of net-zero emissions:

- In our own operations, most emissions (Scope 2 emissions comprised ~79% of our own Scope 1+2 emissions and 13% of all emission scopes in 2023) are generated from the use of electricity in telco networks and data centres. Thus sourcing renewable energy and increasing energy efficiency are inevitable prerequisites for achieving our medium and long-term targets. Artificial intelligence can aid energy efficiency and we have already started projects in this area. We recognise that the complexities of energy supply and demand play a pivotal role in achieving our targets. Key factors include energy price volatility, renewable energy adoption, and regulatory changes. To mitigate these risks, adequate monetary resources for renewable energy supply should be included in the business plan.
- Scope 3 accounted for 84% of emissions in 2023, of which 39% were attributed to the category of purchased goods and services.



We found that our efforts should concentrate on circularity and efficient resource management from procurement to recycling. Immediate actions centre on the development of device rental services and the continuity of recycling policies.

- Addressing the Scope 3 emissions that stem from our supply chain demands collective action. Engagement with suppliers along with innovations and partnerships will help us achieve our medium term SBTi targets and accelerate the longer-term transition towards a climate-neutral future.

Transition risks are financial risks that result from our commitment to the [Business Ambition for 1.5 °C](#) and the [SBTi Net-Zero Standard](#) in moving to a low-carbon economy. They are driven by changes in policies, technology, market sentiment and customer behaviour. We have assessed the group's environmental impact as per the key categories of climate-related risks (based on the TCFD classification):

Policy and legal compliance: we are monitoring the evolving requirements at the international level for greener financial markets. The EU Corporate Sustainability Reporting Directive (CSRD) is part of a larger Sustainable Finance package to enable the Green Deal by directing private investment to a climate-neutral economy. The Sustainable Finance package includes the EU Taxonomy, which provides clarification around the economic activities that most contribute to meeting the EU's environmental objectives, along with external assurance of sustainability reporting. The EU has already launched the

CSRD and delegated acts on ESRS. The scope of the directive has been considerably extended and we see potential timing and resource issues for incorporating the CSRD report into our annual financial reporting. The task is especially challenging when it comes to data collection and the assessment of Scope 3 emissions. As a mitigating action, we took the voluntary initiative to adapt the current report to the ESRS, and we will continue to improve reporting to ensure full compliance with the standards.

Reputation: increasing expectations for responsible conduct on the part of stakeholders, including investors, lenders and consumers, may result in an opportunity to enhance the company's reputation and brand value, as well as the risk of a loss of trust and confidence in the management. Our mitigation actions are focused on building credibility and enhancing reputation with greater transparency and accountability on social and environmental issues while strengthening business resilience and increasing competitiveness.

Market: policies and investments are directed to achieving a low-carbon-emission economy. Demand for energy-efficient, lower-carbon products and services is expected to increase. Aiming to meet that demand for lower-carbon products/commodities, mitigating actions should focus on increasing circularity and boosting reuse, repair and recycling of customer devices and network equipment.

Technology: We see driving innovation and transforming business practices with our

key suppliers and customers as more of an opportunity than a risk. Digital technologies can enhance resilience to growing climate impacts. Artificial intelligence and the Internet of Things (IoT) can improve our ability to predict disasters and provide early warnings to the population. Digital technologies, including mobile connectivity and media, are key enablers of climate actions. Several studies, including the GSMA's 2019 and 2021 Enablement Effect reports, have shown how smart and connected technologies can help reduce emissions across the economy, including in services, transportation, manufacturing, and energy. For example, in enabling remote work and virtual meetings, our connectivity services help to reduce emissions by reducing the need for physical travel. Our smart metering IoT solution for heating systems, too, which is a leader in Lithuania and the region, is increasing efficiency in the energy sector. The introduction of LTE CAT-M low-power wide-area technology designed to support billions of IoT devices and of Narrowband Internet of Things (NB-IoT) technologies are opportunities for a breakthrough in the entire ecosystem, and not only in the Baltics but in all of Europe. Converging networks and systems, continuous performance optimisation, engagement with our key suppliers in emission-intensive areas such as network modernisation and the deployment of new technologies, smart solutions, IoT, and ICT products all constitute opportunities to reduce our carbon footprint and achieve [science-based targets](#).



In 2023, the BITÉ Group reassessed its material topics in light of CSRD requirements. A description of the processes used to identify and assess material climate-related impacts, risks, and opportunities is presented in the disclosure for **ESRS 2 – IRO-1**.

Resilience scenario analysis was conducted in 2021, including the use of climate scenario analysis as referenced in the disclosure for **ESRS 2 – IRO-1** and the related application requirement paragraphs.

The scope of resilience is the BITÉ Group's companies. The group evaluated its climate-related risk impact and actions in terms of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) for assessing business resilience under different climate-related scenarios, including a 2 °C or lower scenario. These are summarised in **Table 12**.

Table 12. Climate-related risk scenarios

Scenario	1.5°C	>2°C	>3°C
Actions	The Paris Agreement on limiting the average global temperature increase to 1.5° as well as the European Green Deal and other initiatives are implemented by 2030.	Delayed implementation of the targets set in the Paris Agreement on limiting the average global temperature increase to 1.5° as well as in the European Green Deal and other initiatives.	Governments and corporations fail to implement the targets set in the Paris Agreement on limiting the average global temperature increase to 1.5° as well as in the European Green Deal and other initiatives.
Impacts	Limited increase in physical climate-related impacts causing limited exposure to the assessed risks.	Increase in physical climate related impacts, causing a higher probability of exposure to the assessed risks.	Extreme physical climate-related impacts causing a disruptive exposure to the assessed risks.



In climate change risk assessment at the BITÉ Group, we are focused on collecting qualitatively and quantitatively better data to respond to the identified threats. We are continuing to examine the impact and further manage the transitional risks. We have identified climate-related risks that may have an impact on our business's medium- and long-term horizons and we have indicated possible mitigation actions, as summarised in **Table 13**.

Table 13. Climate change risk assessment

Risk description	Impact assessment	Mitigation
Extreme weather (heavy rain, wind, snow) caused by climate change	Extreme weather causes interruptions in the group's services. Interruptions cause higher costs for personnel and for the replacement of damaged equipment.	Real-time monitoring and an escalation system for identifying problematic issues and restoring services in the shortest possible time. Back-ups and geo-redundancy to increase high availability.
Average temperature increase and heat waves caused by global warming	Increased need for cooling in the group's telecommunication network, data centres and other premises. Costs will increase due to higher electricity consumption by the cooling systems.	Free-cooling systems in base stations, with renewable energy used for the cooling systems.
Increase of energy costs	The average electricity price is expected to rise due to requirements regarding the production share of renewable energy.	Group-wide energy-efficiency management and emission avoidance activities.
Carbon market price increase	The Paris Agreement, which aims to limit the average global temperature increase to 1.5°, and the European Green Deal and other initiatives with ambitions to eliminate GHG emissions, will lead to an increase in the offsetting cost.	Invest in carbon-free energy and energy-efficiency projects.
Environmental awareness of stakeholders	Stakeholder demands for climate reporting and carbon-free operations are increasing. This results in additional complexity and costs for operations and investments.	Implement a reporting structure to transparently show the situation to stakeholders. Work on ways to reduce our own carbon footprint and enhance awareness of products such as ICT, IoT and other digital services that can reduce the carbon handprint and help build a lower-carbon society.

BITĖ Group evaluated its financial risks related to climate change. There is a risk of increasing costs of maintenance due to physical climate risks such as heatwaves, frost, high windspeeds and precipitation. It is estimated that maintenance costs could increase by 10–15% due to extreme weather events. Disruption risks are continuously monitored, preventive actions are taken based on experiences from previous extreme weather events, and resources are planned accordingly. Disaster recovery plans are in place to ensure connectivity and media broadcast resilience. The documentation of our internal analysis includes details on the evaluation of financial risks related to climate change, including the anticipated increase in maintenance costs due to physical climate risks such as heatwaves, frost, high windspeeds, and precipitation.

E1-2 – Policies related to climate change mitigation and adaptation

BITĖ Group Code of Conduct: highlights shared responsibility to protect the planet, the environment and the climate. We expect everyone to comply with the environmental laws and regulations that apply to them and to our business, and to follow our environmental standards and commitments. We recognise that our day-to-day operations have a negative impact on the environment and we are committed to minimising that impact, which we do. The mitigation of climate change is a key focus area for us. We seek to minimise GHG emissions that stem from our operations by increasing the use of renewable energy. Climate change adaptation is being performed by strengthening telecommunication network resilience to climate impacts.

Supplier Code of Conduct: at a minimum, suppliers are required to comply with all applicable laws and regulations and have any relevant environmental permits. The BITĖ Group expects its suppliers to manage their operations responsibly in relation to environmental risks and impacts, to adopt a precautionary approach, and to integrate a life cycle perspective into their business operations. Suppliers should, whenever possible, strive to minimise their use of resources, such as, for example, energy, water and raw materials. Suppliers should ensure the proper management and recycling of waste. We encourage our suppliers to continuously strive to improve their environmental performance and minimise any possible negative impact on the environment. The BITĖ Group is committed to ambitious science-based emission-reduction targets. We seek to engage and cooperate with our suppliers to promote a transformation to climate-neutrality and we encourage our suppliers to work with us to achieve this. All our suppliers are encouraged to monitor, report, and strive to reduce GHG emissions from their operations. All suppliers are further strongly encouraged to set science-based GHG emission targets of their own.

The BITĖ Telco operators, Bitė Lietuva and Bite Latvija, follow ISO14001 for environmental management systems and ISO50001, the flagship international standard for improving energy performance, in managing the group's telecommunication networks. They have policies on replacing or upgrading old and less energy-efficient technologies in current operations with more energy-efficiency ones. And they encourage employees to adopt electricity and fuel saving behaviours. The BITĖ Group is currently developing a Sustainability Policy for ensuring compliance with the [European Commission's standards for corporate sustainability reporting](#). The policy is planned to be finalised and adopted in 2024.

E1-3 – Actions and resources in relation to climate change policies

BITÈ Group actions to accelerate progress towards net zero:

- We have embedded the pursuit of science-based and net-zero targets aligned with a 1.5°C pathway into our operations. Currently we are progressing faster than required with decarbonisation. Our short-term (annual) and mid-term Scope 1 + Scope 2 absolute reduction exceed the targets approved by SBTi. In addition, we have made the long-term commitment to become carbon neutral by the year 2050 in line with net-zero target requirements.
- We have disclosed carbon emissions and climate risks and opportunities through the Carbon Disclosure Project (CDP):
 - Obtained a rating of B, as "taking coordinated action on climate issues," in the CDP's 2023 CLIMATE CHANGE SCORE REPORT.
- Our commitment to and adoption of science-based targets requires us to reduce emissions by at least 42% over the decade 2020-2030. Switching to renewable and low-carbon electricity plays a crucial role in achieving these reductions. The purchase and use of renewable energy obtained from nature-based solutions is incorporated into our strategy:
 - 100% of energy purchased through PPAs is renewable. The use of non-renewable energy where connectivity to a PPA provider is not available is covered by GO (Guarantees of Origin) renewable energy certificates. OpEx for renewable energy is included in the business plan.
- Energy efficiency efforts also contribute to lowering emissions. We are optimising networks' energy use by moving to energy-efficient hardware and best practices, with plans to retire legacy networks over the medium term (by 2030):
 - Continuous performance optimisation
 - Convergence of networks and systems
- Work is underway to reduce fossil fuel use in fleets and diesel generators over the medium term to 2030. Conversion of the fleet to electric vehicles has been considered and depends on the availability of charging stations. Reduction may also be achieved through alternative fuels like biodiesel, renewable diesel and/or fuel from other nature-based renewable sources.
- Circular economy initiatives for customer equipment have begun and are expected to increase over the medium term to 2030.
- Recycling of network equipment – continuous efforts every year to achieve zero waste from our operations in the long term.
- We consider not only our own emissions but also those throughout the value chains. [Collaborating with suppliers and partners is crucial for achieving net-zero goals.](#) We have already started work with suppliers. The medium-term plan is to increase engagement with suppliers on climate action and integrate climate requirements into procurement, including but not limited to:
 - the purchase and use of renewable energy and recycled materials
 - developing circular economy initiatives for network and customer equipment
 - moving to more energy-efficient equipment and devices
- The group achieved a B- rating, as "taking coordinated action on supplier engagement issues", in the CDP's 2023 SUPPLIER ENGAGEMENT RATING REPORT.
- We are engaging with our key suppliers in emission-intensive areas such as network modernisation and deployment of new technologies, including 62 million euros of CAPEX investment (see PLT VII FINANCE S.à r.l. Consolidated Financial Statements for the year ended 31 December 2023, p. 21, note 11 on acquisition of intangible assets and property, plant and equipment for cash, at [Shareholder Information \(bitegroup.net\)](#)).
- Development of smart solutions, IoT and ICT products to reduce carbon footprint (see [Taxonomy section](#)).
- Telecommunication operators play a vital role in the transition to a decarbonised, digital world. Our commitment to net-zero emissions involves the development of smart solutions, IoT and ICT products to reduce carbon footprint. The enabling role of mobile telecommunications extends beyond the industry, benefiting other sectors through connected technologies, smart buildings, energy efficiency, and more. The GSMA has examined the [Enablement Effect](#) of mobile communications technologies on carbon emission reductions. Specifically, it shows how mobile telecommunications enable low-carbon innovation across various sectors. In 2018 alone, mobile technology enabled a global reduction in emissions of over



2,000 million tonnes of CO₂. Remarkably, this is almost 10 times greater than the total CO₂ emissions of the mobile networks themselves. Our IoT and ICT solutions are helping to reduce the carbon footprint in the energy and public utility sectors already today. Calculations based on the smart grid enablement factor from GSMA research show that in 2023 our IoT solutions may potentially have saved more than 1.5 million tonnes of CO₂e. Development of ICT solutions is discussed in more detail in the Taxonomy section of this sustainability statement.

The achieved GHG emission reductions are detailed in [Table 15](#); expected GHG emission reductions are included in [Table 14](#).

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities.

The BITÉ Group discloses significant capital expenditures (CapEx) and operational expenditures (OpEx) associated with the implementation of our strategic actions. For the financial year ended 31 December 2023, we had CapEx of 62 million euros for the acquisition of intangible assets and property, plant, and equipment, as detailed in note 11 on page 21 of the consolidated financial statements of PLT VII FINANCE S.à r.l., accessible [here](#). Our OpEx related to renewable electricity expenses is part of the 22.65 million euros reported under "Materials, consumables, and maintenance costs" on page 16, note 7 of the same financial statements, available [here](#).

These expenditures directly contribute to achieving our sustainability targets and are consistent with the key performance indicators required by Commission Delegated Regulation (EU) 2021/2178. The financial investments disclosed represent the incremental values specifically dedicated to enhancing our environmental and operational efficiency, demonstrating our commitment to credible and impactful sustainability actions.

Taxonomy indicators are provided in the [Taxonomy section](#).



E1-4 – Targets related to climate change mitigation and adaptation

The BITÉ Group is committed to limiting warming to 1.5 °C. The following targets were submitted to and validated by the SBTi:

- The BITÉ Group commits to reducing absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year.
- The BITÉ Group also commits to reduce Scope 3 GHG emissions from purchased goods and services, capital goods and the use of sold products by 51.6% per service subscription within the same timeframe.

The GHG emissions inventory covers all relevant GHG emissions from all relevant sources and subsidiaries. The GHG inventory is composed exclusively of fossil-based emissions; no biogenic emissions have been reported alongside the GHG inventory.

The BITE Group commits to set long-term science-based targets to reach net-zero value chain GHG emissions by no later than 2050.

