



SUSTAINABILITY  
REPORT

2019

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Over the last several years, sustainability reporting to communities, consumers, shareholders and other stakeholders has become an integral part of our business approach. We fully understand our responsibility not only for financial performance indicators, but also for the other areas impacted by the Company's operations.

With the publication of our third Sustainability Report, we have once again re-evaluated our status and progress in the Environmental, Social and Governance areas, while adding targets for the coming several years.

The reduction of greenhouse gas emissions across all of the Group's activities remains our top priority. For this reason, last year we clearly defined our three areas of focus in terms of this objective.

First of all, we are developing technology for the application of biogas that is intended to substitute fossil fuels in our operations. Secondly, through the development of special feed technology, we aim to significantly reduce methane emissions from enteric fermentation in livestock. Thirdly, we are refining our crop rotation techniques and plan to introduce a variety of plants with environmentally beneficial properties, such as carbon sequestration and nitrogen fixation. Last year, an environmental protection system was approved and implemented which will enable us to manage environmental factors.

We take diligent care of our employees, the Company's most valuable asset. With the aim of continuously enriching employee welfare and fostering loyalty, last year we introduced a stock option programme. In addition, all of our 1 200 employees were granted supplementary health insurance.

We have conducted our first ever survey of all the Group's employees in order to better evaluate job satisfaction and identify our strengths as an employer and areas that require improvement. This year we have also conducted a special community survey, the second such survey the Company has carried out.

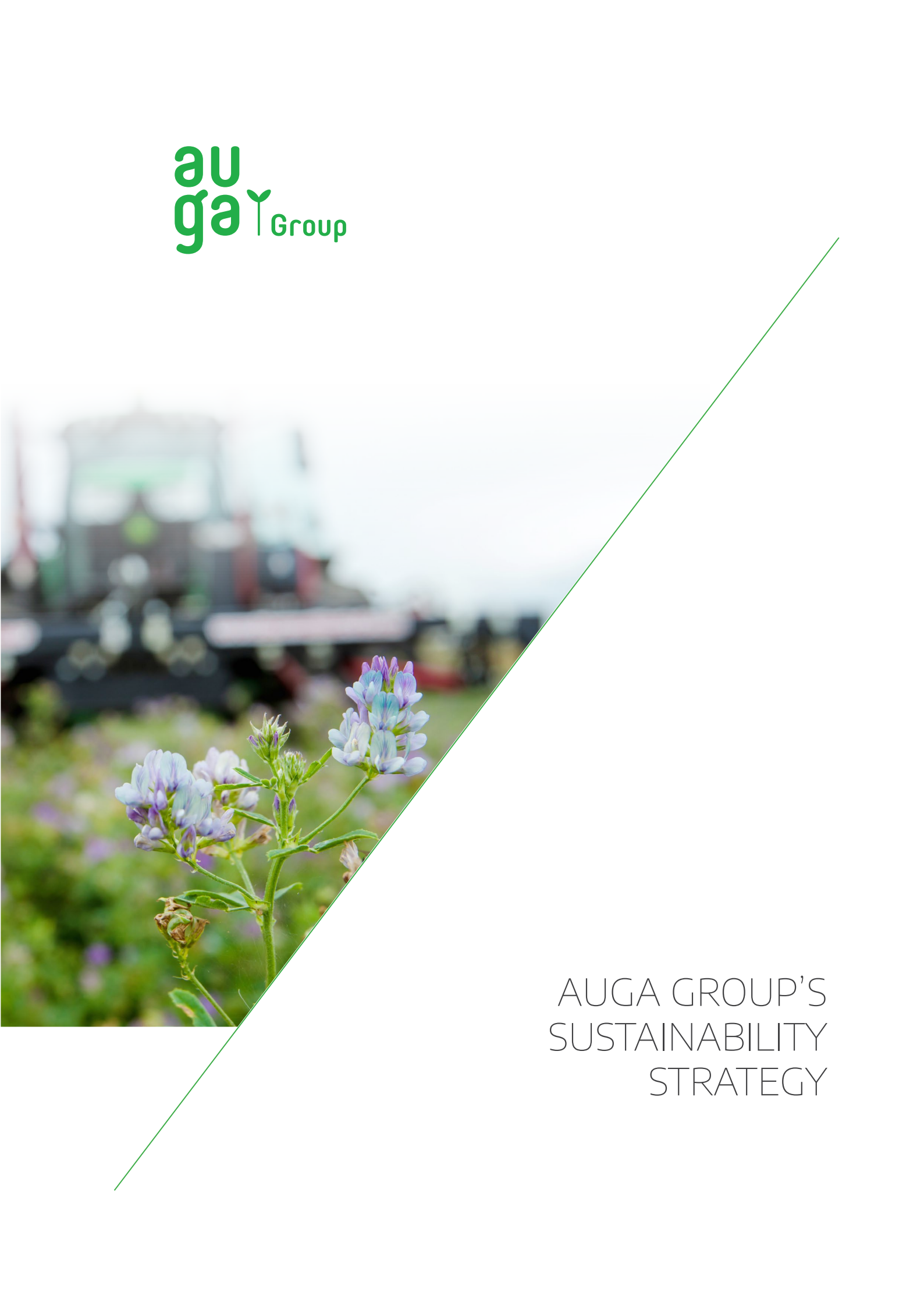
In 2019, the Company's management model was changed fundamentally. Taking into account corporate governance best practices and with the aim of establishing the most transparent and effective governance possible, the Company adopted an independent Board model. This makes us the first private company in Lithuania with Board members who have no relation to the majority shareholder.

The Company's independent Board recognises sustainability and the mitigation of our environmental impact as a strategic business direction.

**Kęstutis Juščius**  
CEO of **AUGA group**

A handwritten signature in black ink, appearing to be 'Kęstutis Juščius', written over a white background.





AUGA GROUP'S  
SUSTAINABILITY  
STRATEGY

## KEY FACTS ABOUT AUGA GROUP

As of 31 December 2019, the consolidated group of companies (hereinafter the Group) consists of AUGA group, AB (hereinafter AUGA group or the Company) and its 136 subsidiaries.



AUGA group is the largest vertically integrated organic food company in Europe



1200 employees



38 000 ha of farmland



Turnover of EUR 71 million



Shares of the Company are traded on the Nasdaq Vilnius and Warsaw stock exchanges

ADMINISTRATION,  
PARENT COMPANY



MUSHROOM GROWING



UAB "BALTIC CHAMPS"

CROP GROWING



ŽŪB "AUGA SPINDULYS"  
ŽŪB "AUGA DUMŠIŠKĖS"  
UAB "AUGA RAMUČIAI"  
ŽŪB "AUGA MANTVILIŠKIS"  
ŽŪB "AUGA GUSTONIAI"  
KB "AGROMILK"  
KB "JUODMARGĖLIS"  
KB "ŠVENTOSIOS PIEVOS"  
UAB "AUGA RASEINIAI"  
UAB "KTG AGRAR"  
UAB "AUGA LUGANTA"  
ŽŪB "AUGA SMILGIAI"  
ŽŪB "AUGA KAIRĖNAI"  
ŽŪB "AUGA VĖRIŠKĖS"  
ŽŪB "AUGA NAUSODĖ"  
ŽŪB "AUGA JURBARKAI"  
ŽŪB "AUGA SKĖMIAI"  
ŽŪB "AUGA ŽELSVELĖ"  
UAB "AUGA GRŪDUVA"  
ŽŪB "AUGA ALANTA"  
ŽŪB "AUGA ŽADŽIŪNAI"  
ŽŪB "AUGA LANKESA"

DAIRY AND POULTRY



ŽŪB "AUGA SMILGIAI"  
ŽŪB "AUGA KAIRĖNAI"  
ŽŪB "AUGA VĖRIŠKĖS"  
ŽŪB "AUGA NAUSODĖ"  
ŽŪB "AUGA JURBARKAI"  
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UAB "AUGA GRŪDUVA"  
ŽŪB "AUGA ALANTA"  
ŽŪB "AUGA ŽADŽIŪNAI"  
ŽŪB "AUGA LANKESA"

END-USER PRODUCTS



UAB "BALTIC CHAMPS"

COMMODITY TRADE



UAB "GRAIN LT"

