

CORPORATE SOCIAL RESPONSIBILITY REPORT 2021

MAXIMA
| G R U P È |



CORPORATE SOCIAL RESPONSIBILITY REPORT **2021**

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LETTER FROM THE CEO

Mantas Kuncaitis

CEO and the Chairman of the
Management board of MAXIMA
GRUPE, UAB



This year we are celebrating 30 years of operations in Lithuania. We are more than proud of this anniversary. In these 30 years our entire organisation, and the way we operate have changed profoundly. Awareness, responsibility, and self-belief now form the basis of the culture that currently unifies every single one of more than 38 thousand colleagues into a team we enjoy being part of. We have started acting in accordance with our principles of action that have been created by each and all of us. I believe the advances made in the way we operate are spreading through our work to our customers, communities, and business partners.

I can say with confidence - 2021 was significant year. We have not only dealt with continuously changing COVID-19 situation but also managed to redevelop MAXIMA formats in each country, started rethinking our business processes, remodeled our approach to real estate management, strengthened our IT and managed to expand both our brick and mortar and e-commerce businesses.

To start with the beginning, one of the main challenges was to continue maintaining day to day business while navigating through the constantly changing COVID-19 situation. Regulations imposed in countries by local governments affected everyday operations in our stores. Our priority was to adhere and comply with changing requirements to ensure we could support our customers, employees, and communities throughout this extremely demanding period. What was planned to be a year of returning to normal after consequences caused by the pandemic, it was a year of continuous fight against the pandemic. Nevertheless, our people as always exceeded our expectation. Jolanta, Tomas, Edvinas, Arūnas, Petar, Agne and Karolis, huge thanks to you for acting together and leading your teams to perform at the highest level! As one of our principles states - if you can enjoy just spending time together, everything CAN BE DONE.

And a lot has been done. In 2021 we wanted to strengthen MAXIMA by rethinking the essence of our business. We have decided that we want to unify our store formats. The essence of this project across all five countries is to have as many identical stores as possible, selling the same assortment and operating according to the same algorithms and principles.

The “formats project” has united a lot of us. The way we acted to create the new formats left me with a hugely creative and emotional sense of togetherness. In my opinion, the unification of store formats is one of the biggest events of recent times in MAXIMA, one where we have spent hundreds of hours with hundreds of people from five countries all thinking together about how to strengthen MAXIMA. With the new formats, we will be more efficient and simpler, work will be much more straightforward for our employees, customers will find what they are looking for much more easily, and on top of all that, it will help us to operate in a more sustainable manner by reducing write-offs in our stores.

New MAXIMA formats led us to remodeling certain processes that could increase our efficiency. Hence, we have deep dived into how business processes work in each country. This involves not only operations but also strengthening our IT. Therefore, we have defined what IT systems do we want to unify in the Baltics as well as Poland.

We have also rethought how we are managing our real estate portfolio – starting with expansion and finishing with the management of our rent agreements. Now we do have a unified approach regarding most of real estate related questions.

Year 2021 was also exceptional due to the fact that we have also successfully completed an inaugural Commercial Paper offering with a 12 months tenor. The nominal value of the transaction amounts to EUR 40 million. Not only we did it, but we were the first ones to do it in the Baltic region.

Furthermore, expansion continued in all countries and in all businesses. Nevertheless, our ecommerce BARBORA has raised the bar for expansion to a completely new level. In January of 2021 they began operations in Poland. A year later, having started from one city – Warsaw, BARBORA now is fully operating in five cities across all of Poland. Well done, Andrius, Viktoras and the team!

I believe companies can only make transformative progress when they address and measure their impact, viewing themselves as a part of the whole. That is why we are moving forward with the process of setting sustainability goals. We assembled the working group with members from all our companies. Their responsibility is to adhere clear direction and to set ambitious goals especially advancing those that will make the most difference. I take my responsibility very seriously to position our Group for sustainable growth over the long-term.

While I am exceptionally proud of our progress to date, I know there is much more to be done. Certainly, terrible events of 2022 in Ukraine brought a new perception to our efforts and challenges for this year. Nevertheless, we continue our daily mission: providing essentials for the people of our countries and doing this responsibly. Meanwhile, I invite you to have a look at our performance during 2021 in this Annual Report.

Mantas Kuncaitis

CEO and Chairman of the
Management board of
MAXIMA GRUPE, UAB



WHO WE ARE TODAY

The MAXIMA Group of companies (hereinafter “the Group” or “MAXIMA Group”), controlled by MAXIMA GRUPĖ, UAB headquartered in Vilnius (hereinafter “MAXIMA GRUPĖ”), is the largest group of retail companies of Lithuanian origin in the Baltics. The year 2022 will mark the 30th anniversary of the retail chain, which started with a single store in Vilnius. It has since grown into one of the biggest retail companies in the Baltics, now operating 1,412 stores in the MAXIMA retail chains in Lithuania, Latvia, and Estonia, the STOKROTKA retail chain in Poland, the T-MARKET retail chain in Bulgaria, and e-grocer BARBORA which operates in the Baltic countries and in Poland and allows customers to order food and other products online. Our principal business activity is retail trade in food and consumable goods. Stores across the countries where we operate are classified into formats based on each one’s trade area and assortment.

The Group also includes FRANMAX, UAB (hereinafter “FRANMAX”), which provides information technology development and support services for the Group’s companies, and MAXIMA International Sourcing, UAB (hereinafter “MAXIMA International Sourcing”), which provides the Group’s retail companies with centralised procurement services and agency for food and consumables.

MAXIMA Group is part of a larger corporate group controlled by Vilniaus Prekyba, UAB (hereinafter “VILNIAUS PREKYBA”). VILNIAUS PREKYBA controls and manages a group of subsidiary companies that operate chains of retail stores (MAXIMA Group), DIY stores (ERMI Group), pharmacies (EUROAPOTHECA Group), and real estate development and management companies (AKROPOLIS Group) in the Baltic States, Sweden, Poland, and Bulgaria.