Table 14. GHG emissions reduction targets

	Base year 2020	2025 target	2030 target	2050 target
GHG emissions market based (tCO ₂ eq)	98,411	73,021	47,631	9,841
Energy efficiency and consumption reduction: Network modernisation and other GHG emissions from the Capital Goods category (tCO ₂ eq)	12,655	9,390	6,125	1,265
Material efficiency and consumption reduction: GHG emissions from purchased goods and services (tCO ₂ eq)	45,778	33,967	22,157	4,578
Fuel switching: GHG emissions from the Scope 1 category (tCO ₂ eq)	1,906	1,506	1,106	191
Use of renewable energy: GHG emissions from the Scope 2 category (tCO ₂ eq)	18,283	14,444	10,604	1,828
Phase out, substitution or modification of products: GHG emissions from the Use of Sold Products category (tCO ₂ eq)	14,130	10,485	6,839	1,413
Phase out, substitution or modification of processes (tCO ₂ eq)	1,132	646	160	113
Other (tCO ₂ eq)	4,527	2,584	640	453



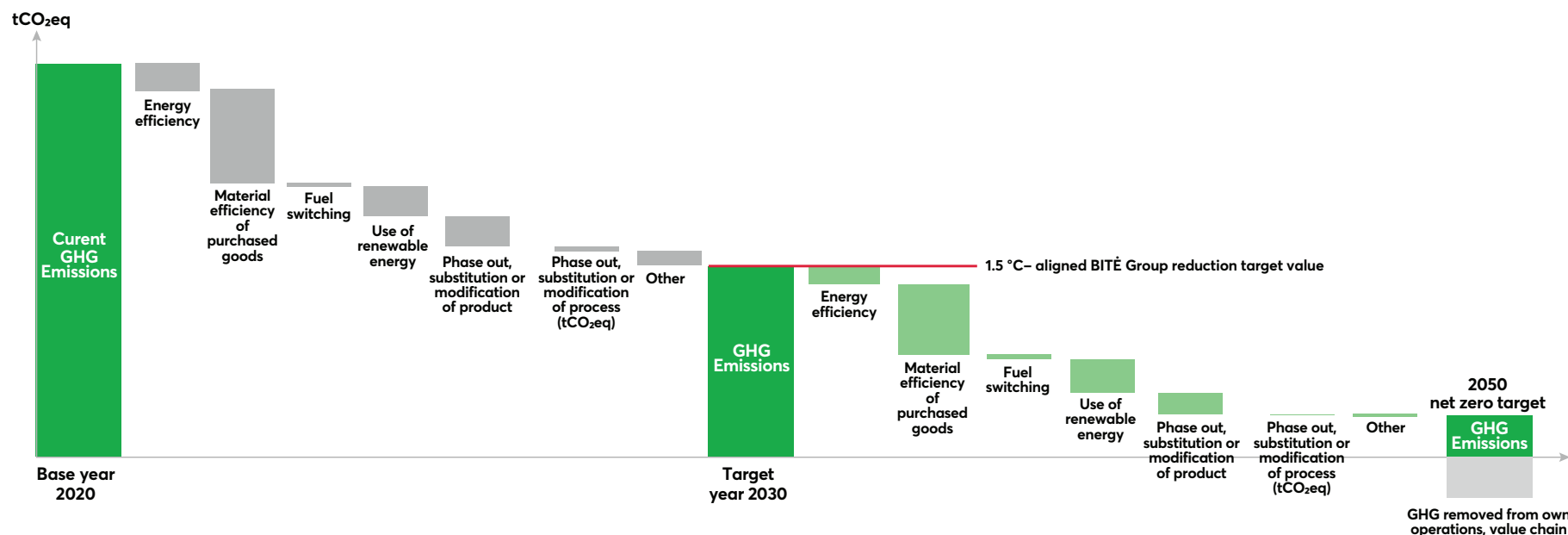


Figure 5. GHG emissions reduction to net-zero

In 2023, the BITÉ Group's emissions were recalculated and checked by an external consulting company using the auditable sustainability management platform [Sustainalyse](#). Historical Scope 1 and Scope 2 emission data was transferred to the new platform and recalculated with the newest available emission factors, resulting in a minor (-0.3%) deviation from the baseline approved by the [SBTi](#). Scope 3 recalculation shows a 27% decrease in the Scope 3 baseline. This significant decrease resulted from more precise spend-based data conversion factors compared to the previously used GHG Protocol Scope 3 Evaluator, which gave a rough approximation of the group's emissions

across all 15 Scope 3 categories according to the [Scope 3 Standard](#). As the GHG Protocol Scope 3 Evaluator was decommissioned on 30 August 2023, a new reliable and auditable emission calculation tool had to be sought. The auditable sustainability management platform [Sustainalyse](#) provides greater control over the emission calculation process and tracking of science-based targets. For tracking Scope 3 emissions, we used a hybrid approach, supplementing the spend-based estimation method with life embodied carbon footprint data obtained directly from our key suppliers. We included the embodied carbon footprint data obtained from the key suppliers Ericsson and Nokia for the equipment purchased in

2023 in the Capital Goods category. This enabled more precise evaluation compared to the spend-based method applied for other supplier equipment in the Scope 3 category. For the remaining suppliers in the upstream value chain, the spend-based method was used.

Scope 1, 2, 3 and total emissions are outlined in [Table 15](#).

E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Table 15. Gross Scopes 1, 2, 3 and Total GHG emissions



	Retrospective						Milestones and target years			
	2020 base year	2021	2022	2023	vs. base year	YoY	2025	2030	2050	Annual % target / Base year
Scope 1 GHG emissions										
Gross Scope 1 GHG emissions (tCO ₂ eq)	1,906	1,951	2,218	2,780	+46%	+25%	1,506	1,106	191	-4.2%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0						
Scope 2 GHG emissions										
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	15,948	15,858	14,848	11,104	-30%	-25%				
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	18,283	14,463	13,096	10,680	-42%	-18%	14,444	10,604	1,828	-4.2%
SBTi-approved target Scope 1 + Scope 2 market-based (tCO₂eq)	20,190	16,414	15,314	13,460		-12%	15,950	11,710	2,019	-4.2%
Significant Scope 3 GHG emissions										
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	78,222	83,085	71,996	71,580	-8%	-1%	58,040	37,859	7,822	-5.16%
1 Purchased goods and services	45,778	46,132	34,409	33,563	-26%	-2%	33,967	22,157	4,578	-5.16%
2 Capital goods	12,655	13,216	16,687	17,330	+36%	+4%	9,390	6,125	1,265	-5.16%
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	3,321	3,614	3,692	3,696	+11%	+0%				
4 Upstream transportation and distribution	321	278	404	335	+4%	-17%				
5 Waste generated in operations	37	64	196	227	+514%	+16%				
6 Business traveling	156	282	486	513	+229%	+6%				
7 Employee commuting	1,184	1,320	1,341	1,193	-1%	-11%				
8 Upstream leased assets	628	367	840	1,105	+76%	+31%				

	Retrospective						Milestones and target years			
	2020 base year	2021	2022	2023	vs. base year	YoY	2025	2030	2050	Annual % target / Base year
9 Downstream transportation	-	-	-	-	-	-				
10 Processing of sold products	-	-	-	-	-	-				
11 Use of sold products	14,130	17,798	13,924	13,602	-4%	-2%	10,485	6,839	1,413	5.16%
12 End-of-life treatment of sold products	12	13	16	16	+33%	-0%				
13 Downstream leased assets	-	-	-	-		-				
14 Franchises	-	-	-	-		-				
15 Investments	-	-	-	-		-				
SBTi-approved Scope 3 intensity target per subscription from categories 1+2+11 (tCO₂eq)	0.030	0.029	0.023	0.022	-27%	-4%	0.022	0.015	0.003	5.16%
Total GHG emissions										
Total GHG emissions (location-based) (tCO₂eq)	96,076	100,894	89,062	85,463	-11%	-4%				
Total GHG emissions (market-based) (tCO₂eq)	98,411	99,499	87,310	85,040	-14%	-3%	73,021	47,631	9,841	5.16%



Note: Emission factor sources and global warming potential (GWP) indicators: IPCC, EEA/EMEP Guidebook 2023, AIB, DEFRA, supplier EPDs for electronic devices. GHGs included in calculations based on emission factor granularity.

Table 16. GHG intensity per net revenue

	vs. base year	2020 base year	2021	2022	2023	YoY
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/monetary unit)	-34%	0.0002282	0.0002104	0.0001681	0.0001515	-10%
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/monetary unit)	-36%	0.0002338	0.0002075	0.0001648	0.0001508	-8%

Note: Emission factor sources and global warming potential (GWP) indicators:
IPCC, EEA/EMEP Guidebook 2019, AIB, DEFRA, GLEC v3.
GHGs included in calculations based on emission factor granularity

Cross-reference to [Financial Statements](#): p. 9 in PLT VII FINANCE S.à
r.l. ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023



E1-5 – Energy consumption and mix

Cross-reference to [Financial Statements](#): p. 9 in PLT VII FINANCE S.à r.l. ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Energy consumption within the group derived from Scope 1 and 2 activity data.

Table 17. Energy consumption and mix

Energy type	2020 base year	2021	2022	2023	YoY	vs. base year
Fuel consumption from coal and coal products (MWh)	0	0	0	0	-	-
Fuel consumption from crude oil and petroleum products (MWh)	6,948	7,070	8,119	10,218	+26%	47%
Fuel consumption from natural gas (MWh)	193	253	181	170	-6%	-12%
Fuel consumption from other fossil sources (MWh)	945	1,253	1,177	1,239	+5%	31%
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	47,078	43,275	26,858	18,692	-30%	-60%
Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	55,164	51,851	36,335	30,319	-17%	-45%
Share of fossil sources in total energy consumption (%)	74%	64%	42%	33%		
Consumption from nuclear sources (MWh)	0	0	0	0	-	-
Share of consumption from nuclear sources in total energy consumption (%)	-	-	-	-	-	-
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	0	0	0	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	19,607	28,908	49,478	61,962	25%	216%
The consumption of self-generated non-fuel renewable energy (MWh)	0	0	0	0	-	-
Total renewable energy consumption (MWh)	19,607	28,908	49,478	61,962	+25%	216%
Share of renewable sources in total energy consumption (%)	26%	36%	58%	67%		
Total energy consumption (MWh)	74,771	80,759	85,813	92,281	+7%	23%

Notes: All energy (energy products and fuels) consumed within the organisation is included in the calculation. Net Calorific Values (NCV) of fuels and conversion factors from the IPCC, EEA/EMEP Guidebook 2019, and latest National Inventory Reports (NIRs) were used to calculate energy use. Convert-measurement-units.com was used to convert energy quantities.

E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

The BITÉ Group is steadfast in its commitment to reaching net-zero emissions, in alignment with our goal of limiting the global temperature rise to 1.5°C. As outlined in Disclosure Requirement E1-4, we have adopted strategies for significant GHG emission reductions. After achieving an approximate 90–95% reduction in line with recognised sectoral decarbonisation pathways, our focus will shift towards neutralising residual GHG emissions.

To address these remaining emissions, the BITÉ Group plans to implement GHG removal initiatives within our own operations and throughout our upstream and downstream value chain. These efforts are part of a broader transition plan which adheres to the methodologies and frameworks recommended by the Science Based Targets initiative (SBTi).

This transition plan, to be detailed further in upcoming disclosures, encompasses a strategic approach to employing GHG removal capabilities, ensuring that our net-zero commitment is robust and verifiable. We are dedicated to transparency and precision in documenting our progress towards these ambitious environmental goals.

The BITÉ Group does not engage in the use of carbon credits as part of our environmental strategy.

E1-8 – Internal carbon pricing

The BITÉ Group does not apply internal carbon pricing schemes within its operations or financial strategies.

ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Material impacts, risks, and opportunities related to resource use and the circular economy were identified as part of the double materiality assessment. The group screened its assets and activities to identify actual and potential impacts, risks and opportunities. Based on the GHG Protocol, purchased goods account for the highest GHG emissions among all Scope 3 categories. To reduce this material amount of emissions, we intend to increase device rental volumes.

Sustainability experts were consulted. As communities are not directly affected by the circularity of our operations, they were not involved in the consultations.





E2 Pollution

The BITÉ Group is not involved in production activities, thus pollution was not found to be a material factor in our double materiality assessment. The main resource required for our activities is energy. The telco industry uses approximately 2-3% of the total power consumption of humanity. As data traffic grows, the power required to run telecommunications networks is becoming a critical concern. That is why we aim to source our activities solely with renewable energy so as to minimise indirect pollution from our activities. We offer environmentally friendly ICT solutions that are gaining increasing momentum in the fight against climate change across all industrial sectors. The addition of smart ICT solutions is enabling GHG reductions through dematerialisation in the transport and logistics industry, as well as in energy, water and building management (e.g., BITÉ solutions for real-time monitoring and warning systems in the energy and water supply sectors, remote maintenance of equipment, etc.). By carrying information in written, oral, visual and electronic form, media and telco services offer a good alternative to the transport of goods and persons. Our services substantially reduce the need for travel. The most important benefit from this is the reduction of GHG emissions, and in particular CO₂, thereby diminishing atmospheric pollution.

E3 Water and marine resources

We use water only for basic office needs. It comes from the public utility groundwater supply system. The materiality assessment for negative impact on sustainability did not identify water management as a material topic. Consequently, we do not have a water management policy, since water is not used in the processes of our operations and is not material. However, BITÉ solutions contribute to efficient water management in the geographical locations where we operate. BITÉ ICT specialists helped our partners at the water supply company Vilniaus Vandenys deploy a unified smart water supply network. More than 8,000 buildings were equipped with cold water meters connected to the Internet of things (IoT). As a result, employees at the water company can remotely track readings on the meters. It was the first deployment of Narrowband Internet of Things (NB-IoT) technology in the region of the Baltic countries and Poland. This smart solution for remote water control enables instant identification of excessive water supply and timely resolution of incidents. This helps to save water and use our natural resources more responsibly.

E4 Biodiversity and ecosystems

Our internal sustainability due diligence process did not identify the actual and potential negative impacts caused by telecommunication and media services on biodiversity as material. Some of the BITE Group telecommunication network base stations are located near or within UNESCO World Heritage sites and Key Biodiversity Areas ('KBAs' - <https://www.keybiodiversityareas.org/sites/search>) in Lithuania and Latvia. Recent research suggests that artificial non-ionizing electromagnetic fields (EMF) are capable at very low intensities of adversely affecting fauna and flora. However, any existing exposure standards are designed for humans and the BITÉ Group operates within the safety margins of existing guidelines. At the moment there are no necessary mitigation measures identified that have to be implemented to protect non-human species. So far BITÉ Group had no signals from local communities or authorities about deterioration of any species that could be caused by our network base stations. We evaluated the activities negatively affecting biodiversity-sensitive areas as not material. The key resource in our operations is electricity, which may indirectly affect biodiversity. The BITÉ Group provided Lithuanian energy distributor Energijos Skirstymo Operatorius with an ICT solution for new smart electricity metering infrastructure. Over a million new smart meters have been installed in Lithuania so that people can see accurate consumption details and use electricity more efficiently to save resources. For this project, the BITÉ Group launched commercial narrowband internet technology (LTE CAT-M). The introduction of such IoT technologies is an opportunity for a breakthrough for the entire ecosystem, not only in Lithuania and the Baltics, but also all of Europe.



E5 Resource use and circular economy

E5-1 – Policies related to resource use and circular economy

The group has no specific policy on the circular economy.

The group does not produce handsets or equipment, thus our focus is on decreasing new product purchases and promoting product repair and reuse by offering device rental services. Device rental services offer easier upgrade and help to manage electronic waste.

The group uses renewable energy in its own operations and encourages suppliers to use sustainable sourcing.

The BITÉ Group's [Supplier Code of Conduct](#) explicitly addresses material impacts, risks, and opportunities within our own operations and across our upstream and downstream value chain.

The BITÉ Group has strategically allocated resources to enhance and expand our device rental services. They involve the acquisition of devices that are subsequently rented to customers, who do not retain ownership at the end of the rental period. Upon termination of the contract for electronic communication services and/or of the rental agreement, customers are required to return the equipment to the nearest BITÉ outlet on the same day. All customer data stored on the device is securely erased, and the device is then refurbished for reuse. Our objective is to scale this service significantly, aiming to increase the revenue generated from it tenfold within the next three

years, from just over 200,000 euros in 2023 to some 2 million euros by 2026.

In addition, the BITÉ Group collaborates with Digital Care Group, pioneers in creating unique financing programs for mobile devices. Through our rental program, customers gain access to the latest devices for a specified period at an attractive monthly fee. This model also gives customers the flexibility to upgrade their device during the term of the contract. At the contract's conclusion, customers have the option to return the device, purchase it, or enter into a new agreement. This innovative solution not only facilitates access to high-end technology with affordable instalments, but also significantly mitigates electronic waste. The returned devices are refurbished by our partners and reintroduced into the market for repeated use, aligning with our commitment to sustainability and reducing environmental impact.

E5-2 – Actions and resources related to resource use and circular economy

The following description of resource use and circular economy-related actions and allocated resources adheres to the principles defined in **ESRS 2 - MDR-A Actions and resources in relation to material sustainability matters** ([Table 8](#) and the related narrative disclosure), as detailed in the BITÉ Group's Sustainability Statement for 2023.

The BITÉ Group does not engage in the production of electronic devices. However, we are committed to promoting sustainable practices throughout our supply chain. As outlined in our [Supplier Code of Conduct](#), we encourage

Environment

our suppliers to minimise their consumption of resources – including energy, water and raw materials – and to increase use of secondary raw materials (recyclates) wherever feasible.

As part of our device rental service, the BITÉ Group refurbishes returned devices, thereby enhancing product durability and optimising resource use. This process supports higher rates of reuse, repair, and recycling for devices not suitable for repeated rental.

In alignment with our sustainability objectives, the group continuously seeks to implement and enhance circular business practices. This includes comprehensive value retention actions such as maintenance, repair, refurbishing, upgrading, and reverse logistics. To support such efforts, we have invested in robust customer service enhancements, advanced monitoring systems, and clear return policies, as detailed on our [device rental page](#). Additionally, through our partnership with Digital Care, we facilitate the reintroduction of devices on the second-hand market, thus extending their life-cycle and reducing waste.

Our commitment to environmental stewardship extends to waste management of electronic equipment, handled by such companies as EMP Recycling – the largest electronic waste recycling company in the Baltics and one of only 10 in Europe to hold WEEELABEX certification across a broad spectrum of electronic waste management categories. Moreover, packaging waste is managed in strict compliance with agreements with the Latvian Green Point and the Unified Product, Packaging, and Waste Record Keeping Information System ([GPAIS](#)).

