



emp
recycling

ESG report 2023



Introduction

I would like to express my sincere thanks to the whole team for our first stand-alone sustainability report of EMP Recycling. This document is a reflection of our dedication, as well as a step forward in our commitment to sustainability.

Our work is a collaborative effort with you, and I would like to thank all the organisations and individuals who put their trust in our company. This report is for you – our stakeholders.

In the report, we disclose the results and impacts of our activities. We are committed to continuity and transparency, which is why we bring you up to date on the most important topics and reveal our strategic objectives. Sustainability is everyone's responsibility, because we are all the ones who create long-term value in the organisation.

This report covers our results for 2023 and our approach to future challenges. We hope that this document will not only be informative, but also inspire the pursuit of sustainability and long-term value.

CEO
Darius Valeika





Introduction

First of all, it is important to recognise that measuring impact is not an easy task. But we are committed to doing so consistently and openly, applying international sustainability principles and disclosing our EMP Recycling performance.

As part of the circular economy, we are working with each and everyone of you to spread the word as widely as possible about the correct recycling of electronics and metal waste. We work every day to make sure you are better informed about our activities. We guarantee to our customers and suppliers that all waste collected will be properly sorted and treated under highest recycling standards.

We are working hard to educate people of all ages to provide as much information as possible about responsible waste management.

Our aim is to ensure quality and consistency in the services you use every day. We hope that our efforts and open commitment to you will contribute to a better quality of your life and environment.

CAO

Dalia Jokubauskienė



Together with electronics producers and importers, also with other partners, we are committed to collect and recycle as much waste as possible to ensure a safe environment for future generations. Waste management is probably the most heavily and strictly controlled area, which is why we comply not only with national legislation, but also with international best practice in waste management.

Since 2019, we have been certified with the WEEELABEX standard, which proves the compliance of the collection, storage, logistics and treatment of electrical and electronic equipment with the European standard EN 50625 documents. In our day-to-day operations, we pay particular attention to increasing the efficiency of waste recycling – we strive to recover as much quality raw materials as possible, which is why we consistently collect and analyse data, as well as carefully select our business partners.

In 2023, we increased our focus on the quality of occupational safety and health. As part of the implementation of more efficient measures, we have been certified according to the ISO standard for occupational health and safety management systems, complementing the integrated ISO quality and environmental management systems already in place since 2002.

As part of the Group's and the company's strategy, we aim to fulfil our mission as sustainably as possible. We aim to recover as much raw materials as possible by reducing the negative impacts of our activities, adopting the most efficient technologies and increasing energy efficiency.

Environmental and Sustainability Lead

Aistė Varanavičė



About this report

The first ESG Report of **UAB EMP Recycling** (hereinafter referred to as EMP Recycling), located at Galinés St. 7, Galinés village, Vilnius district (hereinafter referred to as the Company), is a vital milestone on our path towards sustainable development. The report is based on the Global Reporting Initiative (GRI) standards. It provides information for our stakeholders. By integrating GRI reporting principles specifically, we aim to strengthen stakeholder confidence in our reports. The report is based on the following principles:

ACCURACY. We are committed to providing data and insights that are verified for accuracy using well-established and reliable methodologies to strengthen the credibility of our reports.

CLARITY. Our sustainability results are published to ensure that all stakeholders can understand our performance and results.

COMPARABILITY. Compliance with recognised reporting standards will allow stakeholders to methodically monitor our progress and compare our performance against industry benchmarks.

RELIABILITY. The information contained in this report is the result of systematic processes based on strong internal governance and reliable data management practices.

TIMELINESS. Keeping to the scheduled reporting periods ensures the dissemination of relevant information, facilitating stakeholder decision-making based on up-to-date data.

SIGNIFICANCE. We focus on issues that are important to both our organisation and our stakeholders.

STAKEHOLDER INVOLVEMENT. Our reporting process involves a wide range of stakeholder groups, the input of which is very important.

CONTEXT OF SUSTAINABILITY. We measure our performance against the backdrop of broader sustainability challenges, defining our contribution to economic, environmental and social goals.

COMPLETENESS. This report comprehensively covers all important areas of our activities, recognising achievements and areas for improvement.

BALANCE. We follow a balance sheet approach, objectively reporting on the impact of our business, presenting both favourable and unfavourable trends equally.

Our approach to a comprehensive assessment of sustainability and materiality has been complemented by the expert advice of external consultants and the direct involvement of our company's top management. We are open to discussions and requests to expand on the information in the report.

The ESG Report has not been audited or validated by external third parties. The reporting period is from 1 January to 31 December 2023.



About us

EMP Recycling – is a responsible and progressive waste electrical and electronic equipment recycling company in Lithuania, established in 1999. Our main activity is the purchase, collection and recycling of electronics and metal waste, recovering valuable raw materials. We are a leader in e-waste recycling and this is our fundamental uniqueness. Our solutions and activities are aimed at recovering as much value as possible from electronics and metal waste. We ensure the smooth recycling of electronics and metals, enriched by expert knowledge and the search for new solutions, with a dedicated focus on our customers and the environment.

Over the next 15 years, at least 3 billion consumers are expected to emerge worldwide with the necessary purchasing power to buy electronics. Traditional mining alone will not be enough to make all these new devices. This makes urban mining, i. e. the collection and recycling of waste generated in cities and other settlements, a necessity, which is the mission of EMP Recycling.