MAXIMA

T MARKET

stokrotka

BARBORA

MAXIMA | INTERNATIONAL
SOURCING

FRANMAX

MAXIMA
| G R U P Ė |

Number of
employees



38,482

Daily customers



~1.3 million

Total sales



**4,484.8
million**

E-commerce
orders in 2021



3.9 million

Investments into
fixed assets



**108.2
million**

HIGHLIGHTS

2021,
1 st quarter

- In January 2021 e-grocer BARBORA started operations in Poland, Warsaw.
- In April 2021, MAXIMA GRUPĖ released the first Corporate Social Responsibility report, which outlines its activities on commitment to uphold the ten principles of the Global Compact in areas of human rights, environment, labour and anti-corruption.
- MAXIMA GRUPĖ launched Commercial Paper (Short-Term Notes) Programme.

2021,
2 nd quarter

- Karolis Lesickas became the CEO of FRANMAX, a subsidiary of MAXIMA GRUPĖ, which provides IT development, support, and maintenance services to the MAXIMA Group companies.
- Retail grocery chain Stokrotka signed an agreement to take over nine grocery stores operating in Poland in the vicinity of Warsaw. The transaction was completed in the 4th quarter of 2021 (end of October 2021). STOKROTKA received the unconditional antitrust approval and other conditions were fulfilled by the parties of the transaction, allowing STOKROTKA to take over eight stores out of nine.

2021,
3 rd quarter

- Karolina Zygmantaitė appointed CFO of MAXIMA GRUPĖ.
- Vitalij Rakovski was recalled from the Management board of MAXIMA GRUPĖ. The following members continued working at the Management board of MAXIMA GRUPĖ: Mantas Kuncaitis (the chairman), Jolanta Bivainytė, Arūnas Žimnickas, Tomas Rupšys, Edvinas Volkas and Petar Petrov Pavlov.

2021,
4 th quarter

- The international credit rating agency Standard & Poor's reviewed MAXIMA Group's operations and financial performance and affirmed the BB+ credit rating with outlook revised to stable from negative due to stronger operating results.

2022,
1 st quarter

- On 3 March 2022, amended Articles of Association of MAXIMA GRUPĖ were registered, and the term of office of Supervisory Board and Audit Committee of the Company was renewed for a new four-year term. Members of the Supervisory Board: Evelina Černienė (Chairwoman), Laimonas Devyžis and Manfredas Dargužis. The Audit Committee consists of: Irena Petruškevičienė (Chairwoman and Independent Member), Rasa Milašiūnienė (Independent Member) and Evelina Černienė.
- Jolanta Bivainytė was recalled from the Management board of MAXIMA GRUPĖ and Karolina Zygmantaitė was appointed as a member of Management board of MAXIMA GRUPĖ. Karolina Zygmantaitė was also appointed as the CEO and Board Member of MAXIMA Latvija, SIA (hereinafter "MAXIMA Latvia").
- Povilas Šulys was appointed as CFO of MAXIMA GRUPĖ
- Tomas Rupšys was appointed CEO of MAXIMA LT, UAB (hereinafter "MAXIMA Lithuania") and Mykolas Navickas was appointed as CEO of MAXIMA International Sourcing.

EVENTS AFTER THE REPORTING PERIOD

Russia's military invasion of Ukraine

On 24 February 2022, Russia's military forces invaded Ukraine. Many countries, including members of European Union, condemned the attack and imposed economic sanctions against Russia and Belarus. After the invasion the Group removed goods of Russian and Belarusian origin from its retail stores and discontinued further orders of such goods. The Group's entities demonstrate continuous support to Ukraine by providing humanitarian food and non-food aid to its people and various support to the war refugees. The management of the Group monitors the situation in Ukraine on daily basis and adjusts business operations locally as needed.

Completion of the second issue of short-term notes

In March 2022, the Group successfully completed the second commercial paper offering with 12 months maturity. The nominal value of the transaction amounted to EUR 35 million.

WHERE WE OPERATE



LITHUANIA



252 stores

LATVIA



173 stores

ESTONIA



83 stores

POLAND



806* stores

BULGARIA



98 stores



1,412 stores

OTHER INFORMATION

PLANS AND FORECASTS

The Group puts effort to maintain its current leading position in the Baltic states market and continues to explore different expansion opportunities. In pursuit of it, MAXIMA Group implements various programs for improving organisation and increasing the efficiency of activities. The programs include unifying store formats, defining further direction in real estate and in business processes. The standardised processes will make our business operations more efficient and faster.

The Group continuously reviews its funding and maturity profile and monitors the debt capital markets to ensure that it is well positioned for any refinancing opportunities, including the EUR bond maturing in 2023.

As in 2022 the continuing uncertainty related with the evolution of Covid-19 pandemic and the invasion of Ukraine by the military forces of the Russian Federation, started in February, the Group's management monitors the situation and takes adaptive decisions to the changing environment. The Group's commitment to maintain a safe environment to its employees and customers remains unchanged. Moreover, our companies will continue showing outstanding mobilization in ensuring resilient international supply chains, retaining price competitiveness, and aiding Ukraine and refugees from Ukraine.

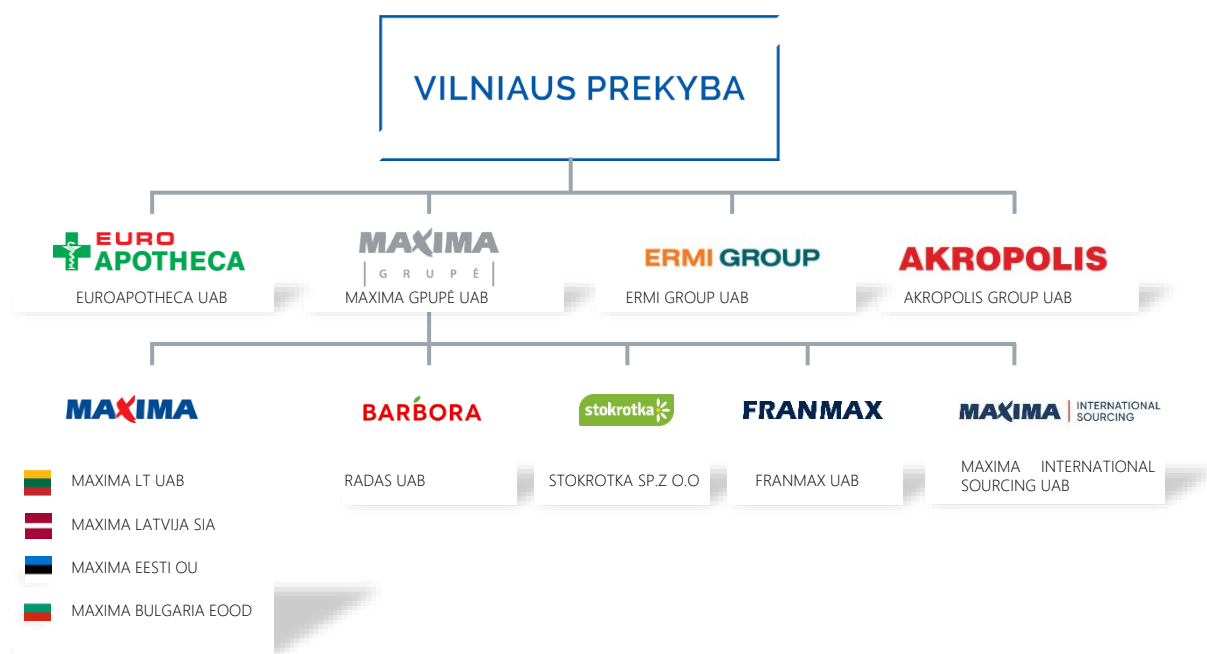
MAXIMA GRUPĖ takes responsibility to position itself for sustainable growth over the long-term. The Group is moving forward with the process of setting sustainability goals.