For customer deliveries, the group employs recyclable packaging, specifically made from low-density polyethylene (4 LDPE), recognised for its ease of recycling. Our 4 LDPE packaging adheres to the EU's stringent rules and regulations for packaging waste management and is processed by certified waste processors within our operational regions or at other EU locations. These materials are repurposed into new products that meet the environmental standards of the EU.

E5-3 – Targets related to resource use and circular economy

The BITÉ Group's targets for resource use and circular economy are detailed in this Sustainability Statement for 2023, which describes them in keeping with the information requirements defined in ESRS 2 MDR-T for tracking the effectiveness of policies and actions. This includes alignment with ecological thresholds, referencing the guidance provided by the Science-Based Targets Initiative for Nature (SBTN), as outlined under **ESRS 2 MDR-A Actions and resources in relation to material sustainability matters** (see [Table 8](#) and the related narrative disclosure).

The development of our rental service significantly enhances resource efficiency in the utilisation of purchased goods within the BITÉ Group. This initiative not only optimises the use of technical and biological materials but also mitigates water usage, particularly concerning critical raw materials and rare earths, impacting our suppliers throughout the upstream value chain.

The BITÉ Group, which does not engage in the production of electronic devices, actively encourages suppliers to minimise the use of essential resources such as energy, water, and other raw materials whenever possible. We expect our suppliers to increasingly utilise secondary raw materials (recyclates), thereby contributing to more sustainable manufacturing practices.

For a detailed understanding of our commitments and guidelines, please refer to our [Supplier Code of Conduct](#).

The development of our rental service prioritises waste prevention, taking a systematic approach that emphasises reuse, recycling, recovery, and, ultimately, responsible disposal.

In alignment with our strategic objectives, the BITÉ Group has established a key performance indicator for our rental service, expressed in monetary terms. This KPI is integrated into our broader strategy and business plan, emphasising projected revenue from the rental service. Note that ecological thresholds have not been defined for this KPI, as the thresholds applied are specific to our entity.

Responsibility for the oversight and development of the rental service has been assigned to the Product Development team, ensuring focused and expert management of this initiative.

Furthermore, the targets associated with this KPI are voluntary, underscoring our commitment to exceeding the baseline standards rather than merely fulfilling mandatory requirements.





E5-4 – Resource inflows

The BITÉ Group discloses that our resource inflows primarily consist of the IT and telecommunications equipment, with its packaging, used in our operations and along our upstream value chain. While the group does not produce electronic devices, we actively encourage our suppliers to minimise their use of critical resources such as energy and water, and to increase the utilisation of secondary raw materials (recyclates), as detailed in our [Supplier Code of Conduct](#).

The group centrally purchases and imports equipment for its companies. Waste is managed in accordance to agreements with the Latvian Green Point and the Unified Product, Lithuanian Packaging and Waste Record Keeping Information System (PPWIS) (<https://www.gpais.eu/en/>). Electronic systems provide data on waste management to the respective regulatory bodies in each country. The quantities in **Table 18** contain all equipment imported by the group companies UAB Bitē Lietuva, SIA Bite Latvija, SIA Baltcom and AS Go3 Baltics. It does not contain equipment purchased from local suppliers, who report imported goods themselves.

Table 18. Resource inflows

Type	Imported non-hazardous goods, t	Imported hazardous goods, t	TOTAL, Quantity imported, t
Screens, monitors and equipment containing screens with a surface area greater than 100 cm ²	149	0	149
Large equipment (at least one of the external dimensions exceeding 50 cm)	137	0	137
Small equipment (none of the external dimensions exceeds 50 cm)	72	0	72
Small IT and telecommunications equipment (none of the external dimensions exceeding 50 cm)	48	0	48
Batteries	0	30	30
Paper and cardboard packaging	159	0	159
Other plastic packaging	79	0	79
Wood packaging	25	0	25
Metal packaging	0	0	0
Composite packaging	1	0	1
Imported goods and packaging	670	30	700

E5-5 – Resource outflows

Electronic waste and packaging are the waste streams relevant to our sector and activities. All electronic equipment from our operations is transferred to waste managers and utilised by companies such as EMP Recycling – the biggest electronic waste recycling company in the Baltics and one of the 10 companies in Europe with WEEEELABEX certificates for a wide range of electronic waste management categories. Packaging waste is managed in accordance with agreements with the Latvian Green Point and the Unified Product, Packaging and Waste Record Keeping Information System (<https://www.gpais.eu/en/>).

In 2023, 100% of waste was transferred to waste managers. However, the BITÉ Group does not have information on hazardous and non-hazardous waste sorting, including recovery operations and waste treatment types, for this reporting period. Hence data points 37 b, c and d data of the ESRS standard are not disclosed at the time of the publication of this sustainability statement.

No other recovery operations are used beyond those explicitly detailed above.

The BITÉ Group does not dispose of waste through incineration or landfill methods. Nor have we implemented any other disposal operations. We cannot confirm whether waste handlers recycle all waste or if any is diverted to landfills or utilised in other forms.

The BITÉ Group does not deal with any radioactive waste.

E5-6 – Anticipated financial effects from material resource use and circular economy-related risks and opportunities

The estimation of anticipated financial impacts, expressed in monetary terms, has been incorporated into the objectives of our rental service, taking into account the integration of resource use and circular economy-related actions. This financial projection is predicated on the assumption that sales of devices will progressively transition to our rental model. By 2026, it is expected that the majority of devices will be rented out due to the more favourable terms being offered to customers.





Social





S1 Own workforce

We focus on fostering a diverse and inclusive workplace. To inform our social management targets, we regularly conduct employee engagement surveys and take a number of actions to ensure a dynamic, safe, and attractive workplace that promotes growth, fairness and well-being and rewards talent. In previous years, we were assessed as having an employee engagement level of about 70%, which puts us among top employers according to a study by international personnel management consultants KINCENTRIC, which uses the same assessment methodology across companies worldwide.

We constantly invest in the physical and emotional health and the growth of our employees, and we make great efforts to develop an inspiring internal culture. Over time, this has led to gratifying results. In 2023, the group was recognised in several ways, including with HR Brilliance Awards (London, UK) for Diversity & Inclusion (Silver) and for Recruitment & Retention (Silver).

ESRS 2 SBM-2 Interests and views of stakeholders

How the interests, views, and rights of our own workforce, including respect for their human rights, inform the group's strategy and business model is disclosed under **ESRS 2 SBM-2 Interests and views of stakeholders** (see [Table 4](#) and the related narrative).

Our group is committed to incorporating employees' interests into our strategy, fostering a diverse and inclusive workplace, and prioritising employee well-being and development. We conduct regular engagement surveys, offer extensive training programs, and uphold stringent human rights standards to ensure a dynamic and fair work environment.

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts, risks and opportunities for the group related to its own employees are summarised in the disclosure for **ESRS 2 SBM-3** (see [Table 5](#) and the related narrative).

As of 31 December 2023, the BITÉ Group had 2,555 employees (full time equivalent, FTE), compared to 2,681 at the end of 2022. The breakdown as of 31 December 2023 was as follows:

- 514 technology-based employees.
- 1,440 marketing, customer service, and sales representatives.
- 270 content-related employees.
- 331 employees in other areas.

This disclosure under ESRS 2 covers the 2,550 employees in our workforce in significant locations of operations. Most are employed by the group's subsidiaries in Latvia, Lithuania, and Estonia. This report does not include five employees based in Luxembourg, as their number is insignificant and no particular negative material impacts are related to this group. Working conditions in Luxembourg are based on EU regulations, with employee wellbeing supported by a combination of statutory benefits such as working time, holidays, and employer health and safety obligations.

There are relatively few non-employees who are materially impacted by our operations. These individuals work in call centres or perform technical installations and are provided by third-party undertakings primarily engaged in employment activities. Self-

employed individuals provide programming and content development services.

The BITÉ Group operates in compliance with EU labour laws, which prevent the occurrence of material negative impacts. Therefore, the group reports no actual negative impacts on its own workforce in this report. In 2023, the group reported no work-related illnesses or fatal incidents. Additionally, only 61 days were lost due to incidents occurring on the way to work (at the time of the incidents, the persons were not engaged in work activities). The group identifies no operations of its own at significant risk of incidents of forced labour, compulsory labour, or child labour.

No material impacts, risks or opportunities related to the workforce were identified from our environmental transition plans. The group does not recognise any specific employee groups at greater risk of harm. Our equal opportunities policy effectively prevents material negative impacts, eliminating the need for further analysis of specific groups.

Amongst the BITÉ Group's positive impacts on employees is an engaging work culture that empowers our employees and promotes a sense of personal ownership. We consistently invest in all our employees' physical and emotional well-being and growth, cultivating an inspiring internal culture. As a result, the BITÉ Group stands out as a top employer in terms of employee engagement.

Benefits that are standard for full-time employees of the group, such as life insurance, coverage for health care, disability and invalidity, parental leave and retirement provisions, are also provided to temporary and part-time employees in Lithuania, Latvia and Estonia. However, stock ownership is only



available to outstanding full-time managers, not temporary or part-time employees.

The ability to attract and retain key personnel is crucial for the group's business success. Loss of key employees and failure to manage personnel needs well could have a material adverse effect on the business, financial condition, and results of operations.

No material risks or opportunities from impacts and dependencies on our workforce relate to specific groups; they apply to all employees.

S1-1 – Policies related to own workforce

Policies concerning our own workforce matters are disclosed under **ESRS 2 MDR-P – Policies adopted to manage material sustainability matters** (see [Table 7](#) and the related narrative disclosure). The relevant policies cover all of the group's employees.

We are committed to respecting internationally recognised human rights in all our operations and do not tolerate human rights violations in any form. We expect the same from all third parties with whom we cooperate. We engage our employees regarding human rights impacts through regular engagement activities as well as through specific policies covering human rights-related matters. Employees can report possible misconduct via a completely anonymous whistleblowing system. Should the group cause any negative human rights impacts, we would provide remedies by procedures established in our internal policies as well as by law.

Our operations fully comply with EU labour laws, which align with the UN Guiding Principles on Business and Human Rights (UNGPs). We follow regulations to prevent human trafficking, forced labour, and child

labour, although these issues do not affect our workforce and are not specifically mentioned in our policies. In the countries where we operate, a health and safety management system is required by law, showing our commitment to a safe and ethical workplace.

Our equal opportunities policy documents the diversity and inclusion rules followed by the group's companies. It aims to eliminate discrimination, including harassment, promote equal opportunities, and advance diversity and inclusion in other ways. The policy specifically covers various grounds for discrimination, such as racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction and social origin, and other forms of discrimination covered by EU regulations and national law. The group does not have specific policy commitments for vulnerable groups in its workforce. Our equal opportunities policy effectively prevents material negative impacts, eliminating the need to analyse specific groups.

Procedures and initiatives are in place to prevent, mitigate and act once discrimination is detected (e.g. the whistleblowing system), as well as to advance diversity and inclusion in general, such as applying selection criteria and conditions developed by the EU Commission to all candidates, with salaries based on performance.

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

Processes for engaging with our own workforce and workers' representatives about impacts are disclosed under **ESRS 2 SBM-2 – Interests and views of stakeholders** (see [Table 4](#) and the related narrative).

Employee engagement occurs directly and through the employee representative body, the B Team Work Council. An Employee Engagement Survey is conducted annually, and other engagement interactions occur several times a year based on employee needs.

The HR Manager, the most senior role responsible for employee engagement, ensures that engagement happens and that its outcomes inform the group's approach.

We assess the effectiveness of our engagement through the results of the Employee Engagement Survey. No groups have been identified as particularly vulnerable to the group's material impacts.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

In the reporting period, the BITÉ Group identified no actual negative material impacts of its activities on its workforce; therefore, no remedies were required. Should the group cause any negative impacts on its workforce, we would provide remedies through procedures established in our internal policies as well as by law.

The group has its own channels for the workforce to raise concerns or needs and have them addressed. We have agreed in the group that employees may report their concerns in any of the following ways: to their direct manager or, if the notice concerns actions of the direct manager, to the deputy director general of the respective field, the CEO, or the chief financial officer, to employees of the company's Security Department, or by sending an anonymous report via the whistleblowing web-link provided by the selected independent

vendor. Further information on procedures related to channels for our own workforce to raise concerns is provided in the disclosure under **ESRS 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

Actions taken in relation to impacts on our own workforce, as well as risks and opportunities to the group, are disclosed under **ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters** (see [Table 8](#) and the related narrative).

The BITĖ Group operates in compliance with EU labour laws, which prevent the occurrence of material negative impacts. Therefore, the group reports no actual negative impacts on its own workforce in this report, and no remediations have been required so far.

To have a positive impact on our employees, we promote an engaging work culture and empower our workforce. We are committed to a diverse, inclusive environment where everyone can thrive. The group does not tolerate any form of discrimination or harassment and guarantees equal rights throughout the entire employment life cycle.

We measure the effectiveness of our workforce initiatives annually through an Employee Engagement Survey. Our strategic target is to achieve an employee engagement level of at least 70% in every Baltic country where we operate. HR analyses the results and creates action plans to improve the lowest indicators.

By enhancing employee engagement, we reduce workforce-related risks and pursue material opportunities. A sufficient HR budget is allocated each year to manage these impacts.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities are disclosed under **ESRS 2 MDR-T – Tracking the effectiveness of policies and actions through targets** (see [Table 9](#) and the related narrative).

Our strategic target is to achieve and maintain an employee engagement level of at least 70% in our annual employee engagement surveys. The results of the surveys, conducted by the independent consulting company Kincentric, are presented to the governance bodies of each company. Action plans are made annually to improve the lowest indicators. For example, we organise “Career Breakfast” and “Try the Profession” events to underscore career opportunities, and “Easy Lunch” virtual meetings with top managers and visits by managers to outlets to boost engagement with senior leadership.

Our efforts have resulted in an employee engagement level 69% in our Lithuanian telco companies, placing us among the top employers globally, as recognised by Kincentric. We have not yet conducted the survey in Estonia and Latvia, hence results from those countries are not yet available.

S1-6 – Characteristics of the undertaking’s employees

Information on the BITĖ Group’s employees is provided in the [tables 19, 20, 22](#). After acquisitions in Latvia, that country now has more employees than Lithuania, meaning it has the largest number of group employees in the Baltics.

Cross-reference to [Financial Statements](#): total number of employees, full-time equivalent (see p. 3 in the PLT VII FINANCE S.à r.l. ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023).



Table 19. Employee breakdown by gender

	Number of employees (headcount)			
Gender	31 Dec. 2023	31 Dec. 2022	31 Dec. 2021	31 Dec. 2020
Male	1,133	1,138	1,115	1,023
Female	1,481	1,539	1,496	1,309
Other*	Not applicable	Not applicable	Not applicable	Not applicable
Not reported	0	0	0	0
Total Employees	2,614	2,677	2,611	2,332

*The "other" category is not applicable because registering as having a third, often neutral, gender is not legally possible in the countries where the group operates.

Table 20. Employee breakdown by country

	Number of employees (headcount)	
Country	31 Dec. 2023	31 Dec. 2022
Estonia	173	186
Latvia	1,301	1,332
Lithuania	1,139	1,159
Total Employees	2,614	2,677

Table 21. Employee breakdown by country (FTE)

	Number of employees (FTE)			
Country	31 Dec. 2023	31 Dec. 2022	31 Dec. 2021	31 Dec. 2020
Estonia	175	189	180	183
Latvia	1,248	1,290	1,255	1,170
Lithuania	1,127	1,200	1,200	1,017
Total Employees	2,550	2,679	2,635	2,370

Notes: We additionally report the number of employees in full-time equivalents (FTEs) here to align with the figures presented in our consolidated financial statements.

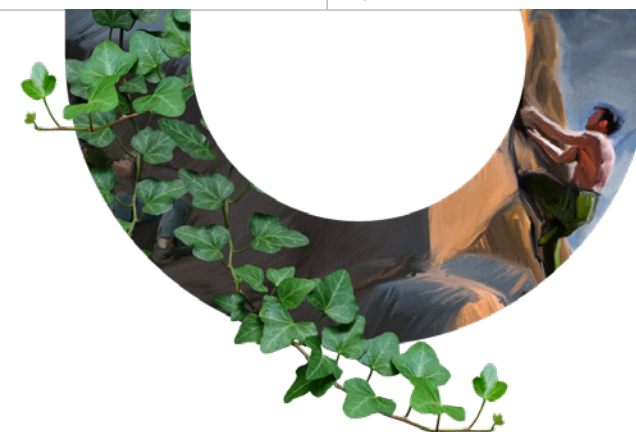
Table 22. Employee breakdown by gender and by employment contract

31 December 2023				
Female	Male	Other*	Not disclosed	Total
Number of employees (headcount)				
1,133	1,481	0	0	2,614
Number of permanent employees (headcount)				
1,121	1,428	0	0	2,549
Number of temporary employees (headcount)**				
12	53	0	0	65
Number of non-guaranteed hours employees (headcount)				
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Number of full-time employees (headcount)				
1,089	1,411	0	0	2,500
Number of part-time employees (headcount)				
46	67	0	0	113

* Gender as specified by the employees themselves (not applicable in Estonia, Latvia and Lithuania).