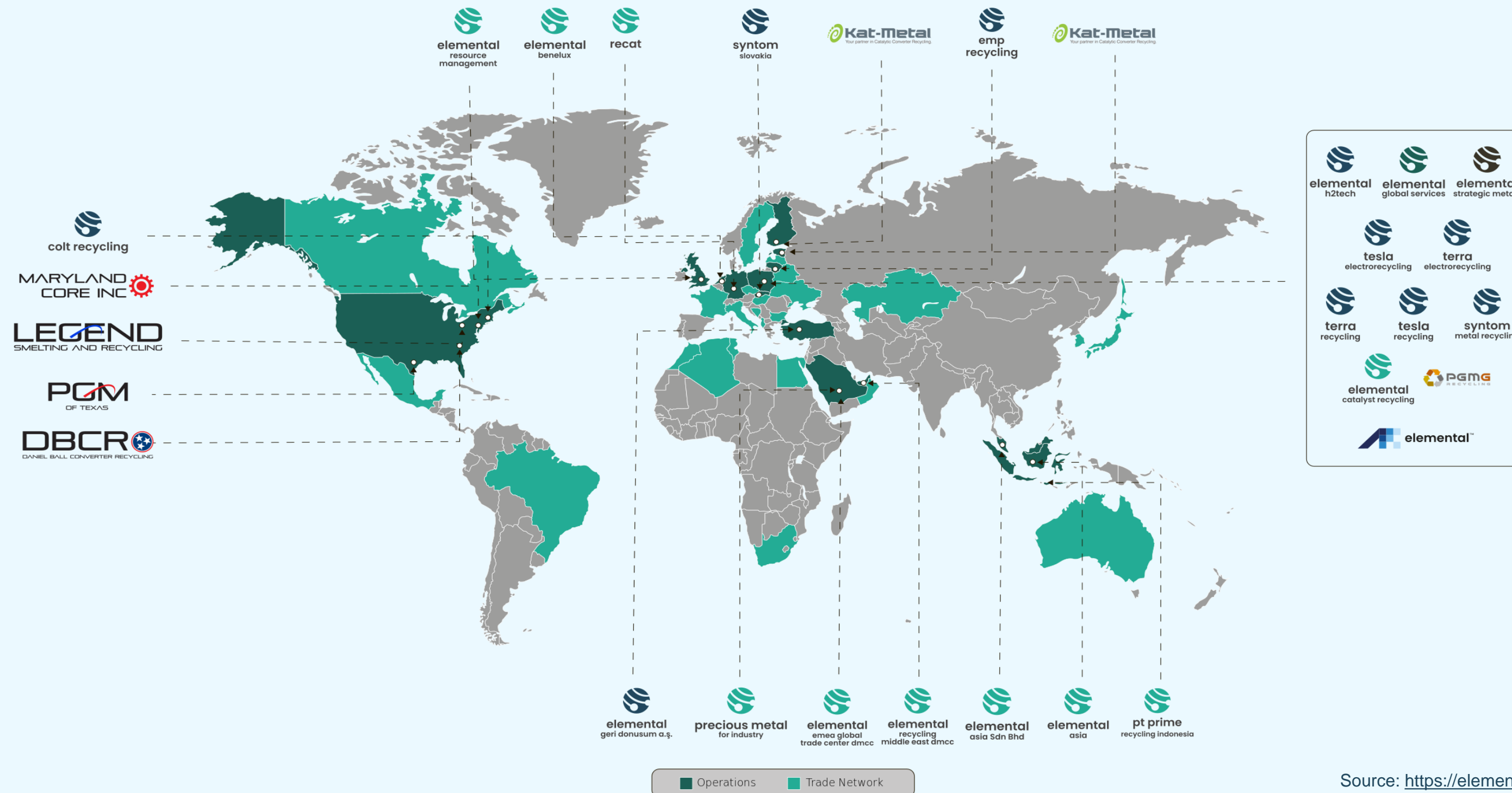
EMP Recycling areas of activities





Part of a Global Group

EMP Recycling is part of the global Elemental Holding Group. The Group's goal is to become the world's leading recycler and extractor of precious metals, recovering key metals with limited natural resources worldwide. In a world facing serious climate challenges every day, no waste containing valuable metals should be landfilled. The Group's urban mines operate in Europe, the United States of America, the Middle East and Asia. We operate in 35 countries and have partnerships with both local networks and global players.





Strategy and values

Our **Strategy** is designed to deliver on our commitment to increase profitability by recovering and returning raw materials to the circular economy, while ensuring a positive impact on people and planet.



Profesionalism

We are not trying to conform to prevailing standards, but to create new ones for the market to follow. We have the expertise, the experience, the optimism and the will to find ever better solutions.



Honesty and Responsibility

We take responsibility for our own performance and are open about our organisation's processes. We build a transparent community with employees, partners and communities.



Respectful Partnership

We respect every member of the team and every person we work with. We believe that trust, common purpose and mutual respect allow people to overcome the greatest challenges and encourages innovation and creativity.



Efficiency

Continuous improvement is part of our corporate DNA. We are constantly looking for real solutions that improve the efficiency of operations and processes.



Strategic directions and goals



- Ensure that the company operates in accordance with applicable legal requirements.
- Work profitably to create value.
- Deploy new technologies.
- Cybersecurity.



- Educate people of all ages.
- Cooperate and support technological and scientific research in the field of waste management.



- Improve employee safety.
- Develop employee competences.
- Reduce employee turnover.
- Retain employees.



- Increase recycling efficiency.
- Reduce the negative impact of activities on the environment (air pollution, sewage pollution, CO₂).
- Increase energy efficiency.



Our services

Collection



We take away and recycle unusable electrical and electronic appliances, old household appliances and scrap metal free of charge.

Purchasing



We purchase waste in 9 collection points in Lithuania.

Recycling



Our technology and facilities enable us to fully recycle waste electrical and electronic equipment (WEEE) and recover secondary raw materials.