STORAGE AND PACKAGING SERVICES

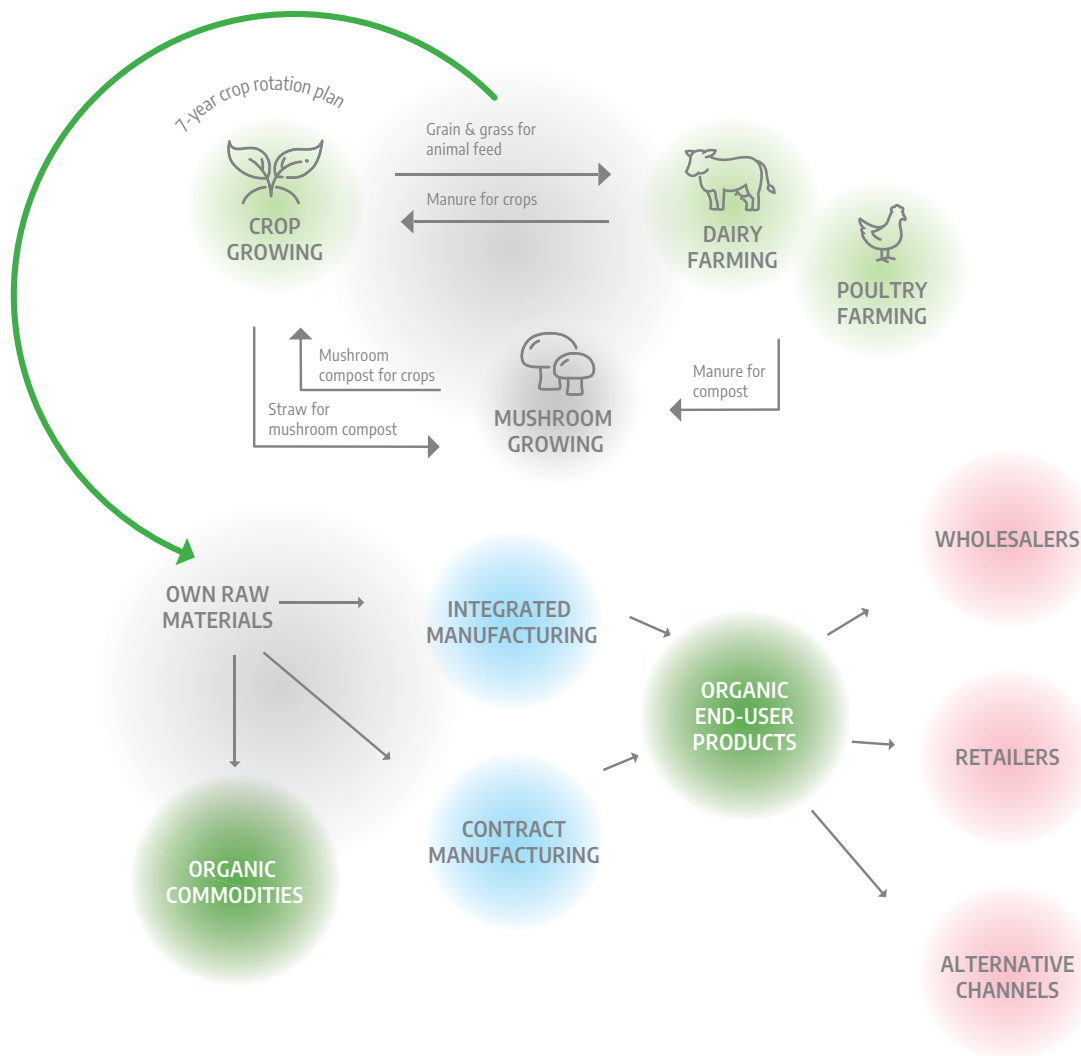


ŽŪK "AGROBOKŠTAI"  
ŽŪK "PURPURĖJA"

## A SUSTAINABLE BUSINESS MODEL

The Group's business model is unique because it encompasses crop cultivation, processing and supply to end users. By using this system of business processes, the Group is able to ensure very high standards in quality, adherence to organic farming principles, and product safety. This model also ensures the systematic sustainability of business processes within the Group.

More information about the closed loop model developed by the Company was provided in 2017 Sustainability Report<sup>1</sup>.



1 <http://auga.lt/en/sustainability/sustainability-report/#tabs>



## AUGA PRODUCTS FOR END CONSUMERS

FRESH VEGETABLES



PRESERVED VEGETABLES AND MUSHROOMS



READY-TO-EAT SOUPS



EGGS



GRAIN PRODUCTS



FRESH MUSHROOMS



DAIRY PRODUCTS

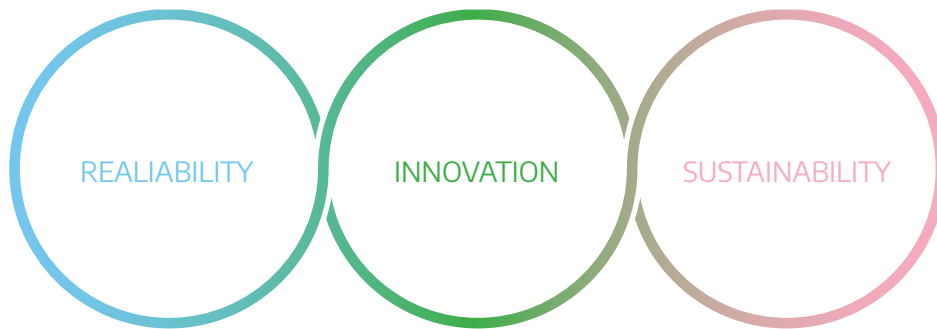


RAPESEED OIL



## OUR VALUES

When AUGA group started developing its organic farming model, it identified **reliability**, **innovation** and **sustainability** as its core values. These values have remained unchanged over the years as the Company has transformed. Sustainability is a core value that we uphold throughout the food chain through environmental innovation, the protection and upholding of fundamental human rights, and business management best practice.



We understand sustainability to mean meeting the needs of the present without compromising the ability of future generations to meet their needs.

In light of this attitude, we strive to do business with the lowest possible impact on the environment around us, and we have identified climate change and greenhouse gas (GHG) emissions as our biggest concern.

The Company is responsible for ensuring the highest standards of product quality, responsiveness and open communication with consumers throughout the supply chain. A new generation of machinery and a range of innovative solutions help us nurture this.

We believe that it is important to maintain the right balance between business success and environmental responsibility, ecological best practice and modern technology, and production and consumption.





## SUSTAINABLE DEVELOPMENT GOALS: OUR CONTRIBUTION

We have a strong understanding of all of the United Nations' Sustainable Development Goals, and we view their implementation as integral to the creation of a sustainable and harmonious world.

After an evaluation of the Group's activities and processes, and their impact on the environment and society, we identified five of the UN's Sustainable Development Goals where we have the greatest potential to make a meaningful contribution.

In 2019, the Company added a further two: "Good health and well-being" and "Zero hunger". In order to contribute to the global achievement of these goals in the future, the Company will seek membership of the United Nations (UN) Global Compact Initiative.

### UN SUSTAINABLE DEVELOPMENT GOALS INTEGRATED BY AUGA GROUP

<p><b>2</b> ZERO HUNGER</p>	<p>Healthy and affordable food Food labelling, safety and prices Sustainable sourcing Genetic diversity of farmed and domesticated animals Labour practices in the supply chain</p>
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>Occupational health and safety Access to medicines Access to quality essential health care services Air quality Water quality</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>Employment Non-discrimination Capacity Building Availability of a skilled workforce Elimination of forced or compulsory labour</p>
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Infrastructure investments Access to financial services Environmental investments Research and development</p>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Sustainable sourcing Resource efficiency of products and services Materials recycling Procurement practices Product and service information and labelling</p>
<p><b>13</b> CLIMATE ACTION</p>	<p>Energy efficiency Environmental investments GHG emissions Risks and opportunities due to climate change</p>
<p><b>15</b> LIFE ON LAND</p>	<p>Deforestation and forest degradation Genetic diversity of farms and domesticated animals Land remediation Landscapes forest management and fibre sourcing Mountain ecosystems Terrestrial and inland freshwater ecosystems</p>

## A MATERIALITY ASSESSMENT OF KEY SUSTAINABILITY AREAS

As part of the Company's drive to continually improve stakeholder dialogue, it conducted a materiality assessment of relevant sustainability topics. This was the Company's second materiality assessment, with the first having been carried out in 2017 and published in the Company's very first Sustainability Report.

In order to assess the materiality of key environmental, social and governance areas, the Company identified the most relevant sustainability criteria within specific fields and surveyed the most important stakeholder groups in these areas.

AUGA group surveyed employees, investors, consumers, non-governmental and institutional organisations, suppliers, partners, local communities, and media representatives. Following this process, the Group determined the sustainability criteria that are of highest importance to the Group's stakeholders.

The importance of these sustainability criteria to the Group's business activities was evaluated and defined by the Company's management, taking into account market trends and the Company's strategic targets.

These priority areas will serve as a benchmark for further sustainability dialogue and a guide for adding value to the business. Using these insights, the Company will place a special focus on the areas that have been recognised as essential for stakeholders and for the further development of the business.