GOVERNANCE

GOVERNANCE

MAXIMA GRUPĖ is the largest Lithuanian-owned group of retail companies in the Baltic states, also operating retail chains in Poland and Bulgaria.

CORPORATE GOVERNANCE transparent and effective governance that keeps up with international best practices is the basis for the success and sustainability of the Group's activities.



SIMPLIFIED STRUCTURE OF VILNIAUS PREKYBA GROUP (CONTROLLED MATERIAL SUBSIDIARIES DEPICTED)

* Lists the MAXIMA GRUPĖ companies engaged in retail trade and related activities.

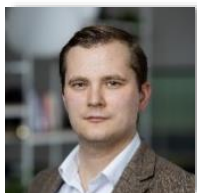
** RADAS UAB manages e-commerce business in Lithuania, Latvia, Estonia and Poland under BARBORA brand.

THREE-TIER MANAGEMENT SYSTEM:



BOARD OF DIRECTORS

AT THE END OF REPORTING PERIOD, THE MANAGEMENT BOARD
COMPRISED OF THE FOLLOWING MEMBERS:



MANTAS KUNCAITIS

CHAIRMAN

SINCE 15 OCT 2020
CEO AND CHAIRMAN OF THE
BOARD OF MAXIMA GRUPĖ, UAB



EDVINAS VOLKAS

BOARD MEMBER

SINCE 8 MAY 2019
CEO AT MAXIMA EESTI, OU



ARŪNAS ZIMNICKAS

BOARD MEMBER

SINCE 13 SEPT 2017
PRESIDENT OF THE MANAGEMENT
BOARD OF STOKROTKA SP.Z.O.O.



TOMAS RUPŠYS

BOARD MEMBER

SINCE 7 DEC 2020
CEO AT MAXIMA LATVIJA SIA
(Until 3 MAR 2022)
CEO AT MAXIMA LT, UAB
(Since 4 MAR 2022)



JOLANTA BIVAINYTĖ

BOARD MEMBER

SINCE 8 MAY 2019 UNTIL 3 MAR 2022
CEO AT MAXIMA LT, UAB
(Until 3 MAR 2022)



PETAR PETROV PAVLOV

BOARD MEMBER

SINCE 6 APR 2020
CEO AT MAXIMA BULGARIA EOOD

The Management board is a collegial management body which, according to the Articles of Association, consists of 8 members (of which at the end of reporting period 6 members were elected) elected for a term of 4 years. Members of the Management board are elected and removed by the Company's Supervisory Board. The Management board elects the chairman from among its members.

The main functions of the Management board are the following: adoption of the strategic decisions of the Company, appointment, and removal of the CEO, calling general meetings of the shareholders, approval of certain transactions and decisions of the CEO, and adoption of other corporate decisions within its competence. The competence of the Management board is the same as prescribed by the Law on Companies of the Republic of Lithuania, except that the Board adopts decisions to issue bonds.

During the reporting period the Vitalij Rakovski was also the member of the Management board - until 2 August 2021.

SUPERVISORY BOARD

AT THE END OF REPORTING PERIOD, THE SUPERVISORY BOARD COMPRISED OF THE FOLLOWING MEMBERS:



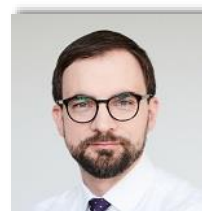
EVELINA ČERNIENĖ
CHAIRWOMAN

*SINCE 10 JUN 2019
BOARD MEMBER AT VILNIAUS
PREKYBA, UAB,
CFO AT EUROVAISTINĖ, UAB*



POVILAS ŠULYS
MEMBER

*SINCE 14 OCT 2020 UNTIL 3
MARCH 2022
CEO AND CHAIRMAN OF THE
BOARD AT ERMI GROUP, UAB
(until 3 MAR 2022)
CFO AT MAXIMA GRUPĖ, UAB
(since 4 MAR 2022)*



LAIMONAS DEVYŽIS
MEMBER

*SINCE 14 OCT 2020
BOARD MEMBER AT VILNIAUS
PREKYBA, UAB*

The Supervisory Board is a collegial supervisory body, which is responsible for supervising the activities of the Company and its management bodies, including the appointment and removal of the members of the Management board. It also submits its comments and proposals to the General Meeting of Shareholders on the Company's business strategy, financial statements, and other reports on the activities of the Management board and the CEO.

All members of the Supervisory Board are elected by the General Meeting of the shareholders for a term of 4 years. The Chairman of the Supervisory Board is elected from the members of the Supervisory Board. There is no limitation on the number of terms of office a member of the Supervisory Board may serve.

In 2021 Supervisory Board held 5 meetings and all elected members of the Supervisory Board participated in each of the meeting. The main matters discussed during the meetings included:

- Recall of Management board member;
- Assessment of the Company's annual financial statements, the consolidated annual financial statements of the Company and its subsidiaries, and submission of proposals to the sole shareholder of the Company;
- Approval of the regulations of the Audit committee;
- Recall and appointment of a member of the Audit committee.