Operational area



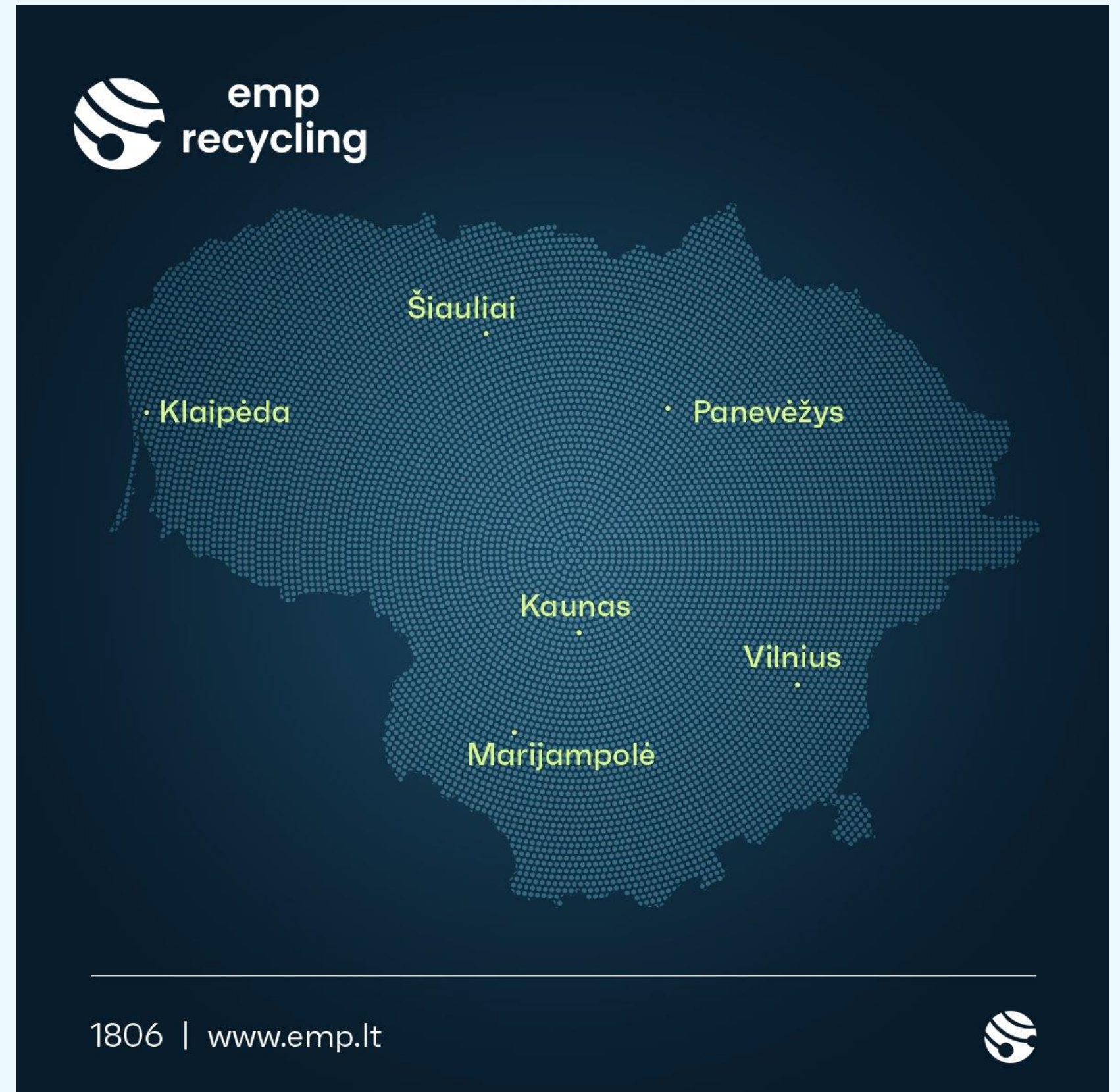
12 WASTE TAXI



9 COLLECTION POINTS



1 RECYCLING PLANT





Urban Mining – important facts



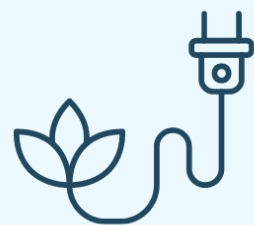
WASTE PROCESSED
22 827 t



EMPLOYEES
193



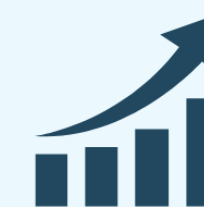
ANNUAL SALES
REVENUE
36 mln. EUR



ENERGY CONSUMED
4 GWH



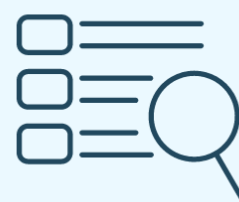
SALARY FUND
4.6 mln. EUR



NET PROFIT
1.5 mln. EUR



CO₂
SCOPE 1 – **595 tCO₂e**
SCOPE 2 – **521 tCO₂e**



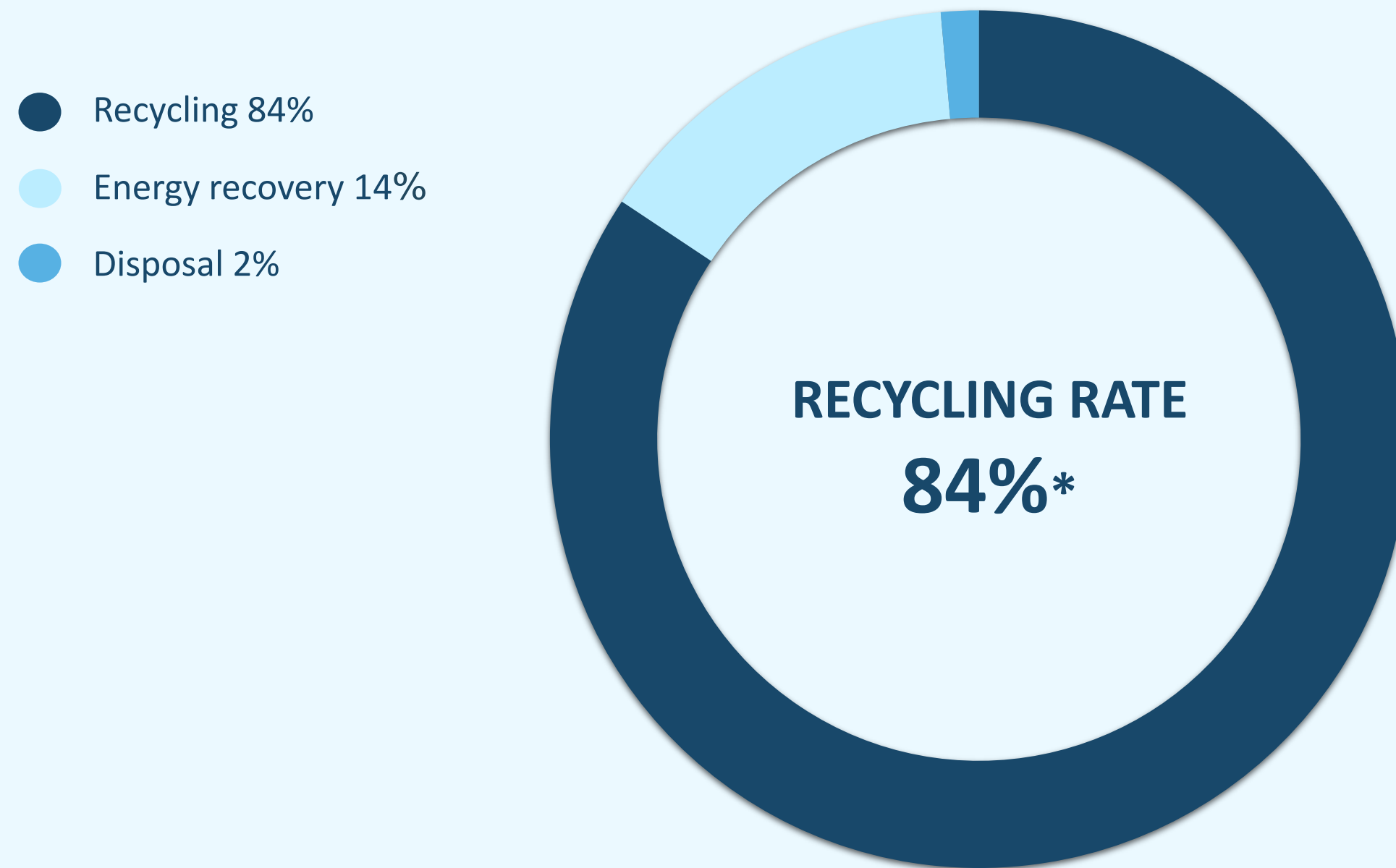
TOTAL RECORDABLE INCIDENT
RATE (TRIR)
1.88



ANNUAL EBITDA
2.7 mln. EUR



Urban Mining – important facts



- *Overall recycling rate in 2023 after evaluating the recycling indicators of further waste managers
- Waste generated after recycling, which company directly sent for disposal – 5,7 t / 0,02%
- Waste generated after recycling, which company directly sent for energy recovery – 2 159 t / 9,5%





Urban mining: our materials

E-WASTE RECYCLING

Waste electrical and electronic equipment (WEEE) is one of the fastest growing waste streams worldwide. This waste stream contains both hazardous materials and valuable metals such as copper, brass, zinc, aluminium, etc. We specialise in recycling a wide range of electronics, including being the only recycler in the Baltic States to recycle refrigerators and freezers. The WEEE management process involves sorting, decontamination, manual dismantling and recycling to recover secondary raw materials. We participate in the circular economy through our direct activities, converting waste into high-quality raw materials for new products, thus ensuring the continuity of the life cycle of raw materials and products.

PRECIOUS METALS WASTE RECYCLING

EMP Recycling purchases and processes end-of-life catalytic converters and DPF filters from cars, ensuring accurate pricing, fast payment and professional service. The process involves treating these wastes to recover precious metals such as platinum, palladium and rhodium. We carry out chemical analysis of metals in our modern laboratory to determine the exact content of precious metals in raw materials using advanced equipment according to the ICP-OES methodology.

We also buy and process printed circuit boards from electronic equipment, depending on their type. Our services include laboratory analysis to ensure efficient waste treatment. At our own plant, we sort, crush and process this waste to prepare it for the global smelters that recover precious (gold, silver, palladium) and base metals (copper). This ensures that this waste is properly recycled, conserving natural resources and recovering important raw materials for future generations.

NON-FERROUS AND FERROUS METALS RECYCLING

Recycling is crucial in response to dwindling natural resources and the increasing demand for metals in production, especially for non-ferrous metals such as copper, aluminium and brass. The basic characteristics of metals do not change, so they can be recycled endlessly. EMP Recycling purchases and processes non-ferrous and ferrous metals in its own recycling plant, which is equipped with a range of shredding and sorting lines, including one for the recycling of cables and wires. This process recovers the raw material, 99% pure copper pellets, which are then passed on to partners around the world to produce new products.

SUPPLY CHAIN MANAGEMENT

In 2023, Elemental Holding Group implemented a supply chain management policy that emphasises the principles of responsible supply chain management to consider economic, social and environmental aspects throughout the supply chain. EMP Recycling has taken the first steps towards the implementation of this policy in 2023 by assessing its counterparties with a view to encouraging them to comply with the principles adopted by the Group. The company's largest suppliers and partners with transactions exceeding EUR 500,000 per year were evaluated against governance, social and environmental criteria. The supply chain management process is still under development to ensure that we can assess all partners and customers seamlessly. The process is improved at Group level by our parent company.



Urban mining is a necessary engine of progress

CIRCULAR ECONOMY. According to the latest figures provided by the United Nations, the world generated a record amount of electronic waste in 2022 – 62 million tonnes, which is expected to reach 82 million tonnes in 2030. Much of this waste is not collected and managed properly. Waste that is not properly collected and managed (and ends up in landfills) results in the loss of a huge amount of valuable materials, therefore, recycling of electronics reduces the need to extract new raw materials, reducing the use of natural resources and environmental pollution. This contributes to the development of the circular economy, where recovered valuable metals and other raw materials can be used to produce new products.

REDUCED IMPACT ON CLIMATE CHANGE. The recycling of electronics contributes to reducing greenhouse gas emissions, as traditional extraction of raw materials and production of new products are energy-intensive processes.

ECONOMICAL BENEFIT. Waste management creates jobs and economic growth by offering sustainable employment opportunities and stimulating innovation.

ENVIRONMENTAL AND HEALTH PROTECTION. The release of hazardous substances into the environment is reduced, ensuring less damage to both human health and the environment. This is particularly important as improperly managed electronic waste can lead to the release of various heavy metals into the environment, which can cause irreversible environmental and health impacts.

RAISING AWARENESS. Consumer awareness of responsible waste management and sustainable consumption is promoted by changing attitudes towards waste as a valuable raw material.

Certified companies operate to high standards set by both national and EU law or international best practice. This ensures that electronics recycling is responsible, ethical and environmentally friendly, contributing to a sustainable economy while preventing the illegal management of hazardous waste. The certification process ensures that the recycling activities meet international environmental, occupational health and safety standards.