The Company will maintain the good practice of identifying and re-evaluating the significance of sustainability areas to its stakeholders and business processes on a biennial basis.

### AUGA GROUP'S LIST OF SUSTAINABILITY CRITERIA

Environmental protection criteria	Social responsibility criteria	Corporate governance criteria
Environmental Impact of Agriculture	Nutritional Value & Ingredients	Business Ethics
Soil Health	Human Rights	Anti-Corruption
Emissions	Women's Rights & Opportunities	Ethical Standards for Suppliers
Use of Resources	Rural Development	Data Security & Privacy
Renewable Energy	Employee Well-Being	Accountability to Stakeholders
Packaging	Fair Competition	Responsible use of innovation & technology
Waste	Company Values & Culture	Good Governance Practices
Animal Welfare	Consumers & Sustainability	Sustainable Organic Food Standards
Circular Economy	Food Safety	Fair Tax Payment

MATERIALITY ASSESSMENT MATRIX



● Environmental protection criteria    
 ● Social responsibility criteria    
 ● Corporate governance criteria





## ENVIRONMENT

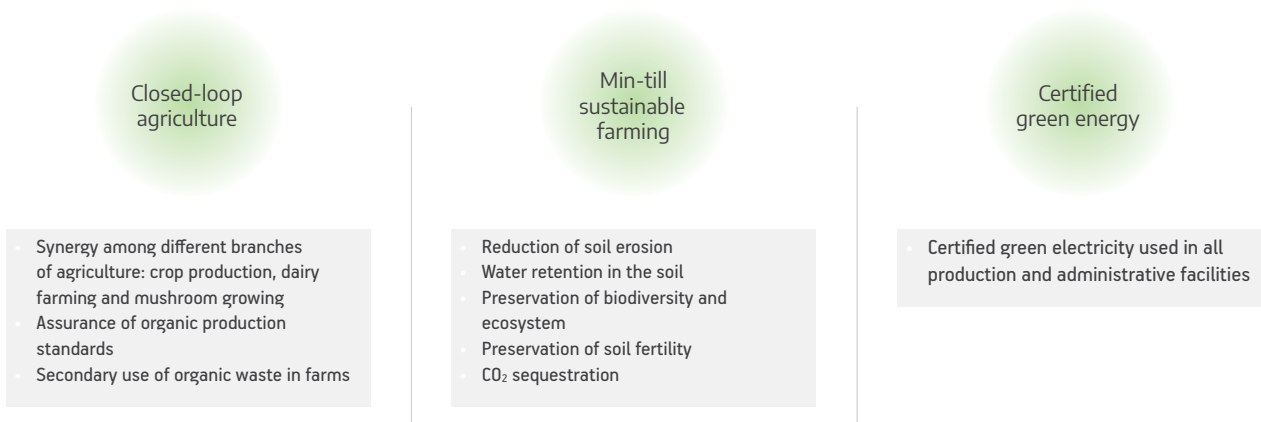


## OUR ACTIVITIES AND ACHIEVEMENTS

In its 2018 Sustainability Report, the Company established a goal of setting clear targets for reducing its carbon footprint, and also committed to recalculating the total carbon footprint of the Group at least once per year. These objectives have been achieved, and the results are described below in the Environment section of this report.

Last year the Group also planned to set targets for its energy and water consumption, and waste reduction. In 2019, the Company updated its accounting methods for the use of natural resources and generated waste. The target for the near future is to keep these indicators stable.

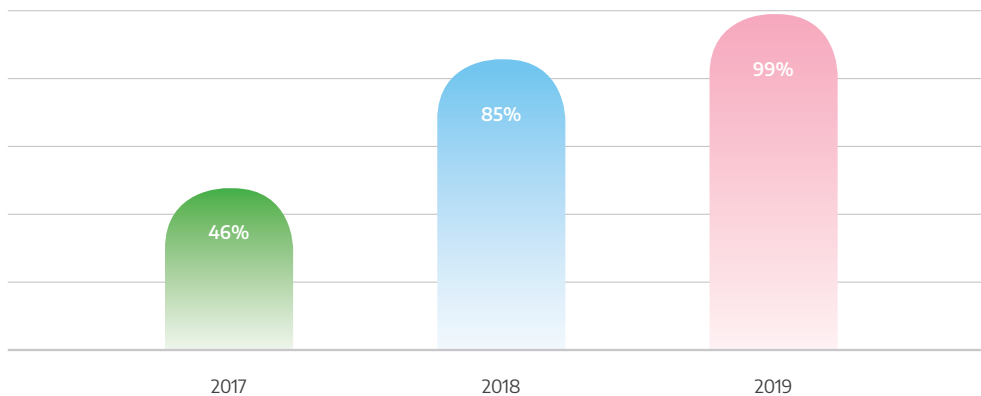
AUGA group is committed to the development of sustainable agriculture, and goes beyond the requirements of EU organic regulations to achieve this. The following practices are employed:



The **closed-loop organic farming** model developed by the Group aims to achieve synergies among different branches of agriculture and maximise the re-use of organic waste. Farming activities, such as crop growing, dairy farming and mushroom growing supplement each other.

**Min-till technology** is applied on 99% of the Group’s cultivated agricultural land. This approach helps to prevent soil from erosion, protect biodiversity, and reduce fuel consumption, resulting in lower GHG emissions. The Company has been increasing the share of land cultivated using min-till technology every year, and last year it achieved the application of this technology in all of its fields except for small plots used for growing vegetables.

### AREA OF LAND CULTIVATED USING MIN-TILL TECHNOLOGY



**Certified green energy** produced from renewable sources and accounting for zero green-house gas emissions is used in all of the Group’s production and administrative facilities.

## ANIMAL WELFARE

In 2019, the Company approved an Animal Welfare Policy. Animal husbandry, and the assurance of animal welfare, are integral parts of the Group's business model.

Animal husbandry is a constituent part of our closed-cycle model. Therefore, the Group pays particular attention to the welfare of its farm animals and the improvement of the conditions they are kept in.

All farms in the Group adhere to the EU's organic farming requirements, and animal keeping falls under the remit of these requirements. In implementing its Animal Welfare Policy, the Group seeks to go beyond simply satisfying binding legal requirements and contribute to the creation of good practices in organic farming and food production, serving as an example for other companies in the sector.

## GHG EMISSION ACCOUNTING AND AUDITING

In 2019, the Company conducted its second measurement of GHG emissions released into the environment as a result of its operations. For the first time, the emissions report was revised using the expertise of independent international auditors.

By applying an internationally recognised measurement methodology, the Company was able to make calculations with an even higher level of precision and expand the operational areas that were measured.

The credibility and accuracy of the measurements made was verified by an audit conducted by the consulting agency Carbon Footprint.

Carbon Footprint Ltd is one of the world's leading auditors for CO<sub>2</sub> reporting, having enabled completion of the carbon footprints of over 20,000 businesses globally. The audit ensures that all GHG data provided by the AUGA group are accurate and the calculations are based on a recognized international methodology.

For further reading on the Company's emissions, go to page 20, 21.

## ENVIRONMENTAL MANAGEMENT SYSTEM

With the aim of securing productive organic farming operations and sustainability, the Company has developed and approved an environmental management system. As the system is implemented, audits for providing feedback are being organised and plans to eliminate any nonconformity will be arranged within the Group's various divisions. By the end of the year, all data will be collected, systematised and presented for analysis by the management. Based on this data, the Company's managers will make appropriate decisions on how to mitigate risks and act more effectively on environmental protection.

## AWARDS FOR SUSTAINABILITY

- The European Bank for Reconstruction and Development (EBRD) Sustainable Energy Gold Award 2019 for incorporating an innovative closed-loop process into the production cycle and developing biogas production to reduce fossil fuel consumption.
- Stockholm School of Economics (SSE) Riga Environmentally Sustainable Development 2019 award.





## STRATEGIC PROJECTS

Globally, agriculture, along with emissions from deforestation due to land conversion, accounts for around 23% of total greenhouse gas (GHG) emissions caused by human activity<sup>2</sup>. These emissions are typically attributed to carbon dioxide (CO<sub>2</sub>) released during soil cultivation using agricultural machinery, methane (CH<sub>4</sub>) associated with enteric fermentation in livestock and manure, and nitrous oxide (N<sub>2</sub>O) arising from the use of fertilisers and manure. Agriculture is a key contributor to climate change, and if current conditions continue its share of man-made emissions is projected to increase by 18% by 2030 and by 30% by 2050<sup>3</sup>. With the aim of tackling some of the causes of these emissions immediately, the Company has already started applying sustainable farming methods on a large scale.