AUDIT COMMITTEE

MAXIMA GRUPĖ's Audit Committee helps the Supervisory Board and the shareholder to ensure that the process for auditing the Company's financial statements is effective and reliable. Its main functions are oversight of the processes for preparing and auditing annual financial statements, review and monitoring of the independence of the external auditor and monitoring of internal control and internal audit at the Company.

At the end of reporting period, the Audit Committee comprised the following members: IRENA PETRUŠKEVIČIENĖ (Chairwoman of the committee and an independent member), RASA MILAŠIŪNIENĖ (an independent member) and EVELINA ČERNIENĖ (shareholder's representative).

In 2021, Audit committee held 13 meetings, all Audit committee members participated in each of the meeting. The main matters discussed during the meetings included:

- Review of the activities and organisational structure of the Company and its subsidiaries;
- Review of the organisation of internal audit activities as well as the internal audit programme of work and completed work;
- Monitoring of financial statement preparation processes;
- Consideration of candidacies to be the auditor of the Group companies and the process of its election;
- Review of the independent auditor's programme of work and monitoring of the financial statement audit process performed by the independent auditor;
- Monitoring of the nature and scale of non-audit services and approval of the acquisition of specific non-audit services from the Company's auditor.

ABOUT THE AUDIT COMMITTEE MEMBERS:

Irena Petruškevičienė, the Chairwoman of the audit committee and an independent member with almost 30 years of experience in the area of auditing. She worked for 10 years at the audit and consulting company PwC and served for 6 years as a member of the European Court of Auditors. She has been a member of the audit committee of the European Commission and UN World Food Programme. Currently she also serves as an independent member and the chairwoman of audit committee in AB "Ignitis Grupė".

ABOUT THE AUDIT COMMITTEE MEMBERS:

Rasa Milašiūnienė is an independent member of the audit committee with almost 20 years of leadership experience in finance and internal auditing. Currently she serves as a Group Leader, Finance at Convera Lithuania, UAB. Before that, she worked for 11 years at Western Union Processing Lithuania and held Leadership roles in Financial planning and Analysis as well as Global Payments Operations. She is a Certified Internal Auditor (CIA) in the USA and Certified Auditor (CA) in Lithuania.

Evelina Černienė is a CFO of EUROVAISTINĖ, UAB, (since August 2021), and a management board member at Vilniaus prekyba, UAB with extensive experience in financial management at diverse companies as well as audit experience in audit firm.

INTERNAL AUDIT

MAXIMA GRUPĖ has an Internal Audit Department which reports to the CEO, the Management board, and the Audit Committee on a periodical basis. The internal audit team provides assurance on the effectiveness of internal controls system, governance, compliance with corporate policies, efficiency of processes and other risk management activities. It is responsible for auditing group companies and providing recommendations for possible improvements as well as tracking implementation of action plans after audits.

MAXIMA Group approach to taxes

We recognise the importance of how our paid taxes contribute to local societies and the progress of countries in which we do business. The Group pays taxes in countries where the value is created in the course of the Group's commercial activities. The Group's entities, retail operators in the Baltics - MAXIMA Lithuania, MAXIMA Latvia and MAXIMA Estonia - are among the largest taxpayers in the respective countries. As retail leader and one of the biggest taxpayers in the Baltics with gradually expanding the operations in Poland and Bulgaria, it is important for us to act in a responsible way and respond to the global challenges and needs that society faces.

Full compliance with applicable tax laws and regulations and transparency are key principles of the Group's approach to tax. We act in accordance with relevant legislation on tax calculation and ensure that we pay taxes accurately and timely. We recognise the interest of our stakeholders in our tax matters, including awareness on our tax management and fulfilment of disclosure requirements. Information on tax expenses and taxes paid disclosed in accordance with IFRS can be found in the MAXIMA GRUPĖ consolidated financial statements.

The Group aims for the open collaboration and long-term cooperation with tax authorities in all countries where the Group operates. We create appropriate conditions for government representatives to check activities of any entity in the Group and cooperate during inspections. The Group openly provides information when requested by the tax authorities. Our staff must ensure that information and statements provided to public authorities are correct and complete. If discrepancies in the Group's entity's activities are found, we immediately correct them and take measures to prevent such discrepancies from happening again in the future. For significant transactions, the Group seeks advance clearance from tax authorities in the form of tax rulings, where applicable by the local tax legislation.

The Group's approach to tax risk is conservative. The Group is not involved in aggressive tax planning. The Group does not have subsidiaries or associates operating in low-tax jurisdictions or "tax heavens". Intra-group transactions in the Group are performed following arm's length principle and comply with OECD Guidelines for transfer pricing and local tax regulations. The Group does not use transfer pricing for tax planning purposes.

The Group's tax position is regularly reviewed to identify items that could be subject to different interpretations. For uncertain tax positions that probably will not be accepted by the tax authorities, provision is formed in the financial statements. In the consolidated financial statements for the year ended 31 December 2021 no provision for uncertain tax positions was recognised.

The Group's financial statements of all significant subsidiaries are audited by external independent auditors. Taxes included in the financial statements are subject to audit procedures.

Responsible employees of finance departments in each country where the Group operates constantly monitor changes in tax laws and regulations, participate in various external trainings on the changes in legislation. This helps to ensure good understanding of tax laws and mitigate risk of non-compliance.

A trust line is maintained at the Group where everyone can anonymously report concerns about any conduct, including tax-related, in any entity of the Group. The stakeholders have not expressed any negative views or concerns on the Group's approach to tax during reporting period.

CORPORATE SOCIAL RESPONSIBILITY



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[OUR PEOPLE](#)

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OUR SUSTAINABILITY APPROACH

Highlights 2021



~ **EUR 3.3 million**
Invested
in our
communities.

100%



of T-MARKET stores across
Bulgaria have been
powered entirely by
renewable energy.



~ **EUR 72 million**
of employee benefits provided.



More than
EUR 6.5 million
invested protecting employees
and customers from the COVID-19.

APPROACH TO SUSTAINABILITY IN MAXIMA GROUP

MAXIMA Group's sustainability activities are an integral part of the business within five clear areas: Our People (Employees), Our Customers, Our Supply Chain, Our Communities and Our Environment. We are putting all our efforts on reconciling our sustainability policies and integrating the necessary processes and measures throughout our company and our value chain. The Group is moving forward with the process of setting ambitious sustainability goals.