Importance of recycling efficiency

With consumption levels rising every year, proper waste management is more important than ever. EMP Recycling has been certified for its efficiency in recycling waste electrical and electronic equipment since 2019. The annual audit assesses the recycling performance not only of the company, but also of the downstream waste treatment facilities. This process assesses the entire chain from waste to final treatment, which is why we focus on properly selecting our waste management partners.

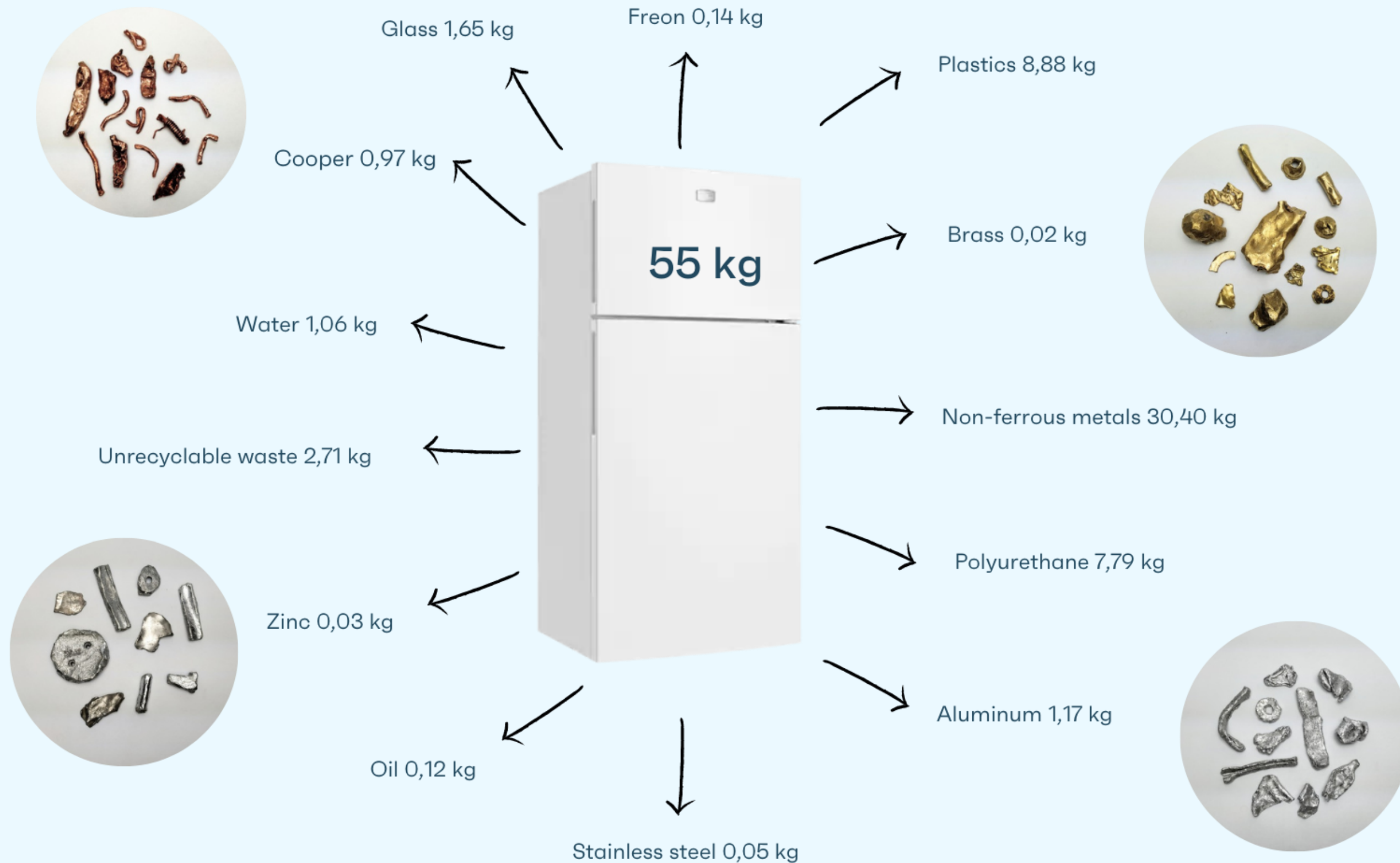
Our vision for the future is to recover 100% of raw materials by returning them back into the cycle, which is why we are constantly looking for technological opportunities to increase material recovery and reuse rates.

Minimum recycling efficiency requirements according to the WEEELABEX standard:

WEEE stream:	 Temperature Exchange Equipment	 Screens & Monitors	 Lamps	 Large Equipment	 Small Equipment	 Small IT & T
Requirements according to Weelabex standards						
RECYCLING RATE*	80%	70%	80%	80%	55%	55%
RECOVERY RATE**	85%	80%	n/a	85%	75%	75%
EMP recycling (2023)						
RECYCLING RATE*	87%	76%	n/a	82%	71%	71%
RECOVERY RATE**	99%	98%	n/a	97%	93%	93%
*Recycling/reuse						
**Recycling/reuse, energy recovery						



Refrigerator recycling





Society and us: Everyone is our stakeholder

In 2023, we systematically assessed stakeholder engagement. We have carried out benchmarking in order to assess specific challenges and best practices, identifying opportunities to increase the engagement of our stakeholders. We have revised our supply chain by categorising our stakeholders in order to inform them about our sustainability journey.

EVERYONE IS OUR STAKEHOLDER:

- Employees
- Society
- Shareholders
- Customers and partners
- State authorities
- Media

COMMUNICATION CHANNELS

Live communication

We foster a culture of openness and trust in face-to-face interactions with our colleagues. We serve every customer, both at the collection point and when EMP Waste TAXI arrives at home or office.

Other methods

We provide timely reports to government institutions and shareholders. All transactions with partners are confirmed by contracts.

COMMUNICATION CHANNELS



1806

This number not only provides information about EMP Recycling's activities and services, but also accepts free orders for waste collection (EMP Waste Taxi) services.



All the information is also available on our website: <https://emp.lt/kainorasciai/> ir <https://emp.lt/duk/>.

We in the media:

We actively participate in conferences, discussions, TV and radio programmes. We are active on social media so let us get in touch:





Education



Successfully educating the public about the importance of recycling and returning raw materials to the circular economy requires ongoing education and awareness raising.

In 2023, we gave tours to various companies, customers and youth, informing them about the amount of electronic waste generated in Lithuania and the recycling processes at our plant.

We also visited schools to discuss the topic of composition and sorting of electronic waste with children. We told the children where electronics sent when they become waste and explained the subtleties of recycling.

The aim of our initiative is to make children aware of the importance of sorting, recycling and the circular economy from an early age. It is a project that promotes social responsibility and contributes to one of the most important objectives – to educate the public at all ages.



Materiality assessment

With the help of an independent sustainability expert, we carried out a materiality assessment:

Identification. We have listed economic, environmental and social topics that are important. They are ranked according to how important they are to our stakeholders and how they could affect our organisation. The analysis included a review of internal documents and wider societal and sustainability trends.