The Company has also planned out and begun preparations for several projects aimed at reducing its emissions. The most significant of these projects are:

**Biogas application technologies** to substitute the use of fossil fuels in agricultural machinery when biogas-powered tractors have been developed, and, in the future, biogas extracted from cow manure, utilizing organic digestate produced as a by-product of this process as an efficient low N<sub>2</sub>O emissions fertiliser.

**Specialised feed technology** to ensure forage preparation and feed composition that substantially reduces CH<sub>4</sub> emissions from bovine enteric fermentation.

**Crop rotation improvement** to achieve an increased proportion of crops with carbon sequestration and nitrogen accumulation properties, thus absorbing CO<sub>2</sub> from the atmosphere and reducing N<sub>2</sub>O emissions.

2 IPCC Special Report on Climate Change, Desertification, Land Degradation, Sustainable Land Management, Food Security, and Greenhouse gas fluxes in Terrestrial Ecosystems [https://www.ipcc.ch/site/assets/uploads/2019/08/Edited-SPM\\_Approved\\_Microsite\\_FINAL.pdf](https://www.ipcc.ch/site/assets/uploads/2019/08/Edited-SPM_Approved_Microsite_FINAL.pdf)

3 Agriculture, Forestry and Other Land Use Emissions by Sources and Removals by Sinks <http://www.fao.org/3/a-i3671e.pdf>

## COMPLIANCE WITH NASDAQ ESG REPORTING GUIDELINES

### E1. GHG Emissions

In 2019, the Group's CO<sub>2</sub> footprint (also referred to in the report as GHG (Greenhouse Gas Emissions), CO<sub>2</sub> eq.) amounted to 72 820 t CO<sub>2</sub> eq., an increase of 14% compared to 2018 (emissions in 2018 amounted to 63 957 t CO<sub>2</sub> eq.).

The higher GHG emission levels in 2019 can be attributed to several factors. By moving to field fertilization twice a year, part of the previous season's fertilization work was carried over to the next year, this led to a higher amount of organic fertilizer used in 2019. In addition, the Company had a significantly higher crop growing yield due to improved soil fertility in 2019. The larger crop yields led to more crop remains in the fields, emitting more GHGs.

The increase was also impacted by the change in methodology, with some emission calculation factors updated<sup>4</sup>. The use of these new calculation methods led to a 3% increase in the total volume of emissions recorded.

The distribution ratio of the main sources of emissions remained similar – enteric fermentation in livestock, managed soil, and the use of fossil fuels on farms constituted 91.48% of total emissions (in 2018 the figure was 91%).

The fact that the Company purchases and uses only green electricity has a very positive effect on reducing GHG emissions. Using energy from energy sources typical in Lithuania, total emissions would increase by 6 010.17 t CO<sub>2</sub> eq.

These calculations are based on the GHG protocol, the methodology used by the Intergovernmental Panel on Climate Change, and the audit conducted by Carbon Footprint.

Emissions, t CO <sub>2</sub> eq.*	2019	2018
Scope 1	71 014.05	60 915.11
Scope 2	6.30	1.26
Scope 3	1 800.55	3 041.08
<b>TOTAL</b>	<b>72 820.90</b>	<b>63 957.44</b>

\* Measured on the basis of actual energy purchases (market based method). Calculating by using location based method, i.e. according to the country-specific average energy production, total GHG emissions in 2019 would be 78 831.07 t CO<sub>2</sub> eq.

In accordance with the international calculation methodology that has been adopted<sup>5</sup>, all emissions are categorized as Direct (Scope 1), Indirect (Scope 2) and Other (Scope 3).

Scope 1 includes all emission sources directly managed by the Company.

Scope 2 measures indirect emissions from energy provided to, but not produced by, the Company.

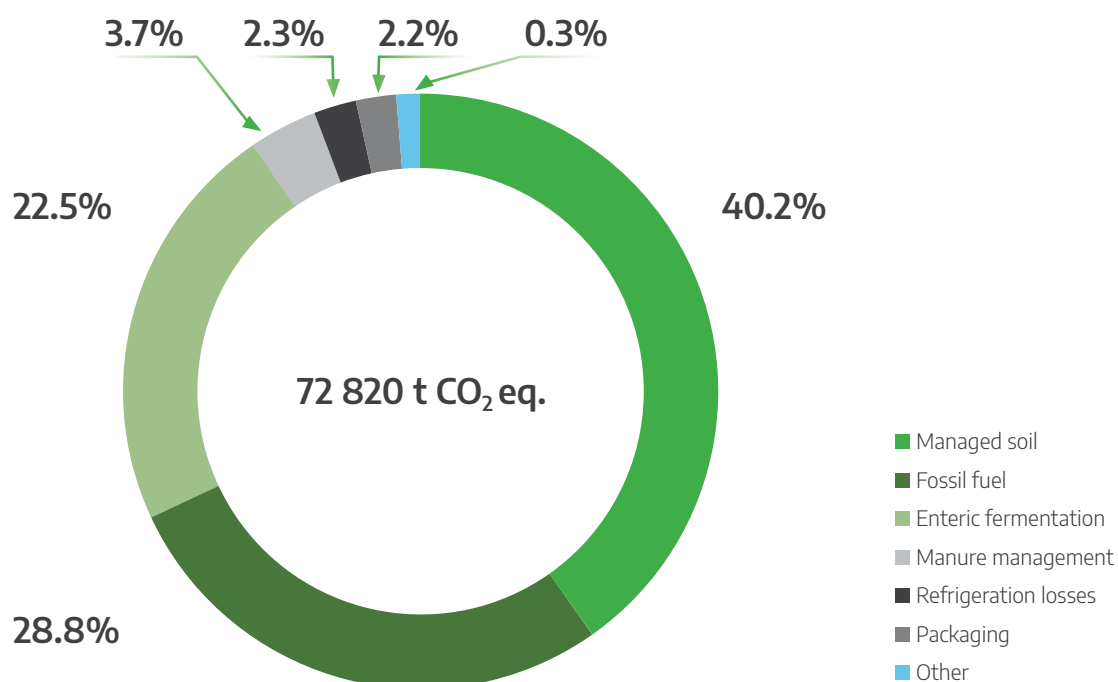
Scope 3 measures other indirect emissions (not included in Scopes 1 and 2) from various operations of the Company.



4 Lithuania's National Inventory Report 2019, [http://klimatas.gamta.lt/files/NIR\\_2019\\_04\\_15\\_FINAL.pdf](http://klimatas.gamta.lt/files/NIR_2019_04_15_FINAL.pdf)

5 <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

## GHG EMISSIONS DISTRIBUTION



## E2. Emissions Intensity

Carbon intensity refers to how much carbon the Group's companies emit per activity unit, for example per Euro of revenue produced, or per ha of cultivated land. The cumulated carbon intensity indicators of the Group for 2019 are provided below with the amounts from last year alongside.

	2019	2018
t CO <sub>2</sub> eq. / 1 Eur revenue	0.00102	0.00117
t CO <sub>2</sub> eq. / 1 employee	61.04	55.52
t CO <sub>2</sub> eq. / cow*	3.04	4.71
t CO <sub>2</sub> eq. / t ECM milk*	0.68	0.74
t CO <sub>2</sub> eq. / ha**	1.05	1.12
t CO <sub>2</sub> eq. / t crop production**	0.37	0.38
t CO <sub>2</sub> eq. / t mushroom production***	0.37	0.31

\* only milk production segment emissions are measured. ECM (energy corrected milk) – a relative unit of measurement of milk. The raw milk production is converted to 4.0% fat and 3.3% protein of corrected milk quantity.

\*\* only crop growing segment emissions are measured

\*\*\* only mushroom growing segment emissions are measured

Some carbon intensity indicators were in part determined by the higher turnover of the Company in 2019. For instance, carbon intensity per one employee increased as the number of personnel grew only marginally while emissions rose. On the other hand, carbon intensity per one Euro went down as the Group's revenue increased more than total emissions did.

The intensity of emissions of dairy segment decreased due to the fact that in 2018 this indicator was calculated taking into account only the number of dairy cows, while in 2019 - the total number of cattle was accounted. If all cattle were counted in 2018, the emission intensity per cattle would have been 2.79 t CO<sub>2</sub> eq. Emission intensity per one ton of milk remained similar.

Although total crop growing emissions rose, lower emissions per one ton of produce were recorded due to considerably higher soil fertility. With continued efforts to achieve better soil fertility, the Company anticipates further improvements in this indicator in the future.

### E3. Energy Usage

The cumulated energy consumption of the Group in 2019 was 368 895.70 gigajoules (GJ). The amount of energy used has varied only marginally over the years measured.