** Temporary employees are mainly hired to replace those on maternity/paternity leave or military service.

Notes: Country-level data is calculated using the definitions of permanent, temporary, non-guaranteed hours, full-time, and part-time employees as per the national laws of the countries where the employees are based. "Non-guaranteed hours" employment is not applicable in the group's operating countries.





Employee turnover

The relatively high level of annual turnover is related to the frontline sales and call centre positions. These positions usually constitute an employee's first work experience, where rotation is high due to inadequate expectations. This is especially true in sales, where people need to achieve challenging targets. Mergers and acquisitions in Latvia influenced some employees' decision to leave, though everybody was offered an opportunity to continue employment within the group.

Table 23. Employee turnover

31 December 2023		
Country	Employees who left* (headcount)	Rate of employee turnover**
Employee turnover		
Estonia	43	25%
Latvia	734	56%
Lithuania	441	39%
Total:	1,218	47%

* The aggregate of the number of employees who left voluntarily or due to dismissal, retirement, or death in service.

** The number of employees who left (headcount) divided by the total number of employees (headcount) in the category (country).

S1-7 – Characteristics of non-employees in the undertaking's own workforce

The group benefits from the work of some persons who are not our employees but whose work is controlled by our organisation, e.g., for customer care and direct delivery services. People working in call centres or performing technical installations are provided by third-party undertakings primarily engaged in employment activities. Self-employed people provide programming and content development services.

Table 24. Workers who are not employees

31 December 2023	
Estonia	64
Latvia	65
Lithuania	27
Total	156

* Definition of non-employees used: people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities".

S1-8 – Collective bargaining coverage and social dialogue

The group's employees and non-employees are not covered by collective bargaining agreements. A representative employee body, the B Team Work Council, is responsible for defending those persons' professional, labour, economic, and social rights and representing their interests. Changing working conditions are aligned with the B Team. Globally, 35% of employees are covered by workers' representatives (by headcount). The B Team Work Council is established in Lithuania and covers 80% of Lithuanian employees. No work councils have been established in Latvia or Estonia. There were no agreements with employees in effect during the reporting period for their representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

Changes in working conditions are aligned with the B Team. The group has no operations outside the EEA.

Table 25. Collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage		Social dialogue
	Employees – EEA (for countries with >50 empl. repre- senting >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. repre- senting >10% total empl.)
0-19 %	Estonia Latvia Lithuania	Not applicable	Estonia Latvia
20-39 %			
40-59 %			
60-79 %			
80-100 %			Lithuania

Notes: Group employees are not covered by collective bargaining agreements (0% are covered). There is a B Team Work Council in Lithuania which covers 80% of Lithuanian employees (by headcount). No work councils have been established in Latvia or Estonia.

S1-9 – Diversity metrics

Table 26. Diversity at the top management level by gender and by country

31 December 2023			
Country	MALE	FEMALE	Total
Diversity at the top management level (headcount)			
Estonia	5	14	19
Latvia	19	14	33
Lithuania	20	5	25
Total	44	33	77
Diversity at the top management level (%)			
Estonia	25%	75%	100%
Latvia	58%	42%	100%
Lithuania	80%	20%	100%
Total	57%	43%	100%

Note: The group's top management is defined, in keeping with the ESRS definition, as the first and second levels below the administrative and supervisory bodies.

Table 27. Breakdown of employees by age and country

31 December 2023				
Country	Under 30 years old	30-50 years old	Over 50 years old	Total
Number of employees (headcount)				
Estonia	44	105	25	174
Latvia	383	780	138	1,301
Lithuania	414	640	85	1,139
Total	841	1,525	248	2,614
Percentage of employees (%)				
Estonia	25%	60%	14%	100%
Latvia	29%	60%	11%	100%
Lithuania	36%	56%	7%	100%
Total	32%	58%	9%	100%

S1-10 – Adequate wages

100% of our employees and non-employees are paid an adequate wage in line with applicable benchmarks. In the countries in which we operate, the minimum wage is set in accordance with Directive (EU) 2022/2041 of the European Parliament and of the Council on adequate minimum wages in the European Union.

S1-11 – Social protection

100% of our employees and non-employees are covered by social protection against loss of income following major life events, as mandated by European Union laws.

S1-12 – Persons with disabilities

Table 28. Percentage of employees with disabilities with a breakdown by gender

31 December 2023			
Country	MALE	FEMALE	Total
Estonia	0.00%	0.00%	0.00%
Latvia	1.23%	0.68%	0.92%
Lithuania	0.20%	0.63%	0.61%
Total	0.71%	0.61%	0.73%

Note: Only the data known to the group's companies is provided, subject to legal restrictions on data collection.

S1-13 – Training and skills development metrics

We offer training programs to enhance employees' technical and management skills, focusing on job-related competencies and compliance with internal policies, including health, fire safety, and first aid. Each year, employees have a dedicated training budget and can select courses from options proposed by HR, such as project management, communication, emotional intelligence, public speaking, time management, and creativity. We regularly conduct 360 assessments for managers. Funds are available for specialised training and for attending conferences and workshops related to employees' roles or projects they manage.

Table 29. Percentage of employees that participated in regular performance and career development reviews

31 December 2023			
Country	MALE	FEMALE	Total
Estonia	N/A*	N/A*	90%
Latvia	N/A*	N/A*	34%
Lithuania	N/A*	N/A*	12%
Total	N/A*	N/A*	28%

* Statistics on regular performance and career development reviews by gender are not available at the group. Our Equal Opportunity Policy includes, among others, statutory requirements related to workers' rights and anti-discrimination. Discrimination by gender is prohibited in the group, thus we did not consider it necessary to collect data on performance and career development based on gender.

Table 30. Average number of training hours per employee and by gender

31 December 2023			
Country	MALE	FEMALE	Total
Average hours of training per employee per year			
Estonia	N/A*	N/A*	11.83
Latvia	N/A*	N/A*	7.83
Lithuania	N/A*	N/A*	0.39
Total	N/A*	N/A*	4.86

Notes: The average is calculated as the total number of training hours offered to and completed by employees per country divided by the total number of employees per country. For the total training averages, the headcount figures correspond to those disclosed under ESRS S1-6.

* Training is offered to everybody, with no differentiation of training hours between female and male employees. Our Equal Opportunity Policy includes, among others, statutory requirements related to workers' rights and anti-discrimination. Discrimination by gender is prohibited in the group. We did not consider it necessary to collect data on training based on gender. Such statistics are not available at the group but we plan to introduce them in the future to ensure compliance with the standards.

S1-14 – Health and safety metrics

100% of the group's employees are covered by the group's health and safety management system, which is based on legal requirements.

In 2023, there were no fatalities or work-related injuries or illnesses. The group recorded zero (0) work-related accidents and zero (0) cases of work-related ill health, in compliance with legal restrictions on data collection. While 61 days were lost due to an accident on the way to work, no (0) days were lost due to work-related injuries, accidents, or ill health. Additionally, zero (0) such cases were reported for non-employees working at the organisation's sites.

S1-15 – Work-life balance metrics

All of the group's employees are entitled to take family-related leave.

S1-16 – Remuneration metrics (gender pay gap and total remuneration ratio)

Table 32 presents unadjusted pay gap ratio. Pay gap adjusted by employee category gives 6% lower ratio.

Table 32. Gender pay gap

31 December 2023	
Country	Ratio
Ratio of basic salary and remuneration of women to men	
Estonia	9%
Latvia	27%
Lithuania	19%
Weighted average*:	22%

Notes: The gender pay gap is defined here as the difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. The gap is calculated using the following formula: $(\text{Average gross monthly pay level of male employees} - \text{Average gross monthly pay level of female employees}) / \text{Average gross monthly pay level of male employees} \times 100$. The average monthly pay level was used in calculations, as hourly pay is not practiced within our group. The average monthly pay level should give the same result if expressed in average hours worked per month.

* Formula for calculation of the group's weighted average gender pay gap ratio: $\Sigma(w \cdot x) / \Sigma w$, where w represents the weight for each ratio, in this case, the headcount of employees in each country, and x represents the value of the ratio in each country.

Table 31. Percentage of employees that took family-related leave broken down by gender

31 December 2023		
Country	MALE	FEMALE
Estonia	1.60%	5.36%
Latvia	0.53%	4.79%
Lithuania	1.56%	12.70%
Total:	1.04%	8.24%

* Statistics on regular performance and career development reviews by gender are not available at the group. Our Equal Opportunity Policy includes, among others, statutory requirements related to workers' rights and anti-discrimination. Discrimination by gender is prohibited in the group, thus we did not consider it necessary to collect data on performance and career development based on gender.



Table 33. Total annual remuneration ratio

31 December 2023	
Country	Ratio
Ratio of the total annual remuneration of the highest-paid individual to the median total annual remuneration for all employees (excluding the highest-paid individual)	
Estonia	10
Latvia	18
Lithuania	24
Group	20

Notes: Calculations are based on the remuneration of the highest-paid individual in each country. Lithuania shows the highest pay gap indicator because the group CEO is based in Vilnius.

All variable and non-variable cash payments are included in the calculation of the ratio.

The total annual remuneration ratio is calculated using the following formula: Total annual remuneration for the undertaking's highest-paid individual/ Median total annual total employee remuneration (excluding the highest-paid individual) in each country. The total annual remuneration ratio for the group was calculated using a weighted average formula:

Weighted Average = $\sum(w \cdot x) / \sum w$, where:

w represents the weight for each ratio, in this case, the headcount of employees in each country, and

x represents the value of the ratio in each country.

Pay disparity drivers are remuneration (salaries, bonuses and other compensations) to respective management in respect of their work performed for the group. The outstanding payable balances to management in respect of their work performed for the group totalled 1.409 million euros as of 31 December 2023 (1.178 million euros as of 31 December 2022).



S1-17 – Incidents, complaints and severe human rights impacts

During the reporting period, zero (0) incidents of discrimination, including harassment, were reported. Consequently, no fines, penalties, or compensation for damages were paid (0 euros). One complaint was filed through an employee concerns channel in Lithuania. The B Team analysed the complaint and a solution was found to resolve the issue related to working conditions.

Zero (0) severe human rights incidents connected to the group's employees were identified during the reporting period. Thus, no fines, penalties, or compensation for damages were paid (0 euros).

S2 Workers in the Value Chain

ESRS 2 SBM-2 Interests and views of stakeholders

We indirectly take into account the interests and views of the workers in our value chain by engaging with our suppliers, requiring their compliance with our [Supplier Code of Conduct](#).

SRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model, Impact, risk and opportunity management

We do not have direct operational or financial control over our key suppliers and have limited influence on their business practices and workers in the value chain. We aim to include the Supplier Code of Conduct in agreements and the purchasing process, and we assess suppliers from countries with higher risk for inappropriate working conditions and human rights violations.

We maintain relationships with key suppliers for mobile network equipment and software. The growth of our subscriber base partly depends on the timely sourcing of network equipment, mobile handsets, other mobile devices, software, and content. If key suppliers face worker-related issues and cannot promptly provide adequate equipment, that could impact our ability to retain or attract subscribers and offer attractive products and services, negatively affecting our business, financial condition, and operations. Therefore, we strive to work with responsible suppliers who comply with our [Supplier Code of Conduct](#).

We have not identified any value chain workers materially impacted by our group's activities, as no significant negative impacts have been

found so far. In January 2020, the EU issued non-binding recommendations warning telecommunications providers about potential cybersecurity risks from certain countries and suppliers, which were largely interpreted in the EU as focusing on China and Huawei.

We have a very limited number of suppliers from countries with significant risks of child labour, forced labour, or compulsory labour. These suppliers are assessed and obliged to comply with our Supplier Code of Conduct. We plan to expand the use of our Supplier Code of Conduct to positively influence social, environmental and governance aspects in our supply chain.

S2-1 – Policies related to value chain workers

Policies related to value chain workers are disclosed in accordance with **ESRS 2 MDR-P – Policies adopted to manage material sustainability matters** (see [Table 7](#) and the related narrative). The relevant policies are intended for all value chain workers.

Our human rights policy commitments related to value chain workers are described in our [Supplier Code of Conduct](#). The commitments explicitly address trafficking in human beings, forced labour or compulsory labour, and child labour.

Our [Supplier Code of Conduct](#) indicates that all human beings are entitled to fundamental human rights and must be treated with respect and dignity. In line with the Global Compact's 10 principles, the BITÉ Group is committed to respecting and supporting the protection of internationally proclaimed human rights and making sure that we are not complicit in any human rights abuses. We expect our suppliers to share the same level of respect for human

rights. Suppliers are further expected to respect the principles concerning fundamental labour rights set out in the ILO's Core Conventions and Declaration on Fundamental Principles and Rights at Work.

Mechanisms for monitoring compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises include the due diligence processes described in our disclosure under **GOV-4 – Statement on due diligence**. There is no direct engagement with value chain workers; however, possible misconduct can be reported via our [whistleblowing system](#).

No cases of non-compliance with the aforementioned international human rights guidelines involving value chain workers have been reported to the group; therefore, no remedial measures have been necessary so far.

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

There is no direct engagement with value chain workers. The ESG Officer is responsible for assessing impacts on these workers through indirect procedures and for informing the group's approach.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Our actions on remediation and grievance mechanisms are guided by the content of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.





The BITĖ Group's [Transparency Policy](#) explains communication about possible misconduct. Any customer or partner can report incidents via a completely anonymous whistleblowing system which is easily accessible on our corporate websites in all the Baltic countries. In 2023, the system was upgraded to Progressive Web App which is adaptive to mobile devices and which allows much more freedom in the communication of concerns.

More information on procedures related to channels for our own workforce to raise concerns is provided under **ESRS G1-1 Business conduct policies and corporate culture**.

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 the effectiveness of those actions

No actual material impacts have been identified so far, thus no remedies have been required. To mitigate the material risk in our supply chain, we strive to work with responsible suppliers that comply with our [Supplier Code of Conduct](#) and we act in accordance with our Code of Conduct. No severe human rights issues or incidents connected to our upstream and downstream value chain have been reported to the group.

Apart from our [Supplier Code of Conduct](#), benefits for value chain workers are delivered directly through our services. Smartphone use has become an instrumental part of a person's daily life. We provide easy-to-use smart solutions to make everyday living effortless. For example, our specialists helped our partners at the water supply company Vilnius Vandenys deploy a unified smart water supply network.

More than 8,000 buildings were equipped with cold water meters connected to the Internet of Things (IoT). As a result, employees at the water company can remotely track readings on the meters. This was the first deployment of Narrowband Internet of Things (NB-IoT) technology in the Baltic countries and Poland. The smart solution for remote water control enables instant identification of excessive water supply and timely resolution of incidents. This helps save water and travel time for the employees of Vilnius Vandenys and helps use natural resources more responsibly. BITĖ is also providing the Lithuanian energy distributor Energijos Skirstymo Operatorius with an ICT solution for new smart electricity metering infrastructure. Over a million new smart meters will be installed in Lithuania so people can see accurate consumption details and use electricity more efficiently to save resources.

We intend to start measuring our ICT impact on the sustainability goals based on the ["The Enablement Effect"](#).

The Purchasing Department as well as the Legal Officer and the ESG Officer allocate resources to achieve targets for managing our material impacts.

S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Our targets for managing material negative impacts focus on supplier management and incorporating the [Supplier Code of Conduct](#) into agreements with suppliers and purchasing processes. Progress will be measured by the number of suppliers who comply with the [Supplier Code of Conduct](#), though specific

numbers were unavailable in 2023 and no exact target has been set yet. We also assess suppliers from high-risk countries through automatic scanning for negative information and due diligence via self-assessment questionnaires based on UN Global Compact principles and the SDGs.

These targets were established during a double materiality assessment and discussed with external sustainability consultants without direct engagement with value chain workers. Performance will be tracked annually against the identified targets.





S3 Affected communities

We actively support the communities in which we operate and coordinate efforts in this regard among our operating companies. In 2023, the group launched a new long-term social responsibility strategy aimed at helping people with disabilities, stressing not their weaknesses but their strengths. Several programmes have been launched to foster the inclusion of people with disabilities and create value and connection with our employees. We signed a four-year partnership agreement with the Lithuanian and Latvian Paralympic Committees, and together with our media companies, we aim to increase the social inclusion of people with disabilities by raising awareness of their achievements in professional and non-professional sports. The group is committed to acting to advance societal goals and contribute to good corporate citizenship and sustainable growth through responsible and creative leadership.

ESRS 2 SBM-2 – Interests and views of stakeholders

Information on how the interests and views of affected communities, including respect for their human rights, inform the group's strategy and business model is disclosed in accordance with **ESRS 2 SBM-2 Interests and views of stakeholders** (see [Table 4](#) and the related narrative).

The impacts of our core business are widespread in society rather than limited to particular communities. However, our recently updated CSR strategy focuses on people with disabilities as a key community on which we can have a positive impact. We focus on this community in our disclosure under ESRS 2 and engage this community directly through our CSR programmes.

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts, risks, and opportunities, as well as their interaction with our strategy and business model, are disclosed under **ESRS 2 SBM 3** (see [Table 5](#) and the related narrative).

We have not identified any material negative impacts on communities from our activities. Our efforts to create positive impacts are focused on communities in the countries where we operate.

Our strategic priorities focus on including people with disabilities, who are among the most vulnerable in our society. By leveraging our funds, connectivity, and media technologies, we aim to draw attention to their strengths and capabilities. Our efforts concentrate on two main aspects: improving the accessibility of our services and implementing our CSR programs.