By doing business responsibly and sustainably and providing affordable and healthy food and other essential products for all, we perform an important mission in society. Our sustainability approach ensures we act in a way that's good for our customers, our colleagues, our partners, our communities, and the environment. We work hard to achieve long-term, sustainable success that harmonises the interests of all stakeholders. That means a wide range of social, environmental, and economic issues are relevant to us.

To make sure that our business activities deliver the best positive impact for our stakeholders and our Group, we focus on the areas that matter most. Thus, we strive to ensure the well-being of our employees, create a strong and trust-based environment that is directly related to customer satisfaction, initiate and execute long-term cooperation projects with partners, reduce the environmental impact of all business operations, and work with communities to address socioeconomic issues.

Our approach to sustainability supports our goals as a business. One of our primary goals is to create value for our customers, employees, suppliers, shareholders and the communities in which we operate. We create value through a sustainable business model that acknowledges our shareholders and promotes personal well-being as well as respect and care for the environment. We understand that, in addition to affordable prices and quality, our customers care about their communities and environment and hold us accountable for our actions in regard to sustainability.

As part of our Group's corporate social responsibility process, this report aims to provide a clear view of our responsibilities, results to date, and areas for future improvement, along with an outline of what we do to support our relationships with key stakeholders. The idea is to define the MAXIMA Group's key sustainability topics to develop our Corporate Social Responsibility (CSR) activities and initiatives for social responsibility in the focus areas of Customers, Employees, Suppliers, Community, and the Environment.

ASSOCIATIONS AND INITIATIVES

Our companies are value-adding participants of the markets where we operate. We stay informed about trends in our sector by being active members of industry associations and national and international organisations:

[MAXIMA Lithuania](#) is a member of the Association of Lithuanian Trade Enterprises.

[MAXIMA Latvia](#) is a member of the Foreign Investors Council of Latvia, the Latvian Chamber of Commerce and Industry, the Latvian Employers' Confederation, and is a partner of the Latvian Retailers' Association.

[MAXIMA Estonia](#) is a member of the Estonian Trade Association, the Estonian Employers' Confederation, the Estonian Marketing Association, and the European Personnel Management Association.

[T-MARKET](#) is a member of the Association for Modern Trade.

Moving towards a more active and unified approach to corporate social responsibility, at the end of 2019 MAXIMA GRUPĒ joined the **United Nations Global Company Initiative**, committing to uphold the ten principles of the Global Compact in the areas of human rights, environmental protection, work environment, and anti-corruption. Through our activities, we contribute to the UN's nine Sustainable Development goals.

The management of MAXIMA GRUPĒ has made sustainability one of its highest priority. The members of the Executive Board and managing directors are responsible for our sustainability priorities and their integration into every company. This responsibility is incorporated into established decision-making processes all the way to the operational level. The team responsible for sustainability at MAXIMA GRUPĒ works cross-functionally with the board, the senior leadership team and other employees to drive our sustainability approach and priorities internally and externally.

A working group by the name IMPACT+ has been established to develop a set of sustainability goals for MAXIMA Group. It consists of managers responsible for supply chain, finance, corporate social responsibility, and property management from the Group's main subsidiaries.

The Group has created a unified internal CSR reporting system, which is the basis for our Annual corporate social responsibility report to stakeholders. This process will be further improved, and reporting will continue in coming years.

Our efforts to care for the well-being of the public and our employees have been recognised. MAXIMA Latvia, for the first time received a **Platinum Rating in the Sustainability Index**, given by the Institute for Corporate Sustainability and Responsibility. Previously company received Gold award for the fourth time in a row.



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



2 ZERO HUNGER



4 QUALITY EDUCATION



5 GENDER EQUALITY



17 PARTNERSHIPS FOR THE GOALS



OUR PRINCIPLES OF ACTION

The principles for how we act are at the heart of how we run our business and ensure that we operate in a responsible manner. The current transformation of the Group's culture is about how we act: how we communicate with each other and our stakeholders, how decisions are made, how day-to-day activities are organised, how new employees and partners are introduced, and how goals are set.

AWARENESS, RESPONSIBILITY AND SELF-BELIEF - "ARAS" CULTURE PROMOTES THE DEVELOPMENT OF THE COMPANY

Companies can be divided into four levels in terms of their internal culture. The first and lowest level of internal culture is when something is done just for doing something. The second level involves merely executing instructions "from above". At the third level of internal culture, the company employs highly qualified employees, but they act individually, not seeing themselves as an integrated part of a team or of the organisation. At companies with the fourth and highest level of internal culture, teams work together with an attitude that "we are really successful when we act together, and we enjoy that". The higher the level of a company's internal culture, the more employees feel engaged and motivated.

In its several decades of existence, our organisation has operated at different cultural levels and is now ready to move into the fourth one. We call it ARAS culture – using an acronym for the three core values of awareness, responsibility, and self-belief.

"ARAS" culture encourages managers to share information with all the members of their teams and involve them in decisions. Communication is two-way: team members share all information with their manager just like the manager shares it with them. The "ARAS" system is flat – the manager is an equal member of the team but simply has a different job title. Another important aspect is that in such a culture it is not the managers who adapt to their team members, but on the contrary – employees who move toward their managers, thus helping them grow as potential future leaders within the company.

Members of such a team need not only the competencies to do their job, but also willingness to constantly develop their own emotional intelligence. In "ARAS" culture, everything depends on the people. It is a culture about you, not about others; it is a free person's culture.

Thanks to this culture, employees come to understand together what they are doing and why they are doing it. Only understanding "why they are doing what they are doing" empowers specific members of the team to take responsibility for their own actions.

Our companies employ tens of thousands of people directly and indirectly through our supply chain and serve hundreds of thousands of customers every day in communities in five countries. That gives us unique opportunities to make change for the better as we are focused on people of our community.



We work for the customer

by offering exactly what they need at a fair price, making them want to return to our stores.



We value everyone equally

and our interactions and relationships are based on mutual respect, whether they involve colleagues, partners, or clients. We are a responsible member of society.



We work as one team

sensitive to each other's experience and knowledge and respectful of each other's time and work.



We get things done

by promoting action, taking responsibility for our own actions and decisions, and encouraging initiatives put forward by members of our community.