Energy type	Value	Energy
Diesel for farm machinery	7 360 383.96 l	280 954.25 GJ
Electricity	15 372 857.50 kWh	55 342.29 GJ
Natural gas	4 020 549.00 kWh	14 473.98 GJ
Liquefied petroleum gas	412 332.94 l	10 308.32 GJ
Diesel for production drying	151 244.00 l	5 763.49 GJ
Petroleum	55 867.45 l	1 924.51 GJ
Heat	35 795.00 kWh	128.86 GJ
		<b>TOTAL: 368 895.70 GJ</b>

### E4. Energy Intensity

Energy intensity expresses the energy required per unit of activity, output, or any other organisation-specific metric. The cumulated energy intensity indicators of the Group for 2019 are displayed below with the amounts from last year alongside.

	2019	2018
GJ / 1 Eur revenue	0.00519	0.00681
GJ / 1 employee	309.22	323.68
GJ / cow*	3.27	4.48
GJ / t ECM milk*	0.74	0.71
GJ / ha**	4.80	7.24
GJ / t crop production**	1.68	2.43
GJ / t mushroom production***	6.86	7.57

\* only milk production segment emissions are measured. **ECM** (energy corrected milk) – a relative unit of measurement of milk. The raw milk production is converted to 4.0% fat and 3.3% protein of corrected milk quantity.

\*\* only crop growing segment emissions are measured

\*\*\* only mushroom growing segment emissions are measured

The energy intensity indicators measured were in part determined by the higher turnover of the Company in 2019. For instance, energy intensity per one employee increased because the number of employees only grew slightly while emissions increased. In contrast, energy intensity per one Euro of revenue decreased because the Group's revenue rose.

Energy intensity per total mushroom production decreased due to lower energy consumption in the segment and a slightly larger mushroom yield.

## E5. Energy Mix

The majority of the Group's energy consumption in 2019 consisted of diesel fuel and electricity. There were no significant changes in energy consumption distribution in comparison to 2018.

Energy type	Share	Energy
Diesel for farm machinery	76.16%	280 954.25 GJ
Electricity	15.00%	55 342.29 GJ
Natural gas	3.92%	14 473.98 GJ
Liquefied petroleum gas	2.79%	10 308.32 GJ
Diesel for production drying	1.56%	5 763.49 GJ
Petroleum	0.52%	1 924.51 GJ
Heat	0.03%	128.86 GJ
		<b>TOTAL: 368 895.70 GJ</b>

## E6. Water Usage

The Company experienced a significant growth in water consumption in 2019 due to a very hot and dry summer season, as well as a newly adopted accounting methodology that includes additional sources of water consumption, e.g., natural boreholes.

	2019	2018
Water (m <sup>3</sup> )	267 669.25	205 097.05

## E7. Environmental Operations

The Board of the Company has approved the Company's Environmental Policy, which is an integral part of its corporate business strategy. The purpose of this policy is to outline guidelines and principles for ensuring the management of the environmental impact of the Group across the business cycle.

The Group is making efforts to reduce the environmental impact of its activities and develop environmentally-friendly organic farming technologies.



The Group is committed to taking responsibility for the environmental impact of its activities, and striving to reduce this impact by:

- Operating in compliance with all mandatory requirements of environmental legislation;
- Cooperating with business partners, public authorities and agencies on environmental issues;
- Monitoring the Company's environmental impact, including measuring the carbon footprint of the organisation, its use of natural and energy resources, and its waste generation;
- Saving natural and energy resources, which will be achieved by implementing a closed-loop organic farming model, applying min-till technology, and using renewable energy sources;
- Developing and implementing technologies aimed at reducing the Group's GHG emissions in three major areas: fossil fuels on farms, cultivated soil, and enteric fermentation in livestock;
- Ensuring that as much of the waste generated by the Group as possible is managed according to the principle of "reduce, reuse and recycle";
- Developing competences and a responsible approach to environmental protection in the Group's employees.

## E8. Climate Oversight / Board

Concerns related to climate action have generally been assessed during the Company's Board meetings. However, this has so far been on an ad hoc basis. In 2020, specific climate action matters are to be included in the Board's agenda and to receive regular assessment and evaluation.

## E9. Climate Oversight / Management

Management meetings to assess various climate issues, including investments, budgets and environmental impact, are scheduled on a regular basis. Throughout 2020, further matters related to climate action will be included in the management's agenda as high priority items, and progress on these matters will be assessed regularly.

## E10. Climate Risk Mitigation

Presently, the Company does not specifically calculate expenditure on climate action investments in its financial reports. However, these numbers are being accounted for and recorded. In 2019, total investments in climate action amounted to 334 192 EUR.

At the end of 2019 AUGA group issued EUR 20 million worth of green bonds, and some of the proceeds raised from this process have been invested in climate action innovations (see page 30).

### GHG emission reduction targets for 2025

The Company has set itself the target of reducing the total GHG emissions from its operations by 27%, assuming there will be no increase in the area of agricultural land operated by the Company. The Company plans to achieve this target through operational excellence and by developing original technologies in the three primary areas that currently contribute most to GHG emissions.

It is important to note that emission reduction in the agricultural sector is a complicated process. This fact demonstrates that the targets set by the Company are very ambitious. By way of comparison, Lithuania's entire agricultural sector has been set the target of reducing emissions by 9% by 2030<sup>6</sup>.



## FOSSIL FUEL CONSUMPTION

The Company is targeting a 40% reduction in total fossil fuel emissions and a 50% cut in emissions deriving from fossil fuel use on farms.

The Company plans to achieve this goal through the introduction of a biogas cycle in the Group's agricultural operations. Biogas will be extracted from waste in cattle farming and used to fuel agricultural machinery. Furthermore, optimizing farm work and crop rotation techniques to reduce the amount of energy used for the distribution and insertion of manure will enable lower fuel inputs.

The Company puts a strong focus on the secondary use of waste and by-products that come from other branches of the Group's business. For instance, manure from dairy and poultry farms can be utilised in the production of biogas that can be purified into biomethane. In turn, biomethane can be used to power tractors and other vehicles.

The extraction of biogas from manure followed by the usage of purified biogas for fuel is one of the most efficient ways for second-generation biofuel to be reintroduced to farm mobility systems. A Lund University study finds that such an approach is up to 148% more beneficial to the climate compared to using fossil fuels. In addition, the organic waste (digestate) left after biogas production can be used as an effective fertiliser, increasing soil productivity by 18% and thus decreasing the emissions per unit of agricultural produce.

## ENTERIC FERMENTATION IN LIVESTOCK

Total emissions from enteric fermentation are set to be reduced by 33%. This reduction will be made through the upgrading of the feed technology used. Using specially treated forage will lead both to lower ruminant emissions and an increase in milk yield.

The segment's emissions per one ton of milk are set to be cut by 50%. There will also be a 33% reduction in emissions per livestock animal and per one ton of live-weight meat.

A specialised feed technology is being developed by the Company with the aim of reducing methane emissions from bovine enteric fermentation. Given that dairy farming is an integral component of the Group's closed-loop business model, it is essential for AUGA to address this issue. The concept for this specialised feed technology comes from innovative processes and technologies associated with proprietary feed production and treatment, and adapted formulations of forage, through to the monitoring and measuring of the effects of this feed on the cattle on the farm. The target for these adapted feed formulations would be to significantly reduce the ruminant emission of methane to the atmosphere per unit of milk produced. Such a setup would also ensure best animal welfare practices and contribute to the cutting of methane (CH<sub>4</sub>) emissions, gases that contribute 28 times more to the global greenhouse effect than CO<sub>2</sub><sup>7</sup>.

## MANAGED SOIL

The total emission reduction target for this area is set at 20%, while emissions from dry crop produce per ton are to be cut by 30%. The Company intends to meet these targets by using crop rotation and increasing the proportion of plants with carbon sequestration and nitrogen fixation properties.

Leguminous perennial grasses (alfalfa, clover, etc.) are able to fix nitrogen from the atmosphere with the help of symbiotic bacteria within the nodules of their root systems. Moreover, they trap CO<sub>2</sub> in organic soil matter, while, conversely, cereal cultivation releases CO<sub>2</sub> into the atmosphere. Increasing the volume of leguminous crops would not only add to sequestration, but could also produce feed that would take up a larger proportion in the feed chain. Within the framework of the Group's closed-loop business model, this diversification of crops would allow for the growing of a feed that is less polluting and has lower N<sub>2</sub>O emission properties. This feed would, in part, replace the cereal-based feeds that are currently used.

At the moment, there is no structured methodology in place to assess the effect of diversified crops and soil cultivation on carbon sequestration, hence its impact is not included in emissions targets at present. However, the Company is looking to establish such a system of measurement in the future.

Base data for setting CO<sub>2</sub> reduction targets by 2025 are provided below.