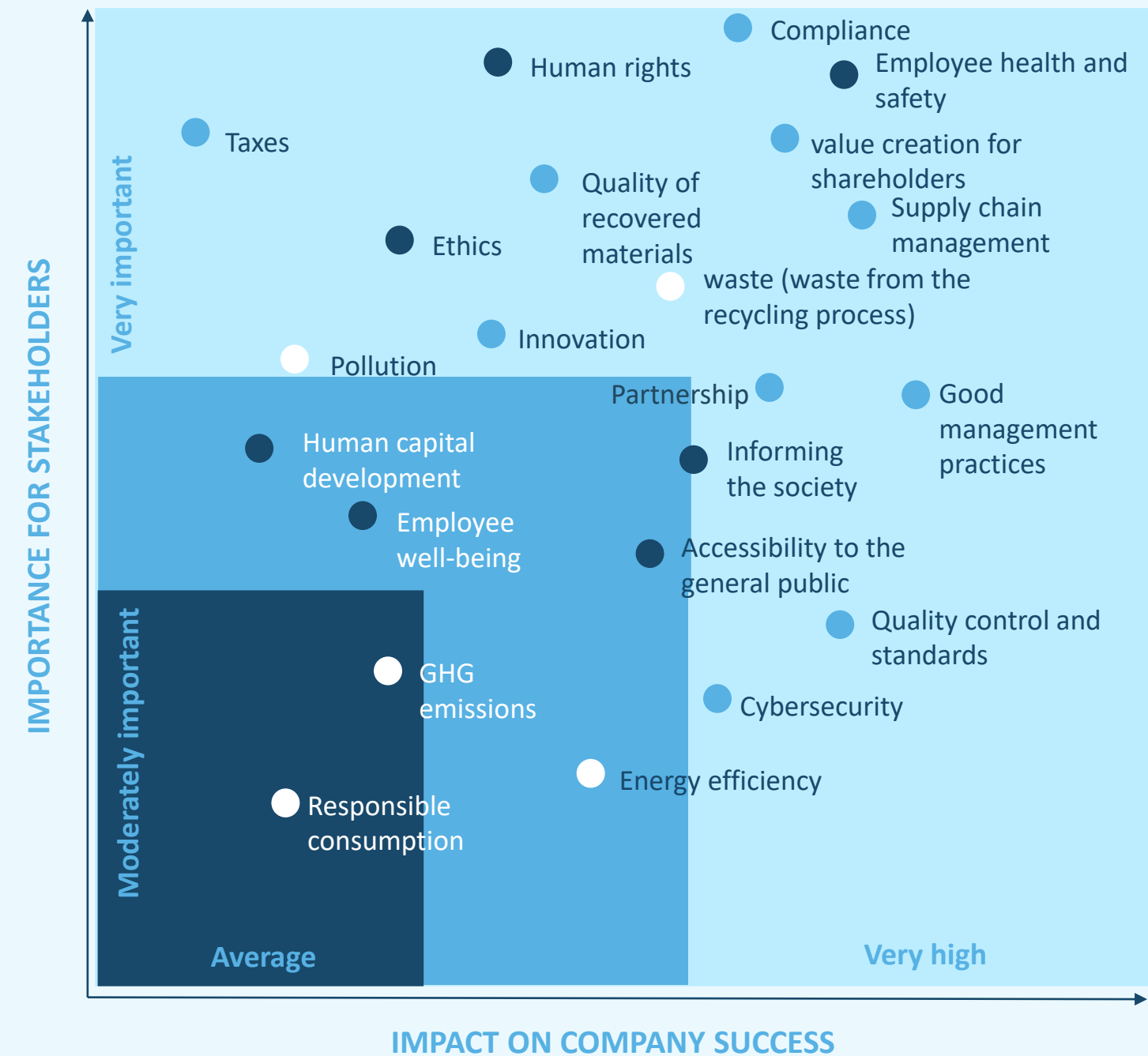
Prioritisation. We evaluated the selected topics in order to determine their relevance and importance to our organisation's strategy, processes, financial performance and our stakeholders. The most important topics are those that are highly relevant to stakeholders and have a major impact on the success of the organisation.

Suinteresuotųjų šalių įtraukimas. We actively engage with stakeholders on a daily basis, gathering their insights, suggestions and complaints. This important connection helps us understand the expectations of different groups.

Analysis and validation. After gathering information from our internal assessment and stakeholder feedback, we analysed and identified the most important themes. We assessed the impact of our organisation and their relevance to our stakeholders. With the participation of the whole decision-making management group, this was followed by the consolidation of our priorities.

Regular review and update. We have committed to regularly reviewing and updating our materiality assessment. We always focus on the most relevant topics, reflecting any changes in the business environment, stakeholder expectations or our organisation's processes and strategy.

Accountability and communication. We have identified our key topics, detailing the process, their impact on our organisation and our management approaches. Our commitment to transparency includes communicating materiality to our stakeholders in our sustainability reports, directly and on our social media.





Our commitments

contributing to the implementation of the UN Sustainable Development Goals:



Impact.

Promoting responsible consumption by facilitating the recycling of electronic waste and reducing the need for traditionally mined raw materials.



Our commitments:

- educate the public by reaching people of all ages;
- increase the efficiency of recycling and the quality of raw materials;
- strengthen responsible supply chain management.



Impact.

Ensuring that waste does not damage life below water and terrestrial ecosystems by ensuring safe waste management.



Our commitments:

- 0 violations;
- reduce pollution by investing in sewage treatment infrastructure;



Our commitments

contributing to the implementation of the UN Sustainable Development Goals:



Impact.
 Creating jobs in waste management.
 Promoting economic growth through the recycling industry.

- Our commitments:**
- 0 accidents and injuries at work;
 - 0 cases of discrimination;
 - increase women's inclusion and equality;
 - increase the profitability of the company;
 - develop employees competences;
 - reduce employee turnover;
 - increase employee job satisfaction scores.



Impact.
 Reducing greenhouse gas emissions by reducing the need for new materials for the production of new products and thus keeping waste out of landfills.

- Our commitments:**
- reduce Scope 1 and Scope 2 emissions;
 - estimate Scope 3 emissions;
 - invest in the efficiency of the transport fleet;
 - improve the infrastructure of the territory.



Impact.
 Promoting innovation in recycling technologies and contributing to a sustainable industrial infrastructure.

- Our commitments:**
- increase the recovery of raw materials;
 - increase energy efficiency;
 - increase the development of digitalization.



Impact.
 Promoting ethical business practices and compliance with international waste management standards, contributing to a just and inclusive society.

- Our commitments:**
- 0 compliance violations;
 - 0 violations of the Code of Conduct and corruption cases;
 - maintain certificates and licences.



Climate change

Risk and Opportunity Assessment under the GRI and the Task Force on Climate-related Financial Disclosures (TCFD):

Short-term and long-term risks

Regulatory risks. Evaluating changes to EU regulations affecting recycling processes, including stricter waste management and carbon emission standards.

Market risks. Monitoring fluctuations in demand for recovered materials and the impact of the economic downturn on recycling rates.

Physical risks. Assessing vulnerability to extreme weather conditions affecting operating facilities and the supply chain.

Short- and long-term opportunities

Market opportunities. Development in response to growing demand for sustainable and recovered materials, driven by consumer demand and regulatory incentives.

Innovation opportunities. Investing in advanced waste management technologies in order to improve recycling efficiency and the quality of recovered materials, thus ensuring the continuation of the circular economy cycle.

Increasing resilience. Developing strategies to mitigate transition risks, including supply chain management and investment in resilient infrastructure.

Transparency. Reporting in line with GRI and TCFD recommendations on transparent reporting on climate risks, strategies and efficiency gains.

Promoting partnerships. Working with stakeholders, including regulatory authorities, industry partners, NGOs, to educate the public and increase the amount of waste collected. Increasing the share of renewable energy in delivering GHG emission reductions.





GHG emissions

Greenhouse gas (GHG) emissions are linked to the release of heat-trapping gases into the Earth's atmosphere and contribute to global warming. These pollutants include several types of gases, such as carbon dioxide, methane, nitrous oxide and fluorinated gases, which are produced by various human activities.

EMP Recycling's greenhouse gas (GHG) emissions are calculated in the following scopes:

1 SCOPE - direct GHG emissions

Direct GHG emissions come from GHG emission sources owned or controlled by the company. Direct GHG emissions include emissions from transport. DEFRA conversion factors were used to estimate direct volume emissions.

2 SCOPE - indirect GHG emissions

Indirect GHG emissions are emissions resulting from the production of purchased electricity, steam, heating and cooling consumed by the organisation. Calculated using the “market based method”, which is based on actual electricity purchases and in accordance with the “European Residual Mixes. Results of the calculation of Residual Mixes for the calendar year 2022”, i.e. the latest available data, as no data for 2023 were available at the time of calculation.

Calculated using the “location based method”, i.e. on the basis of the country-specific nature of energy production, indirect GHG emissions in 2023 amounted to 270 tons CO₂e and 47 tons CO₂e in 2022.

3 SCOPE – other indirect GHG emissions

All other indirect emissions from the company's activities that come from sources beyond the company's control and management.