Our CSR strategy aims to enhance the inclusion of people with disabilities in social life, the labour market, and society, particularly in professional and leisure sports, to make their lives a bit easier. BITE has officially become a patron of the Lithuanian and Latvian Paralympic Committees, with a support commitment and partnership which will continue until at least 2028. Our target group includes physically and socially active individuals with disabilities who pursue professional sports and personal growth.

Activities planned in 2024 include:

- Communication regarding the main para-sports events, such as the World Championships, European Championships, and Paralympic Games.
- Visibility for para-athletes, their everyday life and work (integration in programmes).

S3-1 – Policies related to affected communities

Policies related to affected communities are disclosed in accordance with **ESRS 2 MDR-P – Policies adopted to manage material sustainability matters** (see [Table 7](#) and the related narrative). The relevant policies are intended for all communities and do not specify particular ones.

Our strategy focuses on people with disabilities as a key community on which we can have a positive impact. We have identified no material negative impacts on other particular communities affected by our activities. Therefore, we do not have specific policy commitments to protect communities' human rights. Instead, we adhere to our Code of Conduct and internal policies which emphasise respect for human rights, community engagement, and providing remedies for any negative impacts. In the Baltic countries, which is where we operate, there are no specific concerns related to indigenous peoples that need to be addressed.

Mechanisms for monitoring compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises include our due diligence processes described in the disclosure for [GOV-4 – Statement on due diligence](#).



S3-2 – Processes for engaging with affected communities about impacts

Our general processes for engaging with affected communities include meetings with representatives of people with disabilities, direct consultations, and providing needed support. Since adopting our CSR strategy for people with disabilities, such engagement has been direct and regular. Brand and HR managers ensure that the engagements happen and the outcomes inform our approach.

We assess the effectiveness of our engagement through the success of the support programmes implemented. The group is committed to the CSR strategy over the long-term, including partnerships with the Lithuanian and Latvian Paralympic Committees, having pledged over 1.5 million euros in support over the next four years.

To obtain insights from affected communities, we hold meetings with their representatives and share experiences through our [“Superpower Exchange”](#) programme.

S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

We have not identified any material negative impacts on communities from our activities. Various reports have alleged potential health risks from electromagnetic signals from antenna sites, mobile handsets, and other wireless devices. However, further medical research and studies are required to confirm any link. Since 1995, the European Commission has been investigating these concerns and has established guidelines and recommendations that we adhere to.

The needs of the affected community of persons with disabilities can be raised and addressed through the [“Superpower Exchange”](#) web portal.

Our [whistleblowing system](#) is available on our corporate websites in Estonia, Latvia, and Lithuania. We had an independent audit of the website’s accessibility performed, testing with people with different disabilities. Based on the audit’s findings, we have begun adapting the websites for disabled users, with IT implementation scheduled for 2024. All issues reported through the whistleblowing system are addressed in keeping with our [Transparency Policy](#), which prohibits the prosecution and punishment of individuals who report possible violations in good faith.

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 the effectiveness of those actions

Actions taken in relation to impacts on affected communities, as well as risks and opportunities to the group, are disclosed under **ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters** (see [Table 8](#) and the related narrative).

We do not cause negative impacts on communities; therefore, no remediating actions have been required. Environmental laws and regulations impose stringent obligations on radiation emissions, zoning, health and safety, and noise. We are required to obtain environmental permits, licenses, and authorisations, and to notify authorities before operating equipment or property. We comply

with these requirements. No severe human rights issues or incidents connected to affected communities have been reported.

We focus on generating a positive impact for people with disabilities by improving the accessibility of our services and providing support through our CSR programmes. To identify what actions are needed and track their effectiveness, we consult with experts and representatives of communities. We also audit and test our products and websites for how they meet the needs of people with disabilities. Our commitments to supporting and including people with disabilities are approved at the top management level. Any discourse would be addressed and managed to avoid any negative impacts.

To make life a bit easier for people with disabilities, in 2023 we implemented the following actions:

1. BITÉ Profas content for people with disabilities:

- We have created a special section of BITÉ Profas dedicated to people with disabilities.
- In the section, we provide tips on how to adapt phones for individuals with visual impairments, enable screen readers, and use YouTube subtitles.
- We published our first quarterly newsletter.

2. Subtitling of BITÉ content:

- We have begun adding subtitles to all the video content we create for clients, including TV commercials and BITÉ Profas reviews. Going forward, all such content will be subtitled to enhance accessibility.

3. Adaptation of bite.It and labas.It for people with disabilities:

- We conducted an independent audit to assess the accessibility of our websites. After testing with individuals with various disabilities, we compiled a list of areas for improvement.
- Based on the audit's findings, we have begun adapting bite.It and labas.It to better serve people with disabilities. The IT implementation was scheduled for completion in the first half of 2024.

4. Superpower Etiquette Day:

- On November 30th, we participated in a unique "Naujasis Teatras" event, where 60 of our employees experienced the sensory performance "Why Am I Here?". Held in complete darkness, the performance gave them insights into the daily lives of blind individuals.
- We organised a seminar titled "How to Communicate with People with Disabilities?".
- We prepared a memo, "People with Different Needs: How to Communicate," which will be included in the information package for new employees.

We have set a target to invest 1.5 million euros over four years in projects for the social inclusion of people with disabilities, to be measured in terms of audited financial data.

S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

We have not identified any negative impacts on communities so far. To advance positive impacts and manage material risks and opportunities related to affected communities, we have set a target to invest 1.5 million euros over four years in our CSR programme. The investments will focus on the social inclusion of people with disabilities, raising awareness of their professional and non-professional sports achievements, and will be measured using audited financial data. The target was set based on a double materiality assessment and engagement with communities of people with disabilities. Lessons learned from this new CSR strategy will be considered during its implementation, and improvements will be planned accordingly.





S4 Consumers and end-users

ESRS 2 SBM-2 – Interests and views of stakeholders

Information on how the interests and views of consumers and end-users, including respect for their human rights, inform the group's strategy and business model is disclosed in accordance with **ESRS 2 SBM-2 Interests and views of stakeholders** (see [Table 4](#) and the related narrative).

We offer connectivity, mobile handset services and mobile data services in Lithuania and Latvia. In the market for mobile handset services and mobile data services, we compete based on network quality, product and service portfolio specifications, quality of content, customer care, sales and marketing services, and price. We also need to monitor consumer preferences towards sustainable products and services.

As the mobile telecommunications markets in Lithuania and Latvia are well-penetrated markets, especially for voice connections, with a limited number of new subscribers entering the market, to differentiate ourselves, we offering other products such as mobile data and Internet of Things (IoT) services, eSIMs and other information and communications technology (ICT) products and OTT services that have a positive enablement effect on sustainability ([Enablement Effect](#), GSMA). In our pay TV and media and content businesses in Lithuania, Latvia and Estonia, we operate free TV and pay TV channels, radio stations, our Home3 satellite platform, our Go3 OTT streaming service, an advertising-based video-on-demand ("AVOD") service, and news and entertainment portals, as well as offering a digital advertising service for online advertising.

We are the leading media house in Lithuania and Latvia, and Go3, our OTT streaming service, is the leading OTT service in Lithuania, Latvia, and Estonia. Consumers are our key stakeholders, and their views and interests are crucial to us.

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts, risks, and opportunities, as well as their interaction with our strategy and business model, are disclosed under **ESRS 2 SBM 3** (see [Table 5](#) and the related narrative).

The group's Telco businesses in Lithuania and Latvia provide mobile and fixed telecommunication services and pay TV services to customers in Lithuania and Latvia.

The group's media and content business includes media operations in Lithuania, Latvia, and Estonia, i.e., TV, commercial radio, streaming radio, video on demand, news and entertainment portals, advertising services, and content production and distribution services.

In addition to our primary businesses, the group sells a variety of equipment to support the above-mentioned services to customers.

All the group's private and business customers for telecommunications and media services are included in this disclosure.

Customers of telecommunications and media services increasingly expect service providers to offer high-quality bundles of mobile telephone, fixed broadband and pay TV services. In addition, we observe an emerging trend that requires services and products to be sustainable. If our bundled products cannot compete effectively in the markets in which

we operate, our business, financial condition and results of operations could be materially adversely affected.

Our ability to grow or maintain our business may be adversely affected by weakening global or domestic economic conditions, wavering consumer confidence, and unemployment. Since customers often view spending on services like pay TV as discretionary, the risks to our business increase during economic slowdowns, recessions, or rising consumer goods prices. During such times, consumers may delay purchases, reduce or reallocate discretionary funds, downgrade their packages, switch to less costly providers, or opt for lower-end services. To mitigate this risk, we have launched an income insurance service for our subscribers.

So far we have not found that our products or services could have a material negative impact on consumers. Various reports have alleged that there may be health risks associated with the effects of electromagnetic signals from antenna sites, mobile handsets and other mobile and wireless telecommunications devices. However, further medical research and studies are needed to establish a link between electromagnetic signals or radio frequency emissions and these health concerns. The European Commission has been investigating these concerns since 1995 and has established related guidelines and recommendations which we adhere to.

Public concern over actual or perceived health effects related to electromagnetic radiation may result in decreased mobile usage, increased consumer litigation or stricter regulation, and our business, financial condition, and results of operations could



be materially and negatively affected. Additionally, the actual or perceived risk of telecommunications devices, press reports about risks or any litigation relating to such risks could adversely affect us through a reduction in the size or growth rate of our customer base, a decline in usage by our customers, or increased litigation costs, and could have an adverse effect on our financial condition and results of operations.

We adhere to rules and regulations regarding health and privacy impacts from marketing and sales strategies to avoid negative impacts on vulnerable consumers, such as children or financially vulnerable individuals. The group's services and products are not known to be inherently harmful to people and/or increase their risks of chronic disease.

We follow the GDPR rules and regulations to avoid negative impacts on consumer privacy. In 2023, we continued to prioritise investments in cybersecurity, reaching level 4 based on FTI security criteria. We are subject to cybersecurity requirements, which will be broadened after the implementation of the new Network and Information Security Directive 2 (Directive (EU) 2022/2555; "NIS2"). We are already preparing to meet the NIS2's expanded cybersecurity obligations with robust cybersecurity measures and incident reporting protocols.

Material positive impacts of our products and services

Throughout 2023, the group was focused on achieving a leading position in the region's pay TV market. The main growth engine was our Go3 over-the-top (OTT) service, which now has over 500,000 subscribers. Original video-on-

demand (VOD) content, robust linear channels, and a diverse sales channel mix have made Go3 the fastest-growing pay TV service in the region, driven by both organic growth and gains from existing subscribers. The subtitling of content is improving accessibility for people with disabilities.

Growth of ICT and IoT services remained solid in 2023 thanks to robust infrastructure and expanded cloud and hosting services. Smart metering solutions based on Narrowband NB-LTE/CAT-M network technologies enabled the group to connect over 1 million IoT smart meters and maintain the undisputed leading position in smart metering solutions for utility businesses. The enablement effect of such solutions can be quantified in accordance with the GSMA's ["The Enablement Effect"](#).

The rollout of 5G networks continued at a fast pace in both Lithuania and Latvia, with over 700 active base stations in the two countries. Total 5G traffic rose to 15% of all network data traffic. Our commercial strategy allowed us to offer customers fast 5G FWA internet services for home and office. We had the highest average 5G download speeds in Lithuania in 2023 (275.6 Mbps) according to the Lithuanian National Communication Regulator. That reflects our development strategy focused on covering populated areas with high-speed 5G. We set the official 5G speed record in Lithuania (2,679 Mbps), proving the capabilities of 5G technology in a live and crowded environment. According to the internet speed-testing company OOKLA, our Latvian Telco had the highest average internet speed and the best mobile consistency among all mobile operators in the country at the end of 2023.

In 2023, the group's Latvian Telco launched HD-quality voice-over-LTE (VoLTE) technology, which provides higher-quality voice calls and works on LTE/5G networks. By year-end, more than 40% of customers were using this technology for better-quality voice calls. Our Lithuanian Telco launched voice-over-WIFI (Vo-WIFI). This functionality improves voice quality in locations covered by WIFI but lacking cellular network coverage. It is a quick way to add coverage for voice services by reusing existing (or new) WIFI infrastructure, which is significantly more cost-effective than indoor radio solutions based on cellular 2G/3G/4G technologies.

In the second half of 2023, Bitė Lietuva introduced new products—internet security+, lost revenue insurance, home internet router device rental, and BITĖ/Go3 product enrichment (HBO package)—which were well received by the market and our customers.

S4-1 – Policies related to consumers and end-users

Policies related to consumers and end-users are disclosed in accordance with **ESRS 2 MDR-P – Policies adopted to manage material sustainability matters** (see [Table 7](#) and the related narrative). The relevant policies are intended for all our customers and end-users.

Respect for the human rights of customers and/or end-users is embedded in the [Code of Conduct](#) and Privacy Policy for the group's companies. Any customer concerns, including those related to protecting human rights, are addressed in direct communication with Customer Service. Consumers are also welcome to use our whistleblowing system to communicate concerns. Our Privacy Policy is accessible to consumers on our corporate websites.



Our [Code of Conduct](#) is aligned with internationally recognised instruments relevant to consumers and/or end-users, including the United Nations (UN) Guiding Principles on Business and Human Rights.

S4-2 – Processes for engaging with consumers and end-users about impacts

General processes for engaging with consumers, end-users, and their representatives about actual and potential impacts are disclosed under **ESRS 2 SBM-2 – Interests and views of stakeholders** (see [Table 4](#) and the related narrative disclosure).

Our frontline employees engage with customers daily in our outlets and call centres, escalating critical concerns to the responsible managers as needed. An independent provider regularly conducts customer Net Promoter Score (NPS) surveys. The NPS is a key indicator in our strategy, and one we strive to continuously improve across all segments to strengthen our relationship with our customers. Customer service and operations managers ensure that such engagements take place and the results inform our work. We assess the effectiveness of our engagement by encouraging feedback after every customer interaction and tracking NPS scores.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

We have not identified any material negative impacts on consumers, so no remedies are currently required. We provide compensation in rare instances where service quality could not be guaranteed.

Consumers can raise any concerns they have to our customer care staff via voice, email, and chat channels. Additionally, an anonymous whistleblowing system is available on our corporate websites. Customer care channels are essential to our service offerings, as they are vital for providing effective support to our customers.

We have evaluated the channels we offer for consumers to raise concerns based on "effectiveness criteria for nonjudicial grievance mechanisms", as laid out in the UN Guiding Principles on Business and Human Rights. Our channels maintain legitimacy through accountability, transparency, and stakeholder trust, offering clear, accessible, and timely procedures. We treat grievances confidentially and with respect for privacy and data protection rights.

More information on procedures related to channels for consumers and end-users to raise concerns is provided under **ESRS G1-1 Business conduct policies and corporate culture**.

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 the effectiveness of those actions

Actions taken in relation to impacts on consumers and end-users are disclosed under **ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters** (see [Table 8](#) and the related narrative).

We have not identified any material negative impacts on consumers, so no remediating actions are currently required. No severe human rights issues or incidents connected to

our consumers and/or end-users have been reported to the group.

Constant interaction with customers via our customer care channels enables us to determine what action is needed and appropriate to remedy a specific real or potential impact on consumers. We continually work to improve processes for gathering consumer feedback and to shorten reaction times.

The group has incorporated a Net Promoter Score focus into its strategy and has assigned resources and priorities for NPS-focused tasks. NPS tracking (transactional and relational) makes it possible to assess the effectiveness of actions taken. We set annual NPS targets for BITÉ Group customers, aiming for levels higher than 20% across the different customer segments.

In 2023, the Telco companies focused heavily on improving the NPS and enhancing customer experience and customer service across the whole organisation. Actions included:

- Creating new customer service guidelines for the organisation.
- Launching a "Happy Because Grateful" campaign to promote customer appreciation for good service and enhance the well-being of our customer care employees.
- Expanding the PROFAS services to all our outlets and digital channels.
- Offering free 5G trials for customers with compatible devices.

Additionally, the group adopted a new CSR direction focused on empowering people with disabilities to achieve remarkable results. We signed a four-year partnership



agreement with the Paralympic Committees in Lithuania and Latvia, and with the help of our media companies, TV3 will increase the social inclusion of people with disabilities by building awareness of their achievements in professional and non-professional sports.

We plan to enhance our end-to-end customer experience by implementing advanced platforms like **MEDALLIA**, a leader in customer experience management. This will enable us to quickly respond to customer feedback, gain insights, and make important decisions. After having been in contact with a customer care consultant, customers will receive a message with a link to rate their experience by answering a few questions. Customer ratings will be processed and displayed in real-time on MEDALLIA's new survey platform. If a customer gives a negative or neutral evaluation, a callback will be initiated automatically to address their concerns. Following up with customers after a negative experience is crucial for our customer experience strategy. It demonstrates that we value customers' feedback, helps us address issues directly, and significantly boosts referrals. Customer feedback fuels our improvement and growth.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

No material negative impacts on consumers have been identified in the group.

To manage the impacts, risks, and opportunities related to consumers and end-users, we set annual NPS targets for BITĖ Group customers, aiming for levels higher than 20% across the different customer segments. This target was successfully achieved for Lithuania Telco in 2023 (no target for the group was set in 2022).