<b>Fossil fuel</b>	<b>2019</b>
Diesel fuel consumption in agriculture, t CO <sub>2</sub> eq.	16 645.93
Total fossil fuel emissions, t CO <sub>2</sub> eq.	20 992.90
<b>Rumen fermentation</b>	
Rumen fermentation emissions, t CO <sub>2</sub> eq.	16 346.85
t CO <sub>2</sub> eq. / t milk	0.56
t CO <sub>2</sub> eq. / livestock	3.22
t CO <sub>2</sub> eq. / t meat products sold	25.52
<b>Crop growing</b>	
Emissions from manure applied to soil, t CO <sub>2</sub> eq.	12 876.87
Total crop growing emissions, t CO <sub>2</sub> eq.	29 275.68
t CO <sub>2</sub> eq. / t dry matter crop production	0.27

\* only milk production segment emissions are measured. **ECM** (energy corrected milk) – a relative unit of measurement of milk. The raw milk production is converted to 4.0% fat and 3.3% protein of corrected milk quantity.

### Other targets for 2020

From 2020, the Company will begin including climate action matters within the agenda of Board meetings so that it can improve how progress in this field is assessed.

To enable each employee to contribute their fullest in pursuit of the Company's goals and targets, AUGA group strives to consistently educate all personnel on the topics of climate change, and explain what issues are of priority, introducing staff to the on-going technological developments in the field.

From the materiality assessment of sustainability topics that the Company conducted, the Company has been able to gauge its stakeholders' view on environmental impact. The areas of sustainable packaging, agricultural impact on the environment, soil health and waste management have been identified as the most significant. In terms of environmental impact, the management and the Board of the Company also regards animal welfare and emission reductions as crucially important. In turn, the Company will concentrate its efforts and place a special emphasis on achieving excellence in these areas.



# SOCIAL

**3** GOOD HEALTH  
AND WELL-BEING

**8** DECENT WORK  
AND ECONOMIC  
GROWTH

## OUR ACTIVITIES AND ACHIEVEMENTS

The Company has successfully executed its goal of implementing the following policies: Policy on Human Rights, Non-Discrimination, Child Labour and Forced Labour. Additionally, it has updated The Occupational Safety and Health Policy.

In 2019, AUGA group continued to expand its efforts in improving communication with both its employees and all other stakeholders. Most of the Group's companies operate in rural areas, so special attention is being paid to regional development.

In cooperation with Vytautas Magnus University Agriculture Academy, the Company seeks to attract as many young professionals as is possible and is purposefully recruiting them for both internships and employment. Currently, more than half of the Company's employees are under 45 years of age, which is uncommon for companies within this sector in Lithuania.

Age of employees	Number	%
Younger than 25	70	5.9%
26-35	266	22.3%
36-45	275	23.1%
46-55	342	28.7%
56-65	230	19.3%
Older than 66	10	0.8%
<b>TOTAL</b>	<b>1193</b>	<b>100.0%</b>

## SUPPLEMENTARY HEALTH INSURANCE

In 2019, AUGA group employees were provided free supplementary health insurance. This insurance is valid for all employees of the Group's companies who work on a permanent basis.

AUGA's free supplementary health insurance package provides employees with faster and more convenient access to health-related services: treatment at selected healthcare facilities, specialist medical visits, various tests, costs for covering the purchasing of medicines, and other services aimed at promoting health. All employees of the Group now have access to high-quality, modern treatment at public and private institutions throughout Lithuania.

## POLICIES

Since 2019, the Company has adhered to the following implemented policies: Policy on Human Rights, Non-Discrimination, Child Labour and Forced Labour, The Occupational Safety and Health Policy. These policies can be viewed on the Company's website<sup>8</sup>.

8 <http://auga.lt/en/sustainability/policies/#tabs>

## EMPLOYEE SATISFACTION SURVEY

In 2019, the Group conducted a staff survey, asking a variety of questions. These included whether the Group employees liked their job, whether they would recommend the company they worked for as a good place to work, and the extent to which they valued their colleagues, collaboration, managers, working practices, etc.

The aim of the study was to better understand the employees' attitude towards their work, how they viewed cooperation with colleagues, and to identify areas of strength and areas for improvement.

<b>Totally agree, agree</b>	<b>Neutral</b>	<b>Totally disagree, disagree</b>
78%	17%	5%

78% of employees answered the question "I am satisfied with my job" with "totally agree" or "agree".

62% of all respondents would recommend the Company as an employer. 77% of employees are proud to be employees of the Company.

With regards to teamwork, co-workers, adherence to agreements, and conflict resolution, individual responses ranged from 74% up to 84%.

We value the results of this survey and intend to repeat it every year. The Company will continue to strive for consistent employee satisfaction.





## LOCAL COMMUNITIES SURVEY

Over the past two years, the Company has begun to engage more actively with communities, primarily through a survey of their views and needs.

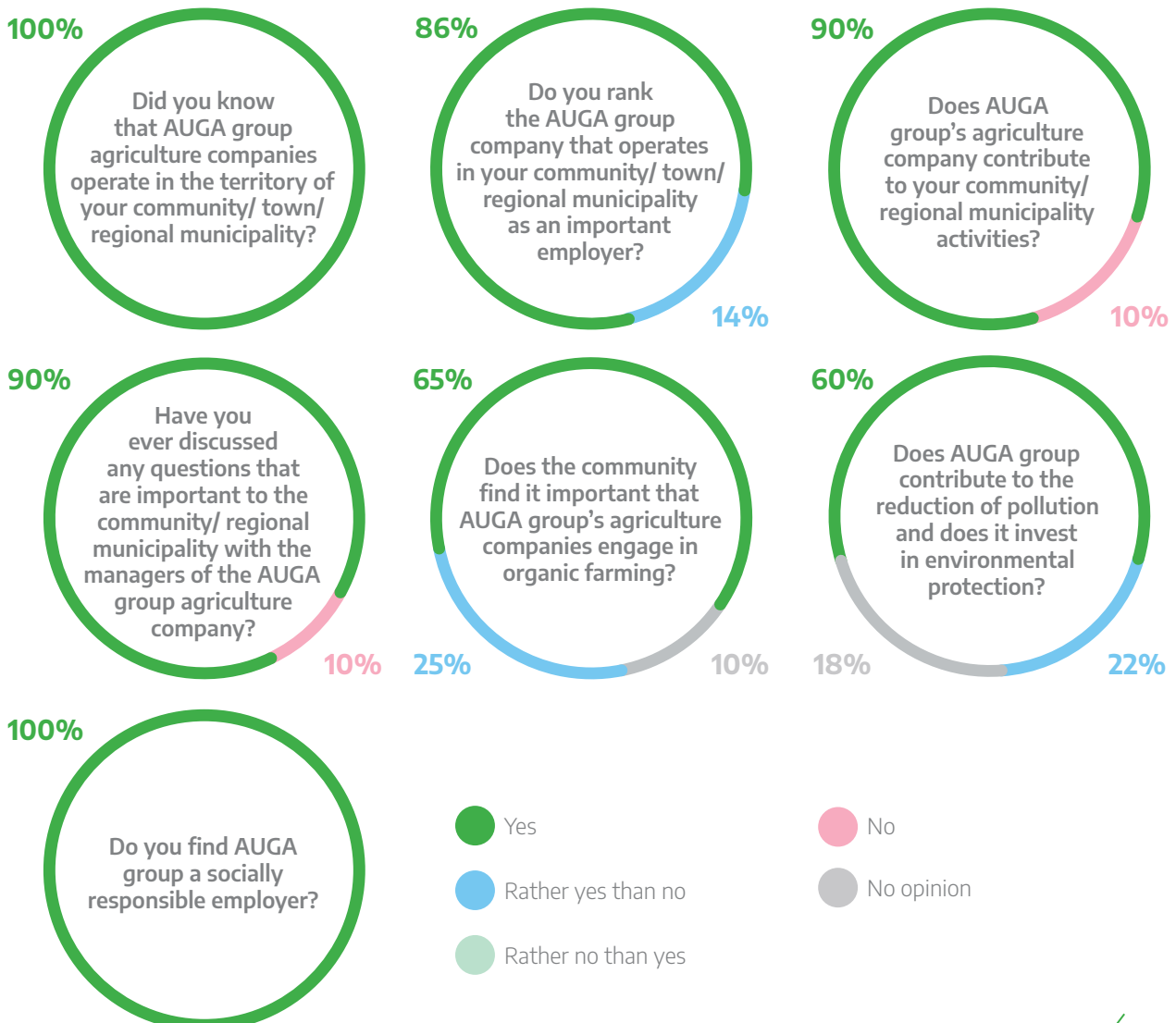
The majority of the Company's employees work in regions and rural areas. Companies of the Group support local communities both financially and by contributing to infrastructure improvements and site management.