We are still in the process of analysing to assess the activities that are significant and need to be included in the calculation of Scope 3 indirect emissions. The project is initiated and developed at Group level by our parent company.

GHG emission intensity

1 Mg of waste managed* tons CO₂e / 22 827 tons total waste managed.

Energy consumption	Unit of measurement	2023	2022
Direct fuel consumption:			
Diesel	l	219 966	206 404
Gasoline	l	6 447	6 866
SND	l	1 986	1 816
Freons (R410A)	kg	11,1	0
Freons (R32)	kg	0,4	0
Indirect energy consumption:			
Electricity from renewable sources	MWh	786	0
Electricity from non-renewable sources	MWh	1 117	1 985
Total:	MWh	1 903	1 985

GHG emissions	Unit of measurement	2023	2022
Direct scope (Scope 1)	Mg CO ₂ e	595	546
Indirect scope (Scope 2)	Mg CO ₂ e	521	763
Total:	Mg CO₂e	1115	1309

GHG emission intensity	Unit of measurement	2023	2022
Direct volume (Scope 1) 1 Mg of waste managed	Mg CO ₂ e	0,026	0,024
Indirect scope (Scope 2) 1 Mg of waste managed	Mg CO ₂ e	0,023	0,033
Total:	Mg CO₂e	0,049	0,057



Our people

The Elemental Holding Group's human resources management policy, which guides EMP Recycling, emphasises integrity, partnership and respect as the core values of the organisation, focusing on the motivation of employees and the appreciation of their work. The policy is based on sincere cooperation, long-term relationships and the pursuit of the common good, promoting employee development, diversity and equal opportunities. It also highlights the importance of work-life balance, flexible working arrangements and hybrid working to ensure employee well-being and organisational development.

We are committed to creating a work environment that promotes diversity in age, education and knowledge. This ensures that we are an organisation that not only reflects the face of today's society, but is also ready for the challenges of the future. We are convinced that the combination of our diverse talents and experience is key to our success.

Employees by type of contract	Women		Men	
	2023	2022	2023	2022
total number of employees	41	38	151	138
part-time employees	0	1	0	0
employees on permanent contracts	36	35	120	81

Employees by age group	Women		Men	
	2023	2022	2023	2022
up to 30	12	10	44	34
30 - 50	20	19	76	72
50 and more	9	9	31	32

Newly recruited employees, by age group	Women		Men	
	2023	2022	2023	2022
up to 30	0	1	9	8
30 - 50	3	0	6	4
50 and more	2	0	1	1

Employee turnover	2023	2022
employee turnover	13,0%	20,2%
Employee retention	88,5%	96,2%

NUMBER OF EMPLOYEES

In recent years, there has been an increase in the number of employees. This reflects the overall growth and stability of the company.

AGE DIVERSITY:

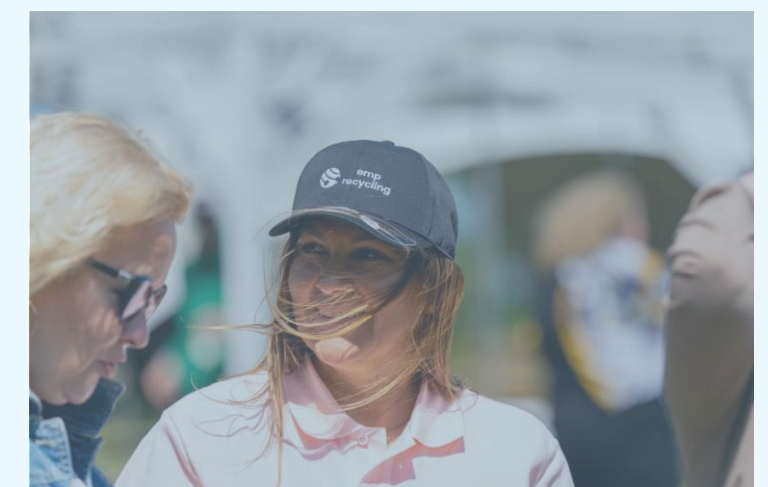
- The number of employees employed at the end of the year shows a balanced age distribution between younger and older employees across all groups.
- In the under-30 age group, there is a slight increase in the number of young women and a decrease in the number of men, reflecting the encouragement of young women to start their careers in our company.
- In the 30–50 age group, there is an increase in the number of women and men, indicating an appreciation of the competences of mature employees.
- The number of employees in the 50+ age group has remained stable, reflecting our company's commitment to retaining the experience and knowledge of older employees.

NEW EMPLOYEES:

- The number of new hires in 2023 shows that the company is open and prepared to invest in talent of all ages.
- By recruiting employees from a wide range of age groups, we demonstrate our commitment to promoting diversity and development.

MATERNITY AND PATERNITY LEAVE.

In 2023, 3 colleagues took maternity leave. The decline in retention rates underlines the need to focus more on more effective integration programmes. Reduced turnover means that new employees adapt better to the company.





Competence development

The Elemental Holding Group's human resources strategy, which guides EMP Recycling, focuses on talent attraction, employee development and motivation. It promotes a safe and inclusive working environment, supports continuous learning and professional development, and ensures work-life balance for the growth of the organisation and its members.

In 2023, our employees received a total of 1,728 hours of training, divided into three main areas: environmental protection, occupational and fire safety, and personal skills development. Based on the specific nature of the company's activities, environmental, occupational and fire safety training is mandatory to ensure compliance with legal requirements and safety standards. A total of 45 training programmes on different topics were held, allowing employees to update their necessary knowledge and develop their personal competences. We consistently organise training to prevent mobbing and discrimination. This reflects the company's commitment to continuous learning and development. This variety of training programmes shows that the organisation is serious about developing staff competences as an important factor for operational success.

In 2023, we placed particular emphasis on our production employees development programme. The aim of this training is to develop the management competences of production specialist in order to reinforce good corporate governance practices. As the competences and responsibilities of production employees grow, we want them to be able to set targets and have evaluative conversations with subordinates.

Average number of training hours, by age group	Women		Men	
	2023	2022	2023	2022
up to 30	22,8	94,5	18,77	30,7
30 - 50	20,72	63,52	34,48	77,11
50 and more	4,95	72,29	9,96	22,79

Performance reviews, by age group	Women		Men	
	2023	2022	2023	2022
up to 30	4	4	3	2
30 – 50	9	9	35	32
50 and more	5	4	12	11

ASSESSMENT INTERVIEWS

In total, 35% of the company's employees were interviewed in 2023. The 2024 target is to increase the number of assessment interviews with an emphasis on equal opportunities and diversity.

FUTURE PLANS

Looking ahead, we expect the newly trained managers to be competent in conducting job interviews, which will allow every employee in the company to have the opportunity to be properly evaluated. This will not only boost motivation, but also help to identify areas for improvement, promote personal growth and help develop a clear career development trajectory.





Remuneration

REMUNERATION DIFFERENCES BY GENDER

Men have higher average monthly salaries than women by job category over the years examined, except in the 30–50 age group. This shows that remuneration differences by gender is not an isolated phenomenon.

REMUNERATION DIFFERENCES BY POSITION

An analysis of the remuneration differences by position shows that the average monthly salary for each position category has remained stable compared to 2022. This reflects an overall stable environment for employees, despite gender differences. The change in the remuneration of the management team is directly linked to the overall performance of the company.

Gross remuneration by age group	Women		Men	
	2023	2022	2023	2022
iki 30	1 378	1 487	1 802	1 720
30 - 50	2 717	2 183	2 681	1 588
50 and more	1 967	2 176	2 323	2 105

Gross remuneration by position	Women		Men	
	2023	2022	2023	2022
Average monthly remuneration	2 307	2 343	2 381	2 420
Management personnel	6 486	7 174	6 567	7 234
Specialists	2 019	1 852	2 709	2 692
Workers	1 470	1 369	1 791	1 679

We recognise that gender gaps and structural differences in remuneration by position are a challenge facing the organisation. It is therefore important to continue to monitor the wage trend and to take action to promote equality and fairness in wages. This can include policy measures, pay reviews, equal opportunities and other initiatives that contribute to remuneration equality and fairness.