These targets were set during a double materiality assessment. NPS, based on direct consumer responses, enables us to evaluate whether our products and services meet customer needs. We track the NPS regularly and continuously improve our processes based on consumer feedback.



The background of the slide is a painting. On the left, a man with a beard, wearing a white helmet, a green long-sleeved shirt, and a red skirt, is looking at a tablet. To his right is a large, red, cone-shaped structure made of many thin, vertical poles. At the top of this cone is a silver pole with a megaphone attached. The background is a blue sky with white and grey clouds.

Governance

G1 Business conduct

Governance structure and composition

As the BITĖ Group has grown, we have integrated ESG considerations into the key aspects of operations, including decision-making and reporting processes, with board-level oversight and accountability.

The Senior Management Team is responsible for the strategic management of the group. The senior management includes the Group CEO, the Group CFO, the Group CTO, the Group Sales Director and the Group Chief Procurement Officer. Also members of the Senior Management Team are the CEO of Bitė Lithuania, the CEO of Bite Latvia and the CEO of TV3 Group:



Pranas Kuisys
Group Chief Executive Officer (CEO)

Kęstutis Gailius
Group Chief Financial Officer (CFO),

Mindaugas Rauba
Group Chief Technology Officer (CTO),

Giedrius Skliutas
Group Sales Director

Tadas Navaitis
Group Chief Procurement Officer

Gintas Butėnas
Chief Executive Officer of Bite Lithuania
("Lithuania CEO")

Arūnas Mickevičius
Chief Executive Officer of Bite Latvia
("Latvia CEO")

Christian Anting
Chief Executive Officer of TV3 Group
("TV3 Group CEO")

The **Supervisory Council** is responsible for supervising the activities of the group and its management bodies and the appointment and removal of the members of the management board (Senior Management Team). The Supervisory Council's members are:

Anthony Frank Elliott Ball

Alexander Mishenin

Robert Sudo

Karim Abdallah Tabet

Nijolė Kvietkauskaitė (independent member)

The Supervisory Council has also established an **Audit Committee** and a **Remuneration Committee**.

The Supervisory Council delegates responsibility for managing sustainability impacts to the Senior Management Team.

The **Senior Management Team** of the BITĖ Group has full oversight regarding ESG-related risks and opportunities. The team's primary role is developing, approving, and updating the organisation's purpose, value and mission statements, strategies and policies, and its goals related to sustainable development. It is the responsibility of the Senior Management Team, the Audit Committee and the Supervisory Council, which oversees the organisation's due diligence and other processes, to identify and manage the group's impacts on the economy, the environment, and people. The Senior Management Team engages with and receives regular feedback from key stakeholders – customers, employees, suppliers, governments, society and investors.

The primary role of the governance bodies is to review the effectiveness of the group's processes on a regular basis. It is the responsibility of the Senior Management Team, the Audit Committee and the Supervisory Council to approve the BITĖ Group's sustainable development activities.

With the consent of these governance bodies, the group has assigned specific ESG-related responsibilities to certain management-level positions. Following the creation of a dedicated ESG Officer role within the group in 2021, we introduced a dedicated compliance, risk management and sustainability function with a vision for embedding sustainability into the core of our business. We also set up a multi-disciplinary team of senior executives who, together with independent consultants, finalised an ESG action plan and implementation roadmap for the short, medium and long term.



In 2021, we became a signatory to the UN Global Compact and are committed to making its principles in the areas of human rights, labour, environment and anticorruption an integral part of our strategy, culture and day-to-day operations. We are committed to transparently communicating about our ESG performance. In line with this commitment, we have issued sustainable business reports on an annual basis since 2021. This year, we are issuing the report in keeping with the Corporate Sustainability Reporting Directive's European Sustainability Reporting Standards.

ESRS 2 GOV-1 – The role of the administrative, management, and supervisory bodies

Business conduct matters of the group are overseen by the Supervisory Council and managed by the Senior Management Team.

The members of our Senior Management Team come from diverse backgrounds, with expertise and experience in economic, environmental and social areas.

Pranas Kuisys, Group Chief Executive Officer. Mr Kuisys was appointed CEO in June 2022. He was the CEO of Bitė Lithuania from 2020 to 2022. After joining the group in 2010 as Manager of Prepaid Services, Media and Logistics, he also served as Chief Marketing Officer and Chief Operating Officer. Mr Kuisys holds a Bachelor of Business Administration and Management and a Master of Management and Business Administration from Vilnius University.

Kęstutis Gailius, Group Chief Financial Officer. Mr Gailius joined the Group as CFO in March 2023. He previously served in various roles including CFO and board member at the Lithuanian-owned Polish supermarket chain

Stokrotka, was CFO at Maxima LT and Lidl Lietuva, and was a consultant at EY. Mr Gailius earned a Bachelor of Science in Business and Administration from the Stockholm School of Economics in Riga.

Mindaugas Rauba, Group Chief Technology Officer. Mr Rauba was appointed CTO in June 2022. His previous positions include Convergent Core Network Manager, Integrated Systems Manager, and Head of the Engineering Productivity Team at Bitė; co-founder and CTO at Autota.eu; MNO Integration Stream Lead at UAB Mobilūs Mokėjimai; co-founder, CTO and co-product owner at OrMarket; and IT administrator at UAB Statybos ir Projektavimo Centras. He joined the BITE Group in 2010 as a System Engineer and Java Developer and was appointed IT Director in 2020. Mr Rauba holds a Bachelor in Computer Software Engineering from Vilnius University, an Executive Master of Management from BI Norwegian Business School, and an Executive Master of Business Management from ISM University of Management and Economics.

Giedrius Skliutas, Group Sales Director. Mr Skliutas was appointed Group Sales Director in June 2022. He previously held various positions, including commercial sales director for the largest insurance company in Lithuania and CEO of a bank payment business for the leading Baltics provider. He joined the group in 1998 as Alytus Branch Manager. Mr Skliutas holds a Master of Organisational Psychology from Vytautas Magnus University and an Executive Master in Business Administration from BMI Executive Institute.

Tadas Navaitis, Group Chief Procurement Officer. Mr Navaitis was appointed Group Chief Procurement Officer in 2023. He

previously held various positions, including as Chief Procurement Officer of SEB Bank and Head of Procurement for Tele2. He joined the group in 2016 as Chief Procurement Officer for Bitė Lithuania. Mr Navaitis earned a Bachelor of Psychology from Vilnius University.

Gintas Butėnas, Chief Executive Officer of Bitė Lithuania. Mr Butėnas was appointed as Lithuania CEO in 2022. He joined the group as a maintenance engineer in 2001. From 2005 to 2008, Mr Butėnas worked as a senior engineer at Bite Latvia. From 2008 to 2012, he was Radio Network Planning & Optimisation Manager at Bite Latvia, and from 2010 to 2013 he also held the position of Head of the Network at Bite Latvia. Later, from 2013 to 2016, he served as Network Director of the BITE Group and in 2016 he became CTO. Mr Butėnas earned a Master of Measurements Engineering from Kaunas University of Technology in 2003.

Arūnas Mickevičius, Chief Executive Officer of Bite Latvia. Mr Mickevičius was appointed as Latvia CEO in 2022. He previously worked as a business consultant at PricewaterhouseCoopers. He joined the group in 2007 as a project manager and has served as Head of Consumer Segments and Marketing Director. Mr Mickevičius holds a Master in Engineering and Management of Information Systems from the Royal Institute of Technology and Stockholm University.

Christian Anting, Chief Executive Officer of TV3 Group. Mr Anting was appointed as TV3 Group CEO in October 2018. Prior to joining the group, he held roles as a member of the management board of TVN Discovery Group, the largest free TV operator in Poland, and as COO and Vice President of the Management



Board of Canal+ Poland. Some of his earlier positions include roles at SBS Broadcasting, Sky Deutschland and KirchGruppe. Mr Anting earned a Master of Economics and Finance from the University of Augsburg in 1997.

ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks, and opportunities

The criteria and processes for identifying and assessing material impacts, risks, and opportunities related to business conduct, including location, activity, sector and the structure of the transaction, are disclosed under **ESRS 2** section **4. Impact, risk and opportunity management**.

G1-1 – Business conduct policies and corporate culture

Policies concerning our own business conduct matters are disclosed under **ESRS 2 MDR-P – Policies adopted to manage material sustainability matters** (see **Table 7** and the related narrative).

Corporate culture

We cultivate an engaging working culture with a flat, entrepreneurial structure that promotes high employee empowerment and personalised ownership. About two-thirds of our employees benefit from a performance-based compensation system, and senior management are minority shareholders. In 2023, BITÉ achieved an employee engagement score of 21 in Latvia, outperforming the market by 10 points, while 69% of employees in Lithuania reported high satisfaction and dedication.

Our commitment to ethical business conduct includes continuous investment in employees' physical and emotional well-being and efforts to foster an inspiring internal culture. This has brought long-term positive results. Recognition in 2023 included HR Brilliance Awards for Diversity and Inclusion (Silver) and for Recruitment and Retention (Silver). Our Latvian Telco was also named one of the world's Top 50 Inspiring Workplaces.

Anti-corruption and bribery

We do not tolerate bribery in any form. Gifts and hospitality are only suitable and permitted in keeping with the detailed rules set out in the group's **Transparency Policy** and with local law. We only work with third parties who commit to the same high standards as we do.

All our employees are encouraged to act honestly, openly, and honourably and to abide by the laws governing BITÉ's activities in all their work. This includes anti-corruption legislation that ensures the transparency of the BITÉ Group's operations and the good reputation necessary for a successful business.

The BITÉ Group is a member of the global initiative UN Global Compact and adheres to its 10 principles derived from the **Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development**, and the United Nations Convention Against Corruption. These principles are incorporated into the group's **Code of Conduct**.

Incident investigation

The process for reporting to the administrative, management, and supervisory bodies regarding business conduct incidents, including possible corruption and bribery, or allegations of non-compliance with the Transparency Policy, is thoroughly documented in the BITÉ Group's **Transparency Policy** (par. 7). Employees are directed to report potential policy violations via the following established channels:

- **Direct Reporting:** Employees should report such matters directly to their immediate supervisor or, if the issue involves the supervisor, to the deputy director general of the respective field, the CEO, or the CFO.
- **Security Department:** Reports can also be made directly to the Security Department, which handles such issues with confidentiality and discretion.
- **Anonymous email:** For anonymous reporting, employees can send emails to etika@bitegroup.net or whistleblowing@tv3group.eu.
- **Web-based Reporting:** Employees may use a web link provided by an independent vendor to submit anonymous reports.
- **Anonymous Phone Line:** An anonymous report can be made by calling +37167651305 in Latvia, +37052556030 in Lithuania, or +3728000032196 in Estonia. The calls are serviced by an independent vendor.

Upon receiving a report, the company promptly, independently and objectively conducts a thorough and impartial internal investigation. The investigation's scope and duration depend on the issue's complexity. Compliance with regulatory standards and our corporate governance framework is ensured.

Whistleblowing system

The BITÉ Group maintains a robust framework to ensure adherence to legal and ethical standards. The group's [Transparency Policy](#) and [Conflict of Interests](#) guidelines set forth mechanisms for identifying, reporting, and investigating any actions that contravene the group's [Code of Conduct](#) or other internal rules. Central to these mechanisms is a comprehensive [whistleblowing system](#) that supports anonymous reporting. Anticipating the legal requirements of national laws implementing Directive (EU) 2019/1937, we proactively established measures to protect whistleblowers within our [Transparency Policy](#) several years ago.

The system encourages internal and external stakeholders to voice concerns without fear of retaliation, ensuring that all reports are handled with confidentiality and integrity. This framework reflects the group's commitment to maintaining high standards of business conduct and fostering a transparent organisational culture.

Any employee who becomes aware that another employee may have violated the Transparency Policy must report it to their manager and the Ethics Commission, which will conduct an internal investigation. The group prohibits the prosecution or punishment of an employee who, acting in good faith, has reported a possible violation.

Information about the staff designated to receive such reports is set out in our [Transparency Policy](#) (par. 8). The policy designates deputy director generals as responsible for ensuring compliance and conduct initial investigations of policy

violations. Employees have the right to request investigations by them, the Ethics Commission, or the Head of Security, to be completed within 15 to 30 days. The Security Department monitors compliance and administers the whistleblowing system with dedicated personnel in each country who are trained to handle such reports.

Employees are introduced to the [Transparency Policy](#) and receive relevant training when they join the BITÉ Group.

Communication and training on business conduct matters

The BITÉ Group has a comprehensive policy for training employees on business conduct, as detailed in our [Transparency Policy](#) (par. 11). This ensures that all employees understand and adhere to the group's standards against fraudulent behaviour and misconduct.

Anti-corruption and anti-bribery training is available for all employees. Upon employment, each employee of the company is acquainted with the Transparency Policy and signs or otherwise confirms (for example, with an e-signature or online confirmation) that they will comply with its requirements. To acquaint them with the Transparency Policy, employees may be given the text of the policy to read. In 2023, we included more group companies in the whistleblowing system and provided them with training on the Transparency Policy.

General training covers 100% of functions at risk. Training is available for all employees, including those on administrative, management, and supervisory bodies.

The purchasing department performs the functions most at risk from corruption and bribery and receives appropriate training.

Governance

Competition policy

At the BITÉ Group, we believe in competing fairly and abiding by all applicable laws and regulations. Fair competition is part of our way of doing business.

We expect everyone in the company to comply with the current competition laws, and we do not participate in any activities that restrict or impede effective competition. In addition, we follow all applicable anti-money laundering laws and are committed to preventing money laundering activities within our sphere of influence.

The BITÉ Group bases its business on honesty and openness and expects its employees to adhere to the same principles.

Animal welfare

The BITÉ Group currently does not have formalised policies regarding animal welfare. However, the group supports and encourages initiatives related to animal welfare among its employees. These efforts align with our commitment to social responsibility and ethical practices, reflecting our support for broader welfare principles that include the humane treatment of animals where applicable.



G1-2 – Management of relationships with suppliers

At the BITÉ Group, we seek to work with suppliers who are economically, environmentally, and socially responsible and contribute to sustainable development. The group's [Supplier Code of Conduct](#) outlines the principles we expect our suppliers to uphold in regard to human and labour rights, occupational health and safety, the environment, and business ethics. Our [Supplier Code of Conduct](#) details how we manage our supplier relationships and the corresponding impacts on our supply chain.

The BITÉ Group does not have an official policy specifically addressing the prevention of late payments to suppliers; however, we ensure timely financial transactions with all suppliers, including SMEs, by strictly adhering to the terms outlined in each supplier agreement. This practice supports the financial stability of our partners and prevents late payments.

We have relationships with several key suppliers for mobile network equipment and software. Our ability to grow our subscriber base depends in part on our ability to promptly source adequate supplies of network equipment and mobile handsets and other mobile devices, software, and content. If our key suppliers cannot provide us with adequate equipment on a timely basis, that could negatively impact our ability to retain or attract subscribers or offer attractive products and services, which could negatively impact our business, financial condition, and operating results. We seek to work with responsible suppliers who comply with the [Supplier Code of Conduct](#).

G1-3 – Prevention and detection of corruption and bribery

A detailed description of the procedures established to prevent, detect, and address allegations or incidents of corruption and bribery and to report outcomes can be found in the [Transparency Policy](#) of the BITÉ Group. Par. 5 of the policy elaborates on the risk assessments, mapping, monitoring programmes, and internal control procedures which the undertaking employs to effectively prevent and combat corruption and bribery. The investigators or investigating committee are separate from the chain of management involved in the matter. Supervisory bodies have representatives who have access to all whistleblowing reports.

Our [Supplier Code of Conduct](#) and [Transparency Policy](#) are available on our corporate websites. We aim to include the [Supplier Code of Conduct](#) in our agreements with suppliers. Regular training is provided to employees, with materials available on the group's intranet.

Anti-corruption and anti-bribery training is available to all employees. Upon employment, each employee is informed of the [Transparency Policy](#) and confirms by signature or online confirmation that they will comply with its requirements. Voluntary computer-based training is available for employees on the Intranet. The training covers topics of anti-corruption, concealed bribes and 'kickbacks', conflict of interests, and detection and reporting of corruption or theft. In 2023, we included more group companies in the whistleblowing system and provided them with training on the [Transparency Policy](#). General training on business conduct covers all at-risk functions and is available to all employees, including those on the administrative, management, and supervisory bodies.

G1-4 – Incidents of corruption or bribery

The BITÉ Group reports a clean record of no corruption or bribery cases for the current reporting period. The group has not had any convictions or fines related to violations of anti-corruption or anti-bribery laws. Furthermore, there have been no confirmed incidents of corruption or bribery; thus, no actions have been taken to address breaches in procedures and standards, as no breaches occurred. Additionally, no confirmed incidents have led to workers' dismissal or discipline, nor have any contracts with business partners terminated or been not renewed due to such violations. No public legal cases regarding corruption or bribery have been brought against the undertaking or its workers during this period. These disclosures underscore that the group maintains a strong compliance framework and actively upholds high standards of integrity across all operations.