ETHICS AND POLICIES

All the Group's companies act fairly, ethically, and in accordance with the laws of their countries. Four key policies outline our overall approach and key issue-specific areas of sustainability for focus and ensure governance in the area of sustainability:



Equal
Opportunities and
Diversity Policy



Corruption
Prevention
Policy



Supplier
Code of
Conduct

The Equal Opportunities and Diversity Policy promotes equality of opportunity in our Group and valuing diversity in our employees, seeking to eliminate all forms of discrimination and harassment.

The Group's Corruption Prevention Policy includes basic principles of transparency as well as rules and guidelines for the prevention of corrupt practices in our everyday operations. We act responsibly and transparently with an attitude of zero tolerance for corruption.

The Supplier Code of Conduct is intended to ensure that our companies' suppliers follow high standards for work safety, fair and respectful treatment of employees, ethical practices, and environmental protection.

These policies were developed on the basis of existing internal principles as well as our shareholder VILNIAUS PREKYBA's Code of Business Ethics. It sets out guidelines how we develop business relationships and adhere to standards of conduct in our dealings with employees, customers, partners, suppliers, governments, and other authorities, and with society.

All the policies have been approved and adopted at all the Group's main subsidiaries. We educate our employees, business partners and stakeholders, making the policies public on our websites and intranet and in internal company materials. Most of our companies have already conducted internal trainings for employees, especially in relation to anti-corruption issues. These trainings are held periodically to new and existing employees. All members of governance bodies (100%) have received detailed anti-corruption introduction.

Each of the Group's companies has a person or department responsible for ensuring compliance with the policies and investigating any complaints or concerns. Each company also has internal and external trust lines (e-mails and/or phone numbers) that our stakeholders can use to report inappropriate behaviour. At total 10 anti-corruption incidents were registered through trust lines during the reporting period. All registered incidents were investigated, and corrective actions were taken. To this day, there are no pending investigations. In addition, in each company responsible person or department from time to time initiates internal investigations for prevention of anti-corruption activities.

Reports of incidents are properly investigated and documented.



STAKEHOLDERS

Every day, more than 38,000 employees work to provide goods for hundreds of thousands of customers in each of our five markets and we also work with thousands of suppliers across the world. By creating value for our customers, we in turn create value for other stakeholders.

We define our stakeholders as those groups affected by the company's activities and who can have an impact on our organisation. They influence our daily business operations, transactions, and decisions, and play a major role in shaping the landscape of the Group's value chain. We are responsible to all our stakeholders, and we strive to maintain long-term and truthful relationships with them.

We pursue an intensive dialogue with our stakeholders, seeking to engage them in our business processes and initiatives. We stay in contact with them on a regular basis as efficiently as possible through a variety of channels and try to respond promptly to concerns, issues, and interests. The following table maps out our stakeholders and divides them into groups.

We feel optimistic about what we can achieve. Sustainable growth presents its own unique opportunities and challenges, but the core of our strategy is to contribute to our community and preserve our planet while adding value to the business itself. Fortunately, we have strong engagement with and support from our network of customers, employees, producers and suppliers, NGOs, municipalities, government officials, charities, local communities, and environmental organisations, which can work with us along the way.

STAKEHOLDERS TABLE

	Topics of concern	How we communicate and engage
 Shareholders and investors	Financial stability and performance, sustainable performance, continuity of activities, risk management, ethics and transparency	Corporate website, individual meetings, supplier surveys and audits, email, phone communication annual supplier events
 Suppliers and business partners	Delivery terms and conditions, attractive payment terms, fair treatment, trustworthiness, ethics and transparency	Corporate website, individual meetings, supplier surveys and audits, email, phone communication, annual supplier events
 Employees	Working conditions, well-being, benefits, professional development, career opportunities, availability of informations, equal opportunities, safety measures during pandemic	Intranet, employee surveys, feedback channels, internal magazines and other documents, trainings, company events, continuous communication through internal meetings
 Customers	Products (quality, availability, safety, assortment), affordable prices, sustainability, good, shopping experience possibility to address a claim, data protection, shopping safety during pandemic	Corporate website, social media, promotional magazines, TV, radio and outdoor advertising customer surveys, newsletters, customer loyalty programs, feedback / claims channels
 Local communities	Food waste, decreasing impact of environment, social initiatives, investments into infrastructure, local suppliers, ethics and transparency, shopping safety during pandemic	Corporate website, regular face-to-face communication, various events, social media, TV, radio and outdoor advertising
 Media	Open dialogue, timely presentation of relevant information and transparency	Corporate website, corporate publications, press releases, social media, annual report and CSR report, email and phone communication
 Authorities / public administration	Taxes, reporting, compliance, ethic and transparency	Corporate website, individual meetings, email and phone communication, annual report and CSR report



OUR PEOPLE



Number of employees

38,482



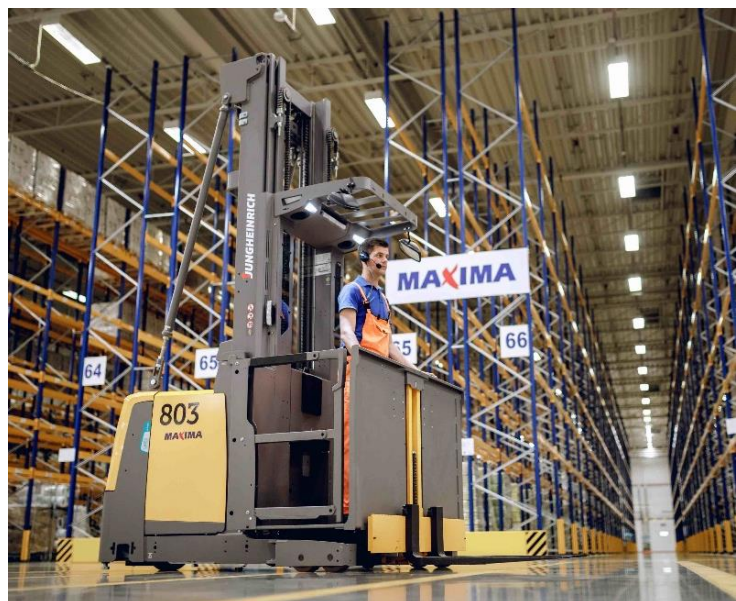
OUR PEOPLE

Our employees are the key to our success. We are cultivating a positive cultural environment, that motivates our people, fosters engagement and teamwork, and promotes continuous learning and development. We are immensely proud that the “Speed Board” talent programme is present in almost all our companies. Moreover, MAXIMA’s culture emphasises mutual respect, diversity, and equal treatment. In 2021, the share of women in the highest management positions was 44 %. We focus on efforts to create healthy, safe, and more attractive workspaces. In 2021, MAXIMA Group provided employees benefits package for 72 million euros.