Seeking to build a long-term and sustainable dialogue with local communities, the Company continues to pay special attention to organizing meetings and conversations with representatives of the communities.

The second survey revealed that meeting communities, and educating them on ecology, the environment and sustainability, has a positive impact.

In 2019, more community representatives rated as important the fact that the Group is developing an organic farming model. The share of positive answers to this question rose from 46% in 2018, to 65% in 2019. The majority of the communities surveyed said that the companies of the Group are making sustained efforts to reduce environmental pollution and invest in environmental protection. In 2019, 60% answered this question positively, compared to 45% a year earlier.

Other survey indicators did not change, and the communities positively evaluated the activities of the companies of the Group.





## COMPLIANCE WITH NASDAQ ESG REPORTING GUIDELINES

### S1. CEO Pay Ratio

The AUGA group CEO pay ratio versus the Group's full-time employee median salary was 5.75 in 2019. Compared to the previous year, this ratio had decreased (2018 - 6.36). This change was driven by the rise in staff salaries. The CEO's salary remained unchanged over the year.

### S2. Gender Pay Ratio

The median salary of male employees in the Group remained unchanged and was 1.2 times higher than the median salary of female employees. As in the previous year, this difference arose due to job positions and the level of qualifications held. Median wages were calculated only for those employees who were not on sick leave or on parental leave.

### S3. Employee Turnover

The average overall employee turnover ratio amounted to 21.8% in 2019. More than half of employees who left the Company did it by their own initiative. In 2018, employee turnover ratio was 20.0%.

The number of part-time and retired employees was four, while in 2018 there were six such employees.

The situation regarding contractors and consultants remains unchanged from 2018: the Group employs only two individuals under such employment contracts.

### S4. Gender Diversity

In 2019, men accounted for 58% of all Group employees. In 2018, men accounted for 57% of all employees.

Women accounted for 25% of all management positions, 47% of professional roles, and 42% of unskilled workers.

### S5. Temporary Worker Ratio

On December 31, 2019, the Group employed 1 193 people. Only 14 of them were temporary employees, or 1.17% of total. Also, in 2019, the Group recruited over 400 temporary workers who did not work under employment contracts but provided temporary agricultural services employed under a simplified procedure and paid by service employment cheques.

In 2019, the Group employed 14 part-time employees, or 1.17% of total.



## S6. Non-Discrimination

The Company follows a Policy on Human Rights, Non-Discrimination, and Child Labour. The Group complies with domestic and international regulatory obligations of non-discrimination. The Group does not tolerate discrimination, humiliation, harassment or insulting behaviour on the grounds of an employee's gender, nationality, race, religious and political beliefs or other personal traits. We establish a level playing field for all workers, irrespective of their age. Our Policy on Human Rights, Non-Discrimination, and Child Labour is published on the Company's website<sup>8</sup>.

## S7. Injury Rate

There were two occupational accidents in 2019 (in 2018, there were seven accidents at work). No workers suffered injury from these incidents. In 2019, there were 0.0017 accidents per one employee.

## S8. Global Health & Safety

The Company has in place an Occupational Safety and Health Policy. The purpose of the policy is to identify what threats and risks exist in the enterprise that may be encountered by employees, and to provide for measures aimed to minimise the number of accidents.

The Policy is published on the Company's website<sup>9</sup>.

Every new employee of the Group is familiarized with the internal safety and health rules before starting work, and they are encouraged to update this knowledge regularly.

## S9. Child & Forced Labour

The Company has an Occupational Safety and Health Policy. This policy is published on the Company's website<sup>8</sup>.

The Group adheres to the prohibitions and restrictions regarding child labour and forced labour laid out in national and international legislation.

The principles of this policy apply to all partners of the Company.

They are also defined in the Supplier Code of Conduct, which is also published on the Company's website<sup>8</sup>.

9 <http://auga.lt/en/sustainability/policies/#tabs>

## S10. Human Rights

The Company follows a Policy on Human Rights, Non-Discrimination, and Child Labour. This policy is published on the Company's website. The respect for human rights constitutes an integral part of the core values of the Group. The Company is guided by corporate practices and principles conforming to the principles of the Universal Declaration of Human Rights and international labour conventions. The principles of this policy apply to all partners of the Company. They are also defined in the Supplier Code of Conduct, which is published on the Company's website.

No cases of employee rights infringement or conflicts at work were recorded by the Company and the Group's companies in 2019. We take seriously any reports of human rights violations, and employees have recourse to report such issues directly to their immediate superior, Human Resources manager, or Company manager, or by e-mail [etika@auga.it](mailto:etika@auga.it).

### Targets for 2020

During 2020, the Company will strive to maintain the social policies model it has developed and continue to follow the codes and policies adopted in 2019. The Company intends to conduct further community and employee surveys on an annual basis in order to assess what issues are most relevant for these vital social groups.

The Company takes its commitment to the aforementioned social indices seriously. Social equality will continue to remain a top priority, as will the application of the fair wage model, the further establishment of gender equality, and the prevention of discrimination of any kind. Likewise, the Company will continue to dedicate much attention to the overseeing of employee safety and the provision of quality health care.

The prevention of human rights violations of any form is the primary objective in the Company's social codes and policies.

The materiality assessment of sustainability topics that was conducted by the Company revealed our stakeholders' view on social impact. Food safety, fair wage and employee welfare were identified as the most significant areas. The management and the Board of the Company consider human rights, food safety, and company values and culture, to be of the highest importance. To this end, the Company will concentrate its efforts and place especial emphasis on achieving excellence in the all of the aforementioned areas.





## GOVERNANCE

9 INDUSTRY,  
INNOVATION AND  
INFRASTRUCTURE





## OUR ACTIVITIES AND ACHIEVEMENTS

In 2019, the Company set itself the goal of simplifying the structure of its management and supervisory bodies and allocating and separating their functions and accountability to improve their efficiency and clarity. The Company successfully implemented this by abandoning the Supervisory Board model and choosing an independent Board model.

### INDEPENDENT BOARD

In light of good corporate governance practices, and in order to create the most transparent and effective governance system possible, the Company has abandoned the Supervisory Board model and chosen the independent Board model (June 2019). Currently, the Board of AUGA group consists of five new members: Murray Steele, Tomas Kučinskas, Tomas Krakauskas, Dalius Misiūnas and Andrej Cyba.



This is the first case in Lithuania in which members of the Board of a non-governmental company are not affiliated with a controlling shareholder.

The governance model implemented by the AUGA group creates preconditions for the highest standards of transparency and accountability to shareholders and investors.

### SUCCESSFUL ISSUE OF GREEN BONDS

At the end of 2019, AUGA group issued 20 000 units of green bonds<sup>10</sup> with a nominal value of EUR 1 000 each.

The bond programme of the company was evaluated by the Center for International Climate Research (CICERO), which provides second opinion for the majority of green bonds issued around the world.

AUGA group is the first fully privately-owned listed entity in the Baltic States to issue green bonds, and it is one of the largest bond issues on the Nasdaq Baltic exchange. AUGA group also became the first company in the Baltic States to join the Nasdaq Sustainable Bond Network. The new Nasdaq platform is designed for investors looking for opportunities to invest in sustainable companies.

The Nasdaq Sustainable Bond Network and market is the first global, publicly available web-based platform designed to create greater transparency in the market for green, social and sustainability bonds. It distinguishes between three categories of bonds: Green, Social and Sustainable. International standards define Sustainable Bonds as loans used to finance projects that bring clear environmental and social-economic benefits. Green bonds are defined as loans used to finance projects and activities that benefit the environment.

## POLICIES

In addition to the policies mentioned in the previous section, the Company has also adopted Prevention of Corruption, Environmental, Animal Welfare, and Human Rights policies, and Codes of Supplier Conduct, and Business Ethics. These documents were approved by the new independent Board in 2019. All of these policies are available on the Company's website<sup>11</sup>.

## INVESTOR RELATIONS

With the aim of providing more convenient access to its consolidated financial data, the Company has prepared and published financial data that includes both data from previous periods and the most recent reporting period in MS Excel format. This data file is available via the following link<sup>12</sup>.

Investors may also subscribe to receive news published by the Group. The news subscription service is available via the following link<sup>12</sup>.

## PARTICIPATION IN BUSINESS ASSOCIATIONS

The Company is actively involved in its sector and in sustainability-oriented associations. AUGA group is currently a member of the Lithuanian Association of Agriculture Companies (LŽŪBA), the Lithuanian Organic Farmers Association (LEŪA) and the Responsible Business Association of Lithuania (LAVA). The Group's company UAB "Baltic Champs" is a member of the Lithuanian Association of Mushroom Growers and Processors (LGAPA). The Company also cooperates regularly with various non-governmental and governmental organizations.