Additional benefits for our employees

Additional rest day on the occasion of an birthday anniversary

Additional rest day for marriage

One-off childbirth allowance amounting to EUR 200 (after tax)

Financial assistance for employees in case of emergency

All employees are covered by financial benefits: material benefits in case of sickness, birth of a child in the employee's family, death of a member of the employee's family, supplementary severance pay, supplementary health insurance etc.

By length of service

1 3 5 10 15 20 25

	1	3	5	10	15	20	25
Additional health insurance	✓	✓	✓	✓	✓	✓	✓
+1 additional rest day		✓	✓	✓	✓	✓	✓
One-time bonus (after tax)			150 €	300 €	450 €	600 €	750 €
Badge		Bronze	Silver	Gold			
Investment gold					15 g	+ 5 g	+ 5 g





Occupational safety

The Occupational Safety and Health Specialist reports directly to the CEO. The Group's health and safety procedure involves the company's Board and management team in addressing OSH issues.

From 2023, we are implementing an OSH management procedure certified according to ISO 45001:2018 standards, which focuses on the following key points:

- Setting safety and health priorities.** Focus even more on occupational safety and health.
- Risk management.** Regular risk assessments in order to identify and reduce workplace dangers.
- Employee training.** Conduct of mandatory training programmes on safety practices and standards.
- Compliance.** Ensure compliance with international and local safety regulations.
- Continuous improvement.** Continuous improvement of safety procedures.
- Danger identification.** Continuously review and identify potential dangers including daily processes and audits.
- Risk assessment and mitigation.** Assessment of risks and implementation of measures intended to mitigate them.
- Safe working environment.** Ensure security in all company processes.
- A culture of responsibility.** Promote of a culture focused on prevention and responsibility.

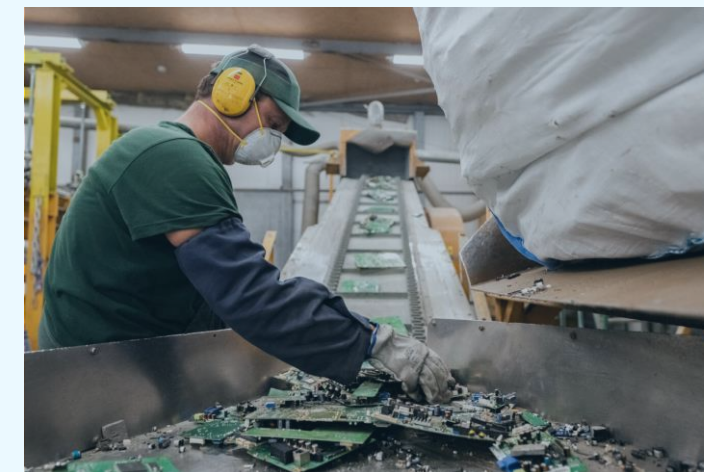
Our commitments:

1. Develop and foster a safety culture so that health and safety management processes are effectively integrated into business processes.
2. Take proactive measures in order to minimize the risk of accidents at work and occupational diseases by implementing relevant safeguard measures, training and control of work processes.
3. Ensure proper competences and training of employees, as well as shaping awareness and motivation of the team.

WORK-RELATED INJURIES

In 2023, 3 work-related injuries were recorded while 5 were recorded in 2022. Cuts, bruises and contusions were the predominant causes of work-related injuries.

	2023	2022
Total working hours per year	319,329	297,059
Work-related injuries (only deaths)	0	0
Work-related injuries (except deaths)	3	5
TRIR*	1.88	3.37



*The *TRIR (Total Recordable Incident Rate) formula is used to calculate the number of recorded accidents (work-related injuries) per 100 full-time employees over a one year period. It is a standardised safety metric that helps organisations measure the effectiveness of their occupational safety system and compare it to industry averages or regulatory standards.*



GRI content index

GRI statement of use	The report of EMP recycling, UAB covers the period from 2023 January 1 until 2023 December 31 and complies with GRI standards	
GRI 1 Used	GRI 1: Foundation 2021	
GRI Industry standards	Not applicable	
GRI standart	Pages/Values/Indicators	
The organization and its reporting practices 2021		
2-1	Organizational details	5, 6, 9, 10 p.
2-2	Entities included in the organization's sustainability reporting	UAB „EMP recycling“
2-3	Reporting period, frequency and contact point	Annuly. Contact point - Environmental and Sustainability Lead Aistė Varanavičė aiste.varanavice@emp.lt
2-4	Restatement of information	None
2-5	External assurance	No external assurance was performed
Activities and workers 2021		
2-6	Activities, value chain and other business relationships	5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 p.
2-7	Employees	11, 24 p.
2-8	Workers who are not employees	None
Governance 2021		
2-9	Governance structure and composition	You can learn more about the Group's Board and corporate executives at www.emp.lt .
2-10	Nomination and selection of highest governance bodies	The CEO is appointed and dismissed by the EMP Recycling Board
2-11	Chair of the highest governance body	Bartosz Kowalczyk, Chairman of the Board of EMP Recycling
2-12	Role of the highest governance body in overseeing the management impacts	The policies and strategies adopted at Group level and in force at UAB EMP Recycling are available at www.emp.lt
2-13	Delegation of sustainability for managing impacts	By functional area of responsibility
2-14	Role of the highest governance body in sustainability reporting	Directly
2-15	Conflicts of interest	The Elemental Holding Group Code of Conduct includes detailed provisions to ensure fair and ethical business conduct, based on core values such as integrity, responsibility, respectful partnership, development, respect for human rights and employees' rights. The Code requires all employees, managers, partners and business associates of the Group to adhere to high ethical standards, to participate in training, to provide and enforce information on the principles of the Code, and to comply with environmental, anti-corruption and occupational safety rules. The Code also defines procedures for whistleblowing, the management of conflicts of interest and commits to not accepting corruption in any form.



GRI content index

GRI standart		Pages/Values/Indicators
2-16	Communication of critical concerns	We foster a culture of openness. EMP Recycling employees, partners and stakeholders can report violations of strategies and policies at: compliance@elemental.biz . Our Whistleblowing Procedure is publicly available at www.emp.lt . No critical concerns were reported in 2023
2-17	Collective knowledge of the highest governance body	Top management are involved in sustainability assessment and sustainability management within their functional areas
2-18	Evaluation of the performance of the highest governance body	Results are assessed at Group level
2-19	Remuneration policies	There is a remuneration policy at group level. Remuneration is understood as the total benefits received from work (total remuneration), i.e. all the means by which the Organisation can attract, recruit and motivate employees/partners to perform their tasks, including: base salary, bonuses, allowances, prizes and awards, work-life balance, and opportunities for development and career advancement for employees/partners (including training). You can find out more about the remuneration process in our Human Resources Management Policy www.emp.lt .
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	10
Strategy, policies and practices 2021		
2-22	Statement on sustainable development strategy	2, 3, 7, 8 p.
2-23	Policy commitments	20, 21 psl.
2-24	Embedding policy commitments	7, 8, 20, 21 p.
2-25	Processes to remediate negative impacts	In accordance with current legislation, applicable standards
2-26	Mechanisms for seeking advice and raising concerns	www.emp.lt
2-27	Compliance with laws and regulations	There were no significant cases of non-compliance with the law in 2023. Surface effluents after treatment showed an exceedance of the limit value for suspended solids of 68.5 mg/l (permitted contamination level of 50 mg/l) The company paid the excess emissions tax by submitting a declaration to the STI
2-28	Membership associations	The company is a member of a European Electronics Recycling Association (https://www.eera-recyclers.com/)
Stakeholder engagement 2021		
2-29	Approach to stakeholder engagement	17, 18 p.
2-30	Collective bargaining agreements	UAB EMP Recycling's trade union and works council represent our employees. There are no restrictions on freedom of association.