Over the past few years, we have put a lot of effort into the change of the way we act together. Awareness, responsibility, and self-belief are the basis of the culture which now unifies every one of us into a team and we enjoy being part of it. It is a culture of a free person, where everything depends on individual. We create the environment where everyone has opportunity to share the opinion, have forthright discussions, take responsibility, and grow their competence every day.

Our employees are the ones who define the MAXIMA business day after day and distinguish us from others by their dedication, skills and energy. With more than 38,000 employees and thousands more who work within our supply chain, we are committed to promoting human rights and seek to ensure decent and safe working conditions for all. We promote not only the safety and well-being of our employees but also their continuous growth by providing an appealing, efficient, and supportive work environment and by being honest, fair, and responsible in everything we do.

Our companies have been recognised as and awarded as some of the most attractive places of employment in retail. These accomplishments are achieved thanks to our employees, partners and customers.



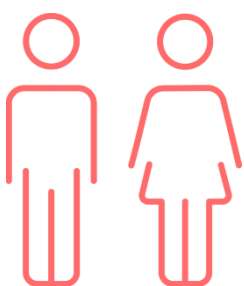


The successful growth and conduct of our business depend on our ability to attract and retain many good people. The biggest challenge in this area is handling external factors that affect whom we can hire. Such factors include the availability of enough qualified people in the markets where we operate, unemployment levels in those markets, prevailing wage rates, changing demographics, health and other insurance costs, and changes to employment-related laws and regulations. We strive to offer working conditions that are attractive to high-quality employees.

As an employer, we have set for ourselves the following tasks. First, we monitor the labour market to provide our employees with appealing benefits in line with market standards. Second, we continue to develop our processes to prepare employees for their work assignments. Thus, we are now further developing onboarding, training, and professional development processes. Finally, we focus on promoting our corporate culture by clarifying and communicating our shared principles, attitudes, standards, and beliefs as a Group.

The human resource departments at all our companies are responsible for continuous work to be coherent with our internal culture and meet evolving legal requirements.

Number of employees in the Group



MEN 7,817
WOMEN 30,665

TOTAL
38,482

Type of contract

	Permanent employment contract		Temporary employment contract	
	2021	2020	2021	2020
MEN	6,424	7,018	1,403	1,068
WOMEN	25,399	27,017	5,256	5,006
TOTAL	31,823	34,035	6,659	6,074

Type of employment

			Men	Women	Total
Part time	0.25	2021	54	113	167
		2020	37	91	128
	0.5	2021	268	848	1,116
		2020	259	880	1,139
	0.75	2021	1,197	4,221	5,418
		2020	1,392	4,741	6,133
Full time	1	2021	6,308	25,473	31,781
		2020	6,396	26,313	32,709



DIVERSITY AND EQUAL OPPORTUNITY

MAXIMA’s culture stresses mutual respect, diversity, and equal treatment. We promote an all-inclusive workforce that celebrates diversity and inclusion. We are convinced that applying these principles in the workplace will keep our professional relationships as among our greatest strengths.

Our employees are our strongest asset, and it is the responsibility of us all to promote respect for all regardless of their background, origins, gender, colour or age. To this end, all Group companies live by our Equal Opportunities and Diversity Policy, which protects candidates from discrimination on the basis of their beliefs, age, gender, relationship status, maternity/paternity, race, religion, or sexual orientation. We are open to candidates with a wide range of qualifications and experience and invite all who could potentially contribute to the objectives of our organisation to apply. Our companies have appropriate recruitment procedures in place. Each company also maintains transparent salary structures based on objective criteria, such as expertise, skills, and professional experience, and not biased by any additional criteria.

Diversity within the Group by gender, age, and employee category*

		< 30 years		30-50 years		> 50 years	
Managers at the company (C level) by gender and age group	Men	3	5.56%	48	88.89%	3	5.56%
	Women	2	4.65%	36	83.72%	5	11.63%
Middle management by gender and age group	Men	21	14.38%	109	74.66%	16	10.96%
	Women	27	13.99%	151	78.24%	15	7.77%
Regional and shop managers by gender and age group	Men	137	32.16%	261	61.27%	28	6.57%
	Women	543	17.29%	2,179	69.37%	419	13.34%
Other (office employees, shop employees, warehouse employees etc.)	Men	2,481	34.64%	3,020	42.16%	1,662	23.20%
	Women	5,050	19.53%	12,557	46.09%	9,640	35.38%

* Percentage calculated: share of employees by employee category in set age range from total number of employee in that employee category.



Our employment practices adapt to changes in society. In summer, we actively recruit young people, who usually seek seasonal work. That can be a great start to a career, as most people who get a job in the summer continue to work with us afterwards. We provide all necessary knowledge and training, promote personal development, and open a wide range of career opportunities to them. These young people gain experience and skills which will be useful in their future, such as budgeting, adaptability, and communication. By offering flexible conditions, we give young people an opportunity to combine work and studies.

We equally welcome newcomers of all ages. Seniors who want to continue being active and contributing to society can join our team. We provide all necessary training and assist them in acquiring the special expertise or skills required for the job. We are continuously inspired by their drive to always go an extra step and be valuable members of the team.

We foster vigilance in preventing any inappropriate workplace conduct. Employees are encouraged to promptly report any inappropriate behaviour, like corruption, abuse, improper working conditions, or occupational health and safety, to their manager, HR representative or special phone or email helplines (in keeping with local laws and regulations). Reporting channels may differ between companies, but every one of our employees is given the possibility to be heard.

There were no incidents of discrimination during the reporting period. We are committed to ensuring a non-discriminatory workplace and are proud of the lack of incidents.





LEARNING AND DEVELOPMENT

Our success depends on enhancing the skills, abilities, and passion of our people. It is only thanks to their hard work, loyalty, dedication, and teamwork that we are successful. In return, we support individual and organisational growth through learning and professional development to strengthen our corporate culture and help our people understand the ethical principles according to which we all operate.