## DISCLOSURE OF ESG INDICATORS

AUGA group has also become the first company in the Baltic States to make its data publicly available on the Nasdaq ESG Data Portal<sup>13</sup>. Starting in 2018, the Company began annually publishing information on its environmental, social and governance indicators on this platform.

11 <http://auga.lt/en/sustainability/policies/#tabs>

12 <http://auga.lt/en/for-auga-investors/>

13 <https://www.nasdaq.com/solutions/nasdaq-investment-data-and-analytics>



## COMPLIANCE WITH NASDAQ ESG REPORTING GUIDELINES

### G1. Board Diversity

Presently, the Board or other supervisory bodies of the Company do not include any female members (0%). However, it is important to stress that the selection process of the current members was based entirely on the competences that are sought after by the Company, and gender has no bearing on the issue. The Company follows a strict gender equality policy as regards the appointment of qualified individuals to leading positions within the Company.

### G2. Board Independence

The Company has separated the functions of the CEO and the supervisory body. Kęstutis Juščius, the Chairman of the Board of the previous term has now assumed the post of the Company's CEO, and thus resigned from the Board.

Four out of five members of the Board (80%) are independent and none of the five hold any other active posts in the Company. The fact that the Company's CEO is not a member of the Board ensures that management and supervisory functions are separated.

### G3. Incentivized Pay

The Company has no specific incentive system for employees, management and members of supervisory bodies for the implementation of long-term environmental, social and corporate strategy. Nonetheless, these aspects are taken into consideration during employee performance appraisal, and employees are assessed in accordance with their contribution to the achievement of Company sustainability goals. Employee input into the Group's sustainable business activities is strategically and fundamentally vital; hence, in 2019 the personnel was incentivized to contribute to sustainable business initiatives.

### G4. Collective Bargaining

At present, there is no collective bargaining agreement in place (0% employee signatories). However, the Company does not impede or otherwise interfere with workers performing the rights that are granted to them under trade union laws. All employees are free to initiate unions in compliance with the acts of labour law, while the Company seeks to ensure employee welfare in all areas.

### G5. Supplier Code of Conduct

The Company follows a Board-approved Supplier Code of Conduct for all business conducted with suppliers. The Supplier Code of Conduct sets out as a priority the establishment of long-term supplier relationships that meet the highest standards of business transparency and sustainability. The Company conducts supplier selection based on supplier compliance and the application of sustainable business guidelines.



The suppliers are expected to follow the core principles of Environmental, Social and Governance (ESG), as well as Sustainable Development Goals, in their business practices.

The Company adapted the Supplier Code of Conduct in 2019. Currently, the aim is to introduce all partners to the Company's values and objectives, while in the future all of the Company's main suppliers will be expected to sign up to the Code's principles.

The Company's Supplier Code of Conduct is published on the Company's official website<sup>14</sup>.

## G6. Ethics & Anti-Corruption

The Company follows an established and Board-approved Code of Business Ethics. As the largest vertically integrated organic food company in Europe, the Company strives to implement the highest standards in business ethics. The Company's Code of Business Ethics is published on the Company's official website<sup>14</sup>.

The Company has also adopted a Board-approved Policy on the Prevention of Corruption and Conflicts of Interest. AUGA group applies a zero-tolerance approach to corruption of any kind, and is committed to implementing all preventative measures against acts of corruption.

The obligation to comply with Policy on the Prevention of Corruption and Conflicts of Interest is carried by all of the following: all Company employees, the members of governing and supervisory bodies, individual entities providing services, and individuals or entities consulting or facilitating the Group's interests in other forms on a signed contract basis.

The Company's Policy on the Prevention of Corruption and Conflicts of Interest is published on the Company's official website<sup>14</sup>.

## G7. Data Privacy

The Company fully complies with the statutes of General Data Protection Regulation (GDPR).

The Company follows a Data Privacy Policy and handles personal data in accordance with the legislation in effect. This includes Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as well as the regulation on the protection of personal data of the Republic of Lithuania. The Company's Privacy Policy is published on the Company's official website<sup>14</sup>.

## G8. ESG Reporting

Legislation requires all public-interest entities, including companies, publicly traded in the multilateral trading system, to draw up and publish non-financial information reports commencing from the financial year 2018.

Pursuant to this, the Company began preparing and publishing its Sustainability Reports. The Company's Sustainability Reports are published on both the Company's<sup>15</sup> and Nasdaq Baltic's<sup>16</sup> websites. The current Sustainability Report is the Company's third Sustainability Report.

Currently, the Company draws up its Sustainability Reports in accordance with the Nasdaq ESG Reporting Guide for Nordic & Baltic Markets.

<sup>14</sup> <http://auga.lt/en/sustainability/policies/#tabs>

<sup>15</sup> <http://auga.lt/en/tvarumas/tvaraus-verslo-ataskaita/#tabs>

<sup>16</sup> <https://www.nasdaqbaltic.com>

## G9. Disclosure Practices

The Company prepares and publishes its Sustainability Report in accordance with Nasdaq ESG Reporting Guidelines.

The Company has a strong understanding of all of the United Nations' Sustainable Development Goals, and views their implementation as integral to the creation of a sustainable and harmonious world.

By re-evaluating our business processes and their impact on communities and the environment, we have expanded the list of objectives that fall under our direct influence. We will endeavour to place our best efforts in accomplishing these objectives. (Read further on page 11).

In the future, the Company will file an official application to join the United Nations Global Compact, and will be considering the possibility of including additional ESG reporting guidelines for its Sustainability Reports.

## G10. External Assurance

So far, the Company's Sustainability Reports are not audited or assessed by third parties. This report publishes third party-audited data from the Company's CO<sub>2</sub> emission report. In the future, the Company will seek to implement third party audits in additional ESG areas.

### Targets for 2020

Throughout 2020, the Company will continue to follow all good governance practices and maintain an independent Board and competent management. One of the top priorities will be to further improve investor relations.

As mentioned previously, the potential of joining the United Nations Global Compact will be evaluated in 2020.

AUGA group will seek to audit not only a CO<sub>2</sub> emissions report, but also the entire Sustainability Report.

One of our key priorities for 2020 is to involve our suppliers, investors and other stakeholders in the application of approved codes and policies.

The Company aims to provide data to Nasdaq ESG Data Portal<sup>17</sup> and publish Sustainability Reports on an annual basis.

The materiality assessment of sustainability topics conducted by the Company revealed our stakeholders' view on Company governance. The areas of fair tax payment and anti-corruption were identified as the most significant. The management and the Board of the Company also consider sustainable organic food standards particularly important in terms of impact. In turn, the Company will place special emphasis on achieving excellence in these aforementioned areas.

17 <https://www.nasdaq.com/sustainability/offerings/ESG-Data-Portal>

These metrics provide consolidated information on the compliance of the Company's main activities in respect to the indicators of environmental, sustainability and corporate governance (ESG) standards laid out in the Nasdaq ESG Reporting Guide for Nordic & Baltic Markets.

## NASDAQ ESG REPORTING GUIDE FOR NORDIC & BALTIC MARKETS

ENVIRONMENTAL INDICATORS	COMPLIANCE	PAGES
E1. GHG Emissions	YES	16
E2. Emissions Intensity	YES	17, 18
E3. Energy Usage	YES	18
E4. Energy Intensity	YES	18
E5. Energy Mix	YES	19
E6. Water Usage	YES	19
E7. Environmental Operations	YES	19, 20
E8. Climate Oversight / Board	PARTLY	20
E9. Climate Oversight / Management	YES	20
E10. Climate Risk Mitigation	YES	20

SOCIAL INDICATORS	COMPLIANCE	PAGES
S1. CEO Pay Ratio	YES	27
S2. Gender Pay Ratio	YES	27
S3. Employee Turnover	YES	27
S4. Gender Diversity	YES	27
S5. Temporary Worker Ratio	YES	27
S6. Non-Discrimination	YES	28
S7. Injury Rate	YES	28
S8. Global Health & Safety	YES	28
S9. Child & Forced Labour	YES	28
S10. Human Rights	YES	29

GOVERNANCE INDICATORS	COMPLIANCE	PAGES
G1. Board Diversity	NO	33
G2. Board Independence	YES	33
G3. Incentivized Pay	PARTLY	33
G4. Collective Bargaining	PARTLY	33
G5. Supplier Code of Conduct	YES	33, 34
G6. Ethics & Anti-Corruption	YES	34
G7. Data Privacy	YES	34
G8. ESG Reporting	YES	34
G9. Disclosure Practices	NO	35
G10. External Assurance	NO	35



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