G1-5 – Political influence and lobbying activities

The BITĖ Group is committed in its operations to transparency regarding political influence. The group does not currently engage in lobbying activities or make financial or in-kind political contributions related to its material impacts, risks, and opportunities. Nor is the BITĖ Group registered in the EU Transparency Register or any equivalent transparency register in a member state. This stance aligns with our commitment to uphold our ethical standards and maintain clear boundaries concerning political influence and contributions.

In the current reporting period, the BITĖ Group has not appointed any persons to its administrative, management, and supervisory bodies who held a comparable position in public administration (including regulators) in the two years preceding such appointment.

G1-6 – Payment practices

The company adheres strictly to the payment terms outlined in contractual agreements with suppliers. Our standard procedure is to process payments on the due date specified in the contract. Occasionally, payment dates may vary by 2–3 days due to bank holidays, but this is an exception rather than the norm.

For small and medium-sized enterprises, the average time to pay an invoice from the issuance date is around 30 days (the standard payment term from the invoice issue date). Payment terms are customised and explicitly defined within each contract for larger corporate suppliers, particularly those providing network equipment and worldwide content. Payments to such suppliers are made

punctually on the agreed dates to ensure timely financial transactions and maintain robust supplier relationships.

In 2023, nearly 100% of payments were in line with the standard and/or agreed terms. The average time it took the group to pay an invoice was 25.06 days. The number of days to pay the invoice from the date when the contractual payment term starts was calculated as a weighted average based on the amount, in euros, that group companies paid on the invoices. For calculating the average, the latest data from the Axapta accounting system was used. The data in the newest version of Axapta was available for the period from 1 July – 31 December 2023 (i.e. from the date of migration to the new Axapta version). The following BITĖ Group Telco companies were included in the calculation: UAB Bitė Lietuva, SIA Bite Latvija, UAB Teletower and SIA Teletower. The payments made by these companies constitute approximately 75% of all the group's payments. Media companies were excluded from the calculation because they use different accounting programs. Consequently, a conservative estimate of the average number of days to pay an invoice is 30.

The BITĖ Group has no legal proceedings for late payments. A 30-day term is indicated as standard in most supplier agreements. Our accounting function schedules payments according to the terms of the agreement. The most common term is 30 days, with most payments scheduled on a monthly basis: regular invoices are issued at the start of the month and the due date usually corresponds to the end of the month. The number of scheduled payments is the highest at the end of the month.



Indexes



Table 34. ESRS index

Applicable ESRS Sector		Not available
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SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	18
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ESRS E3 Water and marine resources		Not material
ESRS E4 Biodiversity and ecosystems		Not material
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S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	56
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Table 35. List of datapoints in cross-cutting and topical standards that derive from other EU legislation.

This appendix is an integral part of the ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ⁵ , Annex II		12
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		12
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				14
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ⁶ Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		15
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		15
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ⁷ , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		15
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		15



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	33
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		33
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		42
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				47
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				47
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				46



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		44
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		46
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	48
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		41
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			41



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			41
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		41
ESRS E2-4 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, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a)	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				53
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				53
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				55
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				55
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				56



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		56
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				56
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				56
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				56
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		65
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				65
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		65
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				65
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				66
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		66



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				67
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				67
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				67
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		67
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		67
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				68
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				69
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		69
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				70
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				73



Disclosure Requirement and related datapoint	SFDR ¹ reference	Pillar 3 ² reference	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Page
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		73
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				74
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				79
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				79
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		81
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				81

1. Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
2. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
3. Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
4. Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
5. Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
6. Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p.1).
7. Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Table 36. ESRS x GRI interoperability index

Given the high level of interoperability achieved, entities reporting under ESRS can be considered as reporting 'with reference' to the GRI Standards (see GRI 1: Foundation 2021). The index shows the relationship between the ESRS and GRI disclosures to facilitate reporting 'with reference' to the GRI Standards (Source: GRI & EFRAG, 30 November 2023 Draft Version - to be finalised in 2024).

GRI Disclosures and Requirements	ESRS Disclosure Requirements
GRI 2: General Disclosures 2021	
2-1 Organizational details	See requirements of Directive 2013/34/EU
2-2 Entities included in the organization's sustainability reporting	ESRS 1 5.1; ESRS 2 BP-1 §5 (a) and (b) i
2-3 Reporting period, frequency and contact point (2-3-a and 2-3-b)	ESRS 1 §73
2-4 Restatements of information	ESRS 2 BP-2 §13, §14 (a) to (b)
2-5 External assurance	See external assurance requirements of Directive (EU) 2022/2464
2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)
2-7 Employees	ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) to (b) and (d) to (e), §51 to §52
2-8 Workers who are not employees	ESRS S1 S1-7 §55 to §56
2-9 Governance structure and composition (2-9-a [for public-interest entities only], 2-9-b, 2-9-c-i, c-ii, c-v to c-viii)	ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b) See also corporate governance statement requirements of Directive 2013/34/ EU for public- interest entities
2-10 Nomination and selection of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
2-11 Chair of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
2-12 Role of the highest governance body in overseeing the management of impacts	ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); ESRS G1 §5 (a)
2-13 Delegation of responsibility for managing impacts	ESRS 2 GOV-1 §22 (c) i; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)
2-14 Role of the highest governance body in sustainability reporting	ESRS 2 GOV-5 §36; IRO-1 §53 (d)
2-15 Conflicts of interest	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
2-16 Communication of critical concerns	ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 AR 1 (a); G1-3 §18 (c)
2-17 Collective knowledge of the highest governance body	ESRS 2 GOV-1 §23
2-18 Evaluation of the performance of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
2-19 Remuneration policies (2-19-a [for listed undertakings only] and 2- 19-b)	ESRS 2 GOV-3 §29 (a) to (c); ESRS E1 §13 See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings



GRI Disclosures and Requirements	ESRS Disclosure Requirements
2-20 Process to determine remuneration [for listed undertakings only]	ESRS 2 GOV-3 §29 (e) See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings
2-21 Annual total compensation ratio (2-21-a and 2-21-c)	ESRS S1 S1-16 §97 (b) to (c)
2-22 Statement on sustainable development strategy	ESRS 2 SBM-1 §40 (g)
2-23 Policy commitments (2-23-a-i and a-iv; 2-23-b, 2-23-d, 2-23-e, 2-23-f)	ESRS 2 GOV-4; MDR-P §65 (b) to (c) and (f); ESRS S1 S1-1 §19 to §21, and §AR 14; ESRS S2 S2-1 §16 to §17, §19, and §AR 16; ESRS S3 S3-1 §14, §16 to §17 and §AR 11; ESRS S4 S4-1 §15 to §17, and §AR 13; ESRS G1 G1-1 §7 and §AR 1 (b)
2-24 Embedding policy commitments	ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §AR 35; ESRS S2 S2-4 §AR 30; ESRS S3 S3-4 §AR 27; ESRS S4 S4-4 §AR 27; ESRS G1 G1-1 §9 and §10 (g)
2-25 Processes to remediate negative impacts	ESRS S1 S1-1 §20 (c); S1-3 §32 (a), (b) and (e), §AR 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)
2-26 Mechanisms for seeking advice and raising concerns	ESRS S1 S1-3 §AR 32 (d); ESRS S2 S2-3 §AR 27 (d); ESRS S3 S3- 3 §AR 24 (d); ESRS S4 S4-3 §AR 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)
2-27 Compliance with laws and regulations	ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §AR 25 (b); ESRS S1 S1-17 §103 (c) to (d) and §104 (b); ESRS G1 G1-4 §24 (a)
2-28 Membership associations	'Political engagement' is a sustainability matter for G1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
2-29 Approach to stakeholder engagement	ESRS 2 SMB-2 §45 (a) i to (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §25, §27 (e) and §28; ESRS S2 S2-1 §17 (b); S2-2 §20, §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §19, §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §18, §20 (d) and §21
2-30 Collective bargaining agreements	ESRS S1 S1-8 §60 (a) and §61
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv
3-2 List of material topics	ESRS 2 SBM-3 §48 (a) and (g)
3-3 Management of material topics	ESRS 2 SBM-1§ 40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P, MDR- A, MDR-M, and MDR-T; ESRS S1 S1-2 §27; S1-4 §39 and AR 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §AR 33 and §AR 36 (a); S2-5 §42 (b) to (c); ESRS S3 S3-2 §21; S3-4 §33, §AR 31, §AR 34 (a); S3-5 §42 (b) to (c); ESRS S4 S4-2 §20, S4-4 §31, §AR 30, and §AR 33 (a); S4-5 §41 (b) to (c) See below for additional linkages to specific topics.



GRI Disclosures and Requirements	ESRS Disclosure Requirements
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
201-2 Financial implications and other risks and opportunities due to climate change	ESRS 2 SBM-3 §48 (a), and (d) to (e); ESRS E1 §18; E1-3 §26; E1-9 §64
201-3 Defined benefit plan obligations and other retirement plans	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
201-4 Financial assistance received from government	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
GRI 202: Market Presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	ESRS S1 S1-10 §67-71 and §AR 72 to 73
202-2 Proportion of senior management hired from the local community	'Communities' economic, social and cultural rights' is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	'Communities' economic, social and cultural rights' is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
203-2 Significant indirect economic impacts	ESRS S1 S1-4 §AR 41; ESRS S2 S2-4 §AR 37; ESRS S3 S3-4 §AR 36
GRI 204: Procurement Practices 2016	
3-3 Management of material topics	ESRS G1 G1-2 §12
204-1 Proportion of spending on local suppliers	'Communities' economic, social and cultural rights' is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 205: Anti-corruption 2016	
3-3 Management of material topics	ESRS G1 G1-1 §7; G1-3 §16 and §18 (a) and §24 (b)
205-1 Operations assessed for risks related to corruption	ESRS G1 G1-3 §AR 5
205-2 Communication and training about anti-corruption policies and procedures	ESRS G1 G1-3 §20, §21 (b) and (c) and §AR 7 and 8



GRI Disclosures and Requirements	ESRS Disclosure Requirements
205-3 Confirmed incidents of corruption and actions taken	ESRS G1 G1-4 §25
GRI 206: Anti-competitive Behavior 2016	
3-3 Management of material topics	ESRS E1 E1-2 §25 (c) to (d); E1-3 §26; E1-4 §33
302-1 Energy consumption within the organization (302-1-a, b, c, e and g)	ESRS E1 E1-5 §37; §38; §AR 32 (a), (c), (e) and (f)
302-2 Energy consumption outside of the organization	'Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
302-3 Energy intensity	ESRS E1 E1-5 §40 to §42
302-4 Reduction of energy consumption	'Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
302-5 Reductions in energy requirements of products and services	'Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 303: Water and Effluents 2018	
3-3 Management of material topics	ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20; ESRS E3 E3-1 §9; E3-2 §15, §17 to §18; E3-3 §20
GRI 304: Biodiversity 2016	
3-3 Management of material topics	ESRS E4 E4-1 §AR 1 (b) and (d); E4-2 §20 and §22; E4-3 §25 and §28 (a); E4-4 §29
GRI 305: Emissions 2016	
3-3 Management of material topics and GRI 305 1.2	ESRS E1 E1-2 §22; E1-3 §26; E1-4 §33 and §34 (b); E1-7 §56 (b) and §61 (c); ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20
305-1 Direct (Scope 1) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)
305-2 Energy indirect (Scope 2) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)
305-3 Other indirect (Scope 3) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)
305-4 GHG emissions intensity	ESRS E1 E1-6 §53; §54; §AR 39 (c); §AR 53 (a)
305-5 Reduction of GHG emissions (305-5-a, c and 2.9.5)	ESRS E1 E1-3 §29 (b); E1-4 §34 (c); §AR 25 (b) and (c); E1-7 §56



GRI Disclosures and Requirements	ESRS Disclosure Requirements
305-6 Emissions of ozone-depleting substances (ODS)	'Pollution of air' is a sustainability matter for E2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESRS E2 E2-4 §28 (a); §30 (b) and (c); §31; §AR 21; §AR 26
GRI 306: Waste 2020	
3-3 Management of material topics	ESRS E5 §AR 7 (a); E5-1 §12; E5-2 §17; E5-3 §21
306-1 Waste generation and significant waste-related impacts	ESRS 2 SBM-3 §48 (a), (c) ii and iv; ESRS E5 E5-4 §30
306-2 Management of significant waste-related impacts (306-2-a and c)	ESRS E5 E5-2 §17 and §20 (e) and (f); E5-5 §40 and §AR 33 (c)
306-3 Waste generated	ESRS E5 E5-5 §37 (a), §38 to §40
306-4 Waste diverted from disposal (306-4-a, b, c, e)	ESRS E5 E5-5 §37 (b), §38 and §40
306-5 Waste directed to disposal (306-5-a, b, c, e)	ESRS E5 E5-5 §37 (c), §38 and §40
GRI 306: Effluents and Waste 2016	
306-3 Significant spills	'Pollution of air', 'Pollution of water', and 'Pollution of soil' are sustainability matters for E2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 308: Supplier Environmental Assessment 2016	
3-3 Management of material topics	ESRS G1 G1-2 §12 and §15 (a)
308-1 New suppliers that were screened using environmental criteria	ESRS G1 G1-2 §15 (b)
308-2 Negative environmental impacts in the supply chain and actions taken (308-2-c)	ESRS 2 SBM-3 §48 (c) i and iv
GRI 401: Employment 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
401-1 New employee hires and employee turnover (401-1-b)	ESRS S1 S1-6 §50 (c)
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees (401-2-a-ii, a-iii, a-iv, a-v and b)	ESRS S1 S1-11 §74; §75; §AR 75
401-3 Parental leave (401-3-a and b)	ESRS S1 S1-15 §93

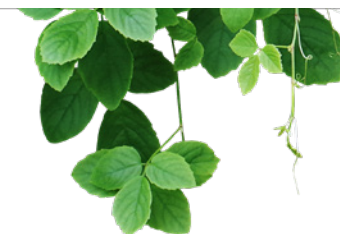


GRI Disclosures and Requirements	ESRS Disclosure Requirements
GRI 402: Labor/Management Relations 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
402-1 Minimum notice periods regarding operational changes	'Social dialogue' and 'Collective bargaining' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 403: Occupational Health and Safety 2018	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
403-1 Occupational health and safety management system (403-1-a)	ESRS S1 S1-1 §23
403-2 Hazard identification, risk assessment, and incident investigation (403-2-b)	ESRS S1 S1-3 §32 (b) and §33
403-3 Occupational health services	'Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
403-4 Worker participation, consultation, and communication on occupational health and safety	
403-5 Worker training on occupational health and safety	
403-6 Promotion of worker health	'Social protection' is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESRS S2 S2-4 §32 (a)
403-8 Workers covered by an occupational health and safety management system (403-8-a and b)	ESRS S1 S1-14 §88 (a); §90
403-9 Work-related injuries (403-9-a-i, a-iii, b-i, b-iii, c-iii, d, e)	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §AR 82
403-10 Work-related ill health (403-10-a-i, a-ii, b-i, b-ii, c-iii)	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (d); §89; §AR 82
GRI 404: Training and Education 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)



GRI Disclosures and Requirements	ESRS Disclosure Requirements
404-1 Average hours of training per year per employee	ESRS S1 S1-13 §83 (b) and §84
404-2 Programs for upgrading employee skills and transition assistance programs (404-2-a)	ESRS S1 S1-1 §AR 17 (h)
404-3 Percentage of employees receiving regular performance and career development reviews	ESRS S1 S1-13 §83 (a) and §84
GRI 405: Diversity and Equal Opportunity 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c); ESRS S1 §24 (a)
405-1 Diversity of governance bodies and employees (405-1-a-i and iii, 405-1-b)	ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79
405-2 Ratio of basic salary and remuneration of women to men	ESRS S1 S1-16 §97 and §98
GRI 406: Non-discrimination 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §24 (a) and (d); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c); ESRS S4 §10 (b); S4-1 §13; §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b); §35; §AR 30; §AR 33 (a); S4-5 §38; §41 (b) and (c)
406-1 Incidents of discrimination and corrective actions taken	ESRS S1 S1-17 §97, §103 (a), §AR 103
GRI 407: Freedom of Association and Collective Bargaining 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	'Freedom of association' and 'Collective bargaining' are sustainability matters for S1 and S2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
GRI 408: Child Labor 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
408-1 Operations and suppliers at significant risk for incidents of child labor (408-1-a-i, b, c)	ESRS S1 §14 (g); S1-1 §22 ESRS S2 §11 (b); S2-1 §18

GRI Disclosures and Requirements	ESRS Disclosure Requirements
GRI 409: Forced or Compulsory Labor 2016	
3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESRS S1 §14 (f); S1-1 §22 ESRS S2 §11 (b); S2-1 §18
GRI 413: Local Communities 2016	
3-3 Management of material topics	ESRS S3 §9 (b); S3-1 §12, and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43
413-1 Operations with local community engagement, impact assessments, and development programs	ESRS S3 S3-2 §19; S3-3 §25; S3-4 §AR 34 (c)
413-2 Operations with significant actual and potential negative impacts on local communities (413-2-a-ii)	ESRS 2 SBM-3 48 (c); ESRS S3 §9 (a) i and (b)
GRI 414: Supplier Social Assessment 2016	
3-3 Management of material topics	ESRS G1 G1-2 §12 and §15 (a)
414-1 New suppliers that were screened using social criteria	ESRS G1 G1-2 §15 (b)
414-2 Negative social impacts in the supply chain and actions taken (414-2-c)	ESRS 2 SBM-3 §48 (c) i and iv
GRI 418: Customer Privacy 2016	
3-3 Management of material topics	ESRS S4 §10 (b); S4-1 §13 and §16 (c); S4-2 §20; S4-4 §31, §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESRS S4 S4-3 §AR 23; S4-4 §35