Employees are at the heart of every company's success. All performance, both human and organisational, is affected by the team's working atmosphere and relationships.

Awareness, responsibility, and self-belief – or "ARAS" – forms the basis for the culture that unifies every single one of us as a team. Members of the team need not only the competencies to do their job but also desire to constantly develop their emotional intelligence. In ARAS culture, everything depends on the people. It is a culture about you, free person's culture.

Keeping our employees up to date on the latest changes and good practices in our company and our industry is important to us. And we want them to benefit from learning opportunities more generally. Our training programmes are thus opportunities for career development, allowing employees to deepen their understanding of their roles and tasks.

New employees are always trained and given the theoretical and practical knowledge they need. Typically, an employee's first training takes place before they start their job: either in person or online. Training courses are available to all employees whose positions require special skills and knowledge, such as store employees, warehouse staff, cashiers, food preparers, and BARBORA pickers/couriers. Additionally, all new employees are required to attend and pass trainings on work safety and company policies.

Much more time is devoted to the support and growth of employees, directly in day-to-day activities. The number shown below does not include the hundreds of hours devoted to coaching fellow colleagues.

**Average hours of
training per year per
employee:**



MAXIMA Lithuania has made it possible to acquire new skill within the company. A "School of Masters" has been set up to teach professional skills in food production for immediate use on the job. The programme typically takes up to two months, with learners working with experienced colleagues and completing assigned practical tasks.

At the end of the training period, their knowledge and skills are tested. Throughout their careers, employees are provided with opportunities to further develop their skills, acquire new knowledge, and change qualifications if necessary. Our companies regularly organise in-house trainings to strengthen employees' qualifications and develop new competencies. If needed, employees can participate in external courses (like specific professional trainings for accountants or lawyers, specific IT courses, etc.) but most training is through internal courses tailored to the specifics of our work and processes.



Offering employees, the opportunity to study is an investment. Employees who acquire or strengthen practical competencies always create additional value. We strive to provide a motivating work environment and always support our people's desire to seek knowledge and additional training.

We are only successful when we act together. That is why we encourage employees to get involved in the management of the company, taking advantage of the organisation's existing internal potential for the growth. Our companies have different leadership programs: MAXIMA Latvia has a Managers School, MAXIMA Estonia has a Director's School, STOKROTKA in Poland has a programme called Manager Express. The "Speed Board" programme is present in almost all our companies. We apply the widely used business practice of "shadow boards".

THE "SPEED BOARD" TALENT PROGRAMME STRENGTHENS THE COMPANY AND ITS EMPLOYEES



Business experience today shows that involving employees in solving internal challenges can become a formula for a company's success.

The "Speed Board" talent programme was created with the aim of developing the company and promoting our employees' growth. Selection of the "Speed Board" consists of several stages. Each stage contains of cognition, conversation and solving of various hypothetical situations. Mentors evaluate the performance of candidates and select the most suitable to participate in programme. Participants have the opportunity to shadow the management team to gain more knowledge about the company's management, implement their ideas in development projects significant to the company, understand all the variety of the company's activities, and receive support from a mentor in one of the company's core business areas.

The first "Speed Board", launched by MAXIMA Lithuania in 2020, involved employees eager for new knowledge and experience in the most important internal activities of the organisation. Team members had the unique opportunity to join the management of the company. After that first board term, they are now pursuing new career paths in our Group companies and enjoying personal development and new friendships.

The members of the Speed Board are not the only ones who gained new knowledge and experience, since heads of departments and the managerial team also learned a lot.

This internal initiative thus brings benefits to both employees and the company. By interacting with more experienced mentors, employees can deepen their knowledge and strengthen their practical skills. The company, for its part, can get a fresh view of how to address issues that are important to the retail chain. For example, members of the first Speed Board worked hard to unify and standardise store operations. This work is continuing even after the end of their term.

Today such boards already exist at MAXIMA in the whole Baltic region, T-MARKET in Bulgaria, and FRANMAX. Carefully selected participants from different divisions get to know the varied day-to-day work of the company and its management, learn new competencies, and gain invaluable experience, enabling a rapid advance in their personal development.



PERFORMANCE REVIEWS

The Group's employees have performance reviews in accordance with established internal procedures. As per our „ARAS“ culture, we encourage employees to have their own opinion, share their feedback, have forthright discussions, take responsibility and grow their competence every day. Some of our companies hold regular performance and career development reviews for all administrative staff while others provide them only at the management level. In our stores, there are two forms of employee evaluation:



some employees are evaluated monthly, based on quality KPIs and turnover results, while others have less frequent evaluations and the criteria depend on their team's goals, their company's goals, and the like. Group-wide, more than half of our employees have regular performance and career development reviews in one form or another. Most important is continuous dialogue. This keeps feedback timely, so all challenges are discussed, and milestones are celebrated as they happen.

Although we are a large organisation, we have a very "flat" structure. We strive to ensure that there is continuous mutual feedback and self-assessment between managers and employees. This process is informalised, so it is only partially reflected in the performance indicator.

Percentage of employees receiving regular performance and career development reviews

	Total		Employees receiving regular performance review		Percentage	
	2021	2020	2021	2020	2021	2020
Total employees:	38,482	40,109	19,335	22,930	50.24%	57.17%
Administration employees	2,946	2,738	1,588	1,869	53.90%	68.26%
Men	910	820	473	575	51.98%	70.12%
Women	2,036	1,918	1,115	1,292	54.76%	67.36%
Others (shops, warehouses, etc.)	35,536	37,371	17,747	21,061	53.19%	56.36%
Men	6,888	7,266	3,083	3,344	52.82%	46.02%
Women	28,648	30,104	14,664	17,717	53.27%	58.85%



EMPLOYEE WELL-BEING AND BENEFITS

Customer satisfaction depends heavily on the well-being of our employees. We adhere to the global principles of decent working conditions set out by the United Nations Global Compact. More broadly, we focus on efforts to create healthier, more effective workspaces. When building new stores or modify existing ones, we strive to improve employee facilities, providing an ergonomic work environment, a kitchen and dining area, lounges for rest and relaxation, and other comforts and conveniences. We also want to improve working conditions by providing employees with advanced equipment that makes their jobs easier – like modern convection cookers, cooling chambers, multifunctional mixers, the