GRI content index

GRI Standart		Pages/Values/Indicators
Material Topics 2021		
3-1	Process to determine material topics	19 p.
3-2	List of material topics	19, 20, 21 p.
3-3	Management of material topics	2, 3, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 23-28 p.
Economic Performance 2016		
GRI 201:1	Direct economic value generated and distributed	11 p.
GRI 201:2	Financial implications and other risks and opportunities due to climate change	22 p.
GRI 201:3	Defined benefit plan obligations and other retirement plans	n/a
GRI 201:4	Financial assistance received from government	None
Dalyvavimas darbo rinkoje 2016		
GRI 202:1	Ratios of standard entry level wage by gender compared to local minimum wage	n/a
GRI 202:2	Proportion of senior management hired from the local community	100%
Indirect Economic Impacts 2016		
GRI 203:1	Infrastructure investments and services supported	n/a
GRI 203:2	Significant indirect economic impacts	n/a
Pirkimų praktika 2016		
GRI 204:1	Proportion of spending on local suppliers	93% of waste purchased in Lithuania
Anti-corruption 2016		
GRI 205:1	Operations assessed for risks related to corruption	Suppliers/partners with whom the amount of completed transactions exceeded 500 k EUR/year
GRI 205:2	Communication and training about anti-corruption policies and procedures	Elemental Holding Group's Anti-corruption policy proclaims zero tolerance for corruption, with clear behavioural guidelines and procedures to prevent corruption. It commits all employees and partners to high ethical standards, promoting transparency and accountability in all the organisation's activities.
GRI 205:3	Confirmed incidents of corruption and actions taken	None
Anti-competitive behavior 2016		
GRI 206:1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None



GRI content index

GRI Standart		Pages/Values/Indicators
Tax 2019		
GRI 207:1	Approach to tax	We pay all taxes in the countries where we earn our profits
GRI 207:2	Tax governance, control, and risk management	Risk management is ensured through control mechanisms at Group level
GRI 207:3	Stakeholder engagement and management of concerns related to tax	The financial statements are audited. STI classifies the company as a large taxpayer.
GRI 207:4	Country-by-country reporting	n/a
Materials 2016		
GRI 301:1	Materials used by weight or volume	11, 12 p.
GRI 301:2	Recycled input materials used	n/a
GRI 301:3	Reclaimed products and their packaging materials	99,9%
Energy 2016		
GRI 302:1	Energy consumption within the organization	11, 23 p.
GRI 302:2	Energy consumption outside of the organization	23 p.
GRI 302:3	Energy intensity	Energy efficiency assessment will be carried out in 2024 during the Energy Consumption Audit
GRI 302:4	Reduction of energy consumption	We commit to develop an energy efficiency strategy validated by the results of an energy audit carried out in 2024, taking into account the specificities of the activity and the technological constraints and opportunities.
GRI 302:5	Reductions in energy requirements of products and services	
Water and Effluents 2018		
GRI 303:1	Interactions with water as a shared resource	Water is extracted from a well and precipitation (surface water) is also recorded
GRI 303:2	Management of water discharge-related impacts	The company has domestic and surface water treatment plants and discharges cleaned water into the environment. The effluent tests carried out have been established in accordance with current legislation and the Operational permit
GRI 303:3	Water withdrawal	1.319 m ³ from a company well
GRI 303:4	Water discharge	1.118 m ³ of domestic waste water and 6.265 m ³ of surface water are sent to waste water treatment plants and then after cleaning to environment.
GRI 303:5	Water consumption	1.319 m ³ consumed from the company's well
Biodiversity 2016		
GRI 304:1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	n/a
GRI 304:2	Significant impacts of activities, products, and services on biodiversity	n/a
GRI 304:3	Habitats protected or restored	n/a
GRI 304:4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	None



GRI content index

GRI Standart		Pages/Values/Indicators
Emissions 2016		
GRI 305:1	Direct (Scope 1) GHG emissions	23 p.
GRI 305:2	Energy indirect (Scope 2) GHG emissions	23 p.
GRI 305:3	Other indirect (Scope 3) GHG emissions	Not accounted
GRI 305:4	GHG emissions intensity	23 p.
GRI 305:5	Reduction of GHG emissions	21 p.
GRI 305:6	Emissions of ozone-depleting substances (ODS)	n/a
GRI 305:7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	NOx– 0,073 t, SOx – 0,007 t, solid particles – 0,254 t
Waste 2020		
GRI 306:1	Waste generation and significant waste-related impacts	The largest part of the waste in our operation consists of the activities of the waste management process, i.e. waste that cannot be recycled due to its composition and technological limitations. Such waste is sent for disposal or incineration for energy recovery. Waste that cannot be processed in the company is transferred to partners who have the technology to treat such waste. Waste is also generated from other company processes, i.e. not during the waste management process.
GRI 306:2	Management of significant waste-related impacts	12, 15 p.
GRI 306:3	Waste generated	Generated in waste management process – 2164,7 t; Generated in the other company's operations– 367 t
GRI 306:4	Waste diverted from disposal	Generated in the other company's operations – 347 t
GRI 306:5	Waste directed to disposal	Generated in the other company's operations – 20 t
Supplier Environmental Assessment 2016		
GRI 308:1	New suppliers that were screened using environmental criteria	Suppliers and partners with whom the amount of completed transactions exceeded 500 k EUR/year
GRI 308:2	Negative environmental impacts in the supply chain and actions taken	None
Employment 2016		
GRI 401:1	New employee hires and employee turnover	24 p.
GRI 401:2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	27 p.
GRI 401:3	Parental leaves	24 p.
Labor/Management Relations 2016		
GRI 402:1	Minimum notice periods regarding operational changes	According to national legislation



GRI content index

GRI Standart		Pages/Values/Indicators
Occupational Health and Safety 2018		
GRI 403:1	Occupational health and safety management system	28 p.
GRI 403:2	Hazard identification, risk assessment, and incident investigation	28 p.
GRI 403:3	Occupational health services	n/a
GRI 403:4	Worker participation, consultation, and communication on occupational health and safety	28 p.
GRI 403:5	Worker training on occupational health and safety	25, 28 p.
GRI 403:6	Promotion of worker health	28 p.
GRI 403:7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	28 p.
GRI 403:8	Workers covered by an occupational health and safety management system	Applies to all employees, contractors and guests
GRI 403:9	Work-related injuries	28 p.
GRI 403:10	Work-related ill health	28 p.
Training and Education 2016		
GRI 404:1	Average hours of training per year per employee	25 p.
GRI 404:2	Programs for upgrading employee skills and transition assistance programs	25 p.
GRI 404:3	Percentage of employees receiving regular performance and career development reviews	25 p.
Diversity and Equal Opportunity 2016		
GRI 405:1	Diversity of governance bodies and employees	Board: 1 woman, 4 men; Top management: 1 woman, 2 men
GRI 405:2	Ratio of basic salary and remuneration of women to men	Not identified
Non-discrimination 2016		
GRI 406:1	Incidents of discrimination and corrective actions taken	None
Freedom of Association and Collective Bargaining 2016		
GRI 407:1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None



GRI content index

GRI Standart		Pages/Values/Indicators
Child Labor 2016		
GRI 408:1	Operations and suppliers at significant risk for incidents of child labor	None
Forced or Compulsory Labor 2016		
GRI 409:1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	None
Security Practices 2016		
GRI 410:1	Security personnel trained in human rights policies or procedures	External security personnel are not hired
Rights of Indigenous Peoples 2016		
GRI 411:1	Incidents of violations involving rights of indigenous peoples	n/a
Local Communities 2016		
GRI 413:1	Operations with local community engagement, impact assessments, and development programs	n/a
GRI 413:2	Operations with significant actual and potential negative impacts on local communities	n/a
Supplier Social Assessment 2016		
GRI 414:1	New suppliers that were screened using social criteria	Suppliers/partners with whom the amount of completed transactions exceeded 500 k EUR/year
GRI 414:2	Negative social impacts in the supply chain and actions taken	None
Public Policy 2016		
GRI 415:1	Political contributions	n/a
Customer Health and Safety 2016		
GRI 416:1	Assessment of the health and safety impacts of product and service categories	n/a
GRI 416:2	Incidents of non-compliance concerning the health and safety impacts of products and services	n/a
Marketing and Labeling 2016		
GRI 417:1	Requirements for product and service information and labeling	n/a
GRI 417:2	Incidents of non-compliance concerning product and service information and labeling	n/a
GRI 417:3	Incidents of non-compliance concerning marketing communications	n/a
Customer Privacy 2016		
GRI 418:1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No losses of customer data has been recorded