Sustainability Disclosure Topics and Accounting Metrics (SASB)

Sustainability Accounting Standard for the TELECOMMUNICATION SERVICES INDUSTRY STANDARD | VERSION 2018-10

Table 37. SASB accounting metric disclosures

Topic	Accounting metric	Disclosure	Code
Environmental Footprint of Operations	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	(1) 2023 – 332,212GJ (2022 – 308927GJ) (2) 2023 – 87% (2022 – 89%) (3) 2023 – 67% (2022 – 58%) 2022 data recalculated adding energy from fuel consumption.	TC-TL-130a.1
Data Privacy	Description of policies and practices relating to behavioural advertising and customer privacy	Every BITĖ Group company has a privacy policy including advertising and customer privacy clauses. These policies are communicated on the official websites of the products.	TC-TL-220a.1
	Number of customers whose information is used for secondary purposes	BITĖ Group uses all customer information in accordance with the rules and obligations described in the privacy policy and does not use information for secondary purposes.	TC-TL-220a.2
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	BITĖ Group had no monetary losses that resulted from legal proceedings associated with customer privacy during the reporting period.	TC-TL-220a.3
	(1) Number of law enforcement requests for customer information (2) Number of customers whose information was requested (3) Percentage resulting in a disclosure	(1) Law enforcement requests in Latvia 2023 – 10,490 Law enforcement requests in Lithuania (including automatic requests) 2023– 226,606 (2) As it is not possible to verify whether two records belong to the same customer, all requests are considered as individual customers. (3) 100% of the requests resulted in full or partial compliance with the disclosure request within the reporting period.	TC-TL-220a.4
Data Security	(1) Number of data breaches (2) Percentage involving personally identifiable information (3) Number of customers affected	(1) Only data breaches involving personally identifiable information are measured and reported to supervisory authorities; but they are not publicly disclosed. (2) 100% of disclosed data breaches involved personally identifiable information. No sensitive data, according to the GDPR classification, is processed. (3) Measured and reported to supervisory authorities, but not publicly disclosed.	TC-TL-230a.1
	Description of the approach to identifying and addressing data security risks, including the use of third-party cybersecurity standards	BITĖ Group follows an Information Security Policy which is based on ISO 27001. Principal operations were evaluated by third-party audit in accordance with the National Institute of Standards and Technology's (NIST) Framework for Improving Critical Infrastructure Cybersecurity. During the year, 2023, BITĖ Group continued to improve its cybersecurity level and aligned, in most cases, with industry best practices by investing heavily in sophisticated tooling. BITĖ Group managed to maintain its cybersecurity maturity at level of 4 under the NIST Cybersecurity Framework.	TC-TL-230a.2



Topic	Accounting metric	Disclosure	Code
Product End-of-Life Management	1) Materials recovered through takeback programmes, and the percentage of recovered materials that were: (2) reused, (3) recycled, and (4) landfilled	1) (1) In 2023, BITĒ Group launched a device rental service. At the end of rental period, we take back devices, refurbish them and rent them to our customers or resell them via partners in other markets. 2) (2) N/A (3) All electronic equipment from our operations is transferred to waste managers and utilised by such companies as EMP Recycling – the biggest electronic waste recycling company in the Baltic states and one of the 10 companies in Europe with WEEELABEX certificates for a wide flow of electronic waste management categories. Packaging waste is managed in accordance with agreements with Latvian Green Point and Unified Product, Packaging and Waste Record Keeping Information System (https://www.gpais.eu/en/) the amount from these reports totalled 700 tonnes in 2023. (4) N/A	TC-TL-440a.1
Competitive Behaviour & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anti- competitive behaviour regulations	BITĒ Group had no cases of anti-competitive behaviour during the reporting period.	TC-TL-520a.1
	Average actual sustained download speed of: (1) owned and commercially associated content; and (2) non-associated content	Average actual sustained download speeds are not differentiated based on content type: in 2023, 189.11 mbps (in 2022, 74.01 mbps).	TC-TL-520a.2
	Description of the risks and opportunities associated with net neutrality, paid peering, zero rating and related practices	BITĒ Group follows the regulations regarding net neutrality and does not apply paid peering. There were no issues with zero rating during the reporting period.	TC-TL-520a.3
Managing Systemic Risks	(1) System average interruption frequency (2) Customer's average interruption duration	A service interruption is considered significant if it meets the thresholds set out in Part 4 of the U.S. Federal Communication Commission's (FCC) rules (47 C.F.R. Part 4) for reporting as part of the Network Outage Reporting System (NORS). https://www.law.cornell.edu/cfr/text/47/4.9 : BITĒ Group had one significant disruption in Bite Latvija network due to the failure of DC4 that resulted in more than 30 minutes of MSC downtime or a loss of 900,000 minutes.	TC-TL-550a.1
Technology Disruptions	Discussion of systems to provide uninterrupted services during service interruptions	BITĒ Group identifies its critical business operations and provides geo-redundancy for its critical telecommunication services. The resilience of the systems is enhanced by back-ups. The impact is reduced by insurance against loss. We maintain insurance for our principal network facilities and other assets. Our insurance coverage protects us in the event that we suffer certain losses resulting from property damage and a business interruption or become subject to certain liabilities, such as product liability, employer's liability or professional liability, including as a result of cybercrime, machinery breakdown or other similar events.	TC-TL-550a.2



Table 38. SASB activity metric disclosures

ACTIVITY METRIC	DISCLOSURE 2022 (thousand)	DISCLOSURE 2023 (thousand)	Code
Number of wireless subscribers*	1,712	1,766	TC-TL-000.A
Number of wireline subscribers			TC-TL-000.B
Number of broadband subscribers*	324	336	TC-TL-000.C
Number of pay TV subscribers*	786	821	
Network traffic	547	743	TC-TL-000.D

* BITÉ Group counts each subscriber as a separate revenue generating unit (RGU) for each of the mobile, PayTV and fixed broadband service. Total RGUs are, therefore, not equal to the total number of subscribers. RGUs count do not include M2M and IOT RGUs. For example, one subscriber who receives handset mobile services and mobile data services over the network and subscribes to PayTV service is counted as two RGUs, and one subscriber who receives handset mobile services, mobile data services, PayTV and OTT services over the network is counted as three RGUs.

Non-Financial Reporting Directive


This report includes the information mentioned in the Non-Financial Reporting Directive. The NFRD index is provided in **Table 39**.

Table 39. NFRD index

NFRD Disclosures	Page reference
BITÉ Group business model	15
Policies pursued by BITÉ Group	Table 7
Outcome of the policies	Policies adopted in 2023 served as guiding principles for sustainability development at BITÉ Group and helped to achieve the results disclosed in this Sustainability Statement.
Principal risks and their management	18
Non-financial key performance indicators	26
Reporting frameworks	CSRD, SASB, TCFD, NFRD
Board diversity disclosure	12

Task Force on Climate-Related Financial Disclosure – TCFD

Table 40. TCFD index



Core elements	Recommendations	Page reference
Governance	a. Describe the board's overseeing of the climate-related risks and opportunities	12
	b. Describe the management's role in assessing and managing the climate-related risks and opportunities	12
Risk Management	a. Describe the organisation's processes for identifying and assessing the climate-related risks	14
	b. Describe the organisation's processes for managing the climate-related risks	20
	c. Describe how the processes for identifying, assessing and managing the climate-related risks are integrated into the organisation's overall risk management	18
Strategy	a. Describe the climate-related risks and opportunities the organisations has identified over the short, medium and long term	Table 5
	b. Describe the impact of the climate-related risks and opportunities on the organisations', businesses, strategy and financial planning	18-19
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	35-39
Metrics and Targets	a. Disclose the metrics used by the organisation to assess the climate-related risks and opportunities in line with its strategy and risk management process	Table 9
	b. Disclose the Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Table 15
	c. Describe the targets used by the organisation to manage the climate-related risks and opportunities and its performance against the targets	Table 14



Annexes





				Substantial contribution criteria		Do no significant harm criteria										
Economic activity	NACE code(s)	Absolute revenue 2023	Proportion of revenue 2023	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of revenue 2023	Taxonomy-aligned proportion of revenue 2022	Category (enabling)	Category (transitional)
		Eur	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activity:																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
Programming and broadcasting activities	J60	158,980,145	28.19	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	28.19	28.26	E	
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)	J60	158,980,145	28.19	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	30.86	30.48	E	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Data processing, hosting and related activities	J63.1.1	671,000	0.12	N/A	100	N	Y	Y	N	N/A	N/A	Y	0	0		T
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	J63.1.1	671,000	0.12													
Total: A.1 + A.2	J63.1.1 J60	159,651,145	28.31													
B. Taxonomy-non-eligible activities																
Revenue of Taxonomy-non-eligible activities (B)	J61	404,312,855	71.69													
TOTAL: A + B	J63.1.1 J62 J60 J61	563,964,000	100													



				Substantial contribution criteria		Do no significant harm criteria										
Economic activity	NACE code(s)	Absolute CapEx 2023	Proportion of CapEx 2023	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx 2023	Taxonomy-aligned proportion of CapEx 2022	Category (enabling)	Category (transitional)
		Eur	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activity:																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
Computer programming, consultancy and related activities	J62	2,819,702	4.53	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	4.53	7.50	E	
Programming and broadcasting activities	J60	4,919,382	7.91	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	7.91	5.46	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	J62 J60	7,739,084	12.45	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	12.45	12.96	E	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Data processing, hosting and related activities	J63.1.1	125,471	0.20	N/A	100	N	Y	Y	N	N/A	N/A	Y	0	0		T
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	J63.1.1	125,471	0.20													
Total: A.1 + A.2	J63.1.1 J62 J60	7,864,555	12.65													
B. Taxonomy-non-eligible activities																
CapEx of Taxonomy-non-eligible activities (B)	J61	54,320,335	87.35													
TOTAL: A + B	J63.1.1 J62 J60 J61	62,184,890	100													



**Substan
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				Substantial contribution criteria		Do no significant harm criteria										
Economic activity	NACE code(s)	Absolute OpEx 2023	Proportion of OpEx 2023	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx 2023	Taxonomy-aligned proportion of CapEx 2022	Category (enabling)	Category (transitional)
		Eur	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activity:																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
Computer programming, consultancy and related activities	J62	10,668,010	2.90	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	2.90	2.74	E	
Programming and broadcasting activities	J60	115,601,567	31.37	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	30.17	31.37	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	J62 J60	126,269,577	34.27	N/A	100	N/A	N/A	N/A	N/A	N/A	N/A	Y	34.27	32.91	E	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Data processing, hosting and related activities	J63.1.1	474,707	0.13	N/A	100	N	Y	Y	N	N/A	N/A	Y	0	0		T
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	J63.1.1	474,707	0.13													
Total: A.1 + A.2	J63.1.1 J62 J60	126,744,284	34.40													
B. Taxonomy-non-eligible activities																
OpEx of Taxonomy-non-eligible activities (B)	J61	241,715,740	65.60													
TOTAL: A + B	J63.1.1 J62 J60 J61	360,460,024	100													

Accounting policy

BITÉ Group applies International Accounting Standards (IAS) and their amendments. The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2023:

- IFRS 17 "Insurance Contracts" and related Amendments to IFRS 17 and IFRS 4.
- IAmendments to IAS1 and IFRS Practice Statement 2: Disclosure of Accounting policies.
- IAmendments to IAS 8: Definition of Accounting Estimates.
- Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12.
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules.

The amendments listed above did not have any impact on the amounts recognised and disclosures in prior periods.

The Groups' total turnover, capital expenditure and operating expenditure were derived from the financial information enclosed into the **Annual Consolidated Financial Statements** have been prepared in accordance with IFRS® accounting standards ('IFRS'), as adopted by the European Union ('the EU'), issued and effective as at 31 December 2023. The consolidated financial results for 2023 are assured by PricewaterhouseCoopers UAB, authorized by the Managers and approved for issue on 20 March 2024. Detailed accounting policies are listed in our **Annual Consolidated Financial Statements** p. 24.

Specification of key performance indicators (KPI) in Annex 1:

BITÉ Group activities were evaluated in accordance with the EU taxonomy list of activities for climate mitigation and adaptation. Turnover, OPEX and CapEx related to EU taxonomy eligible activities in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006 were derived from related business lines in our accounting system and financial reports in the reporting year 2023.

There are no restatements to the reported information compared to previous reporting period 2022.

KPIs related to turnover are calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities, divided by the net turnover as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) 1126/20081 that qualify as enabling activities in accordance with Article 11(1), point (b) of Regulation 2020/852.

KPIs related to capital expenditure (CapEx) the proportion of CapEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator covering costs that are accounted based on: (a) IAS 16 Property, Plant and Equipment, paragraphs 73, (e), point (i) and point (iii); (b) IAS 38 Intangible Assets, paragraph 118, (e), point (i).

The OpEx KPI referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator covering direct non-capitalised costs that relate to maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, equipment by BITÉ Group or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.



Contextual information

We reviewed the EU taxonomy list of activities for climate mitigation and adaptation and concluded that Data processing, hosting and related activities as well as Computer programming, consultancy and related activities attributed to the Information and Communication sector are relevant for BITE Group. The activities associated with NACE code J63.1.1 and J62 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006. Following the European Commission's explanation that computer programming, consultancy, and related activities are classified as adaptation activities, their turnover cannot be recognised for Taxonomy-eligibility or alignment. Consequently, the turnover was recalculated, resulting in a total turnover decrease to 28.31% compared to 30.59% in 2022. The calculation presents total turnover excluding the turnover related to the NACE code J62, but this activity is included into the OpEx and CapEx. in the reporting year 2023. The Group accounts CapEx and OpEx of Data processing, hosting and related activities (NACE code J63.1.1) as well as Computer programming, consultancy and related activities (NACE code 62) as a single ICT (Information and Communication Technology) business line, thus CapEx and OpEx were attributed to respective activities proportionally to the generated turnover. We considered that Data processing, hosting and related activities as well as Computer programming, consultancy and related activities substantially contribute to climate change adaptation, as we continue to invest into renewable energy, new data centres, equipment that meets the requirements laid down in Directive 2009/125/EC for servers and data storage products that does not contain the restricted substances listed in Annex II to Directive 2011/65/EU. Key drivers of change in

the turnover KPI during the reporting period are revenues from contracts with customers from the Group's telecommunication companies in Lithuania and Latvia. KPI turnover does not contain own internal consumption, however it is not possible to quantify the CapEx amounts related to Taxonomy-aligned activities pursued for own internal consumption as data is stored in the same data centres and transferred using the same transmission lines. OpEx KPI includes the expenditures relating to the day-to-day servicing of items of equipment, renewable electricity expenses that are included in the calculation of OpEx for both the numerator and denominator. The environmental objectives pursued by this activity are consistent with the Group's commitment to achieve GHG emission reduction targets approved by SBTi to limit temperature raise to 1.5 degrees by 2030 and to achieve net-zero emission by the year 2050. Activity has implemented adaptation solutions that substantially reduce the most important physical climate risks, such as georedundancy, back-ups and high availability technical means. These adaptation solutions do not adversely affect other economic activities, favour nature-based solutions - such as use of renewable energy, which is consistent with national adaptation plans. However, pre-defined indicators are not directly attributed towards the taxonomy eligible activities. To some extent pre-defined indicators can be applicable through ISO standards. Both BITE Group telecommunication companies are ISO14001 certified, and the Group's services are also certified under ISO50001.

Analysis of EU taxonomy list of activities for climate mitigation and adaptation showed that Programming and broadcasting activities attributed to the Information and Communication sector are relevant for BITE Group. The activities associated with NACE code J60 in accordance

with the statistical classification of economic activities established by Regulation (EC) No 1893/2006. The Group's Media and Content segment activities were included into the calculation. The KPIs present total turnover, OpEx and CapEx related to those activities in the reporting year 2023 in the Group's companies located in Lithuania, Latvia and Estonia. Media and Content segment includes the media operations in Lithuania, Latvia and Estonia, i.e., TV, commercial radio, streaming radio, video on demand, news and entertainment portals advertising services, wholesale and open market OTT services, content production and distribution services. Key drivers of change in the turnover KPI during the reporting period are revenues from other sources of income – contracts with customers and advertising in free TV media. Advertising revenues were included into the turnover as an integral part of the Programming and broadcasting activity. KPI turnover does not contain own internal consumption, however it is not possible to quantify the CapEx amounts related to Taxonomy-aligned activities pursued for own internal consumption as data is stored in the same data centres and transferred using the same transmission lines. OpEx KPI includes the expenditures relating to the day-to-day servicing of items of equipment, content costs that are included in the calculation of OpEx for both the numerator and denominator. The environmental objectives pursued by this activity are consistent with the BITE Group commitment to achieve GHG emission reduction targets approved by SBTi to limit temperature raise to 1.5 degrees by 2030 and to achieve net-zero emission by the year 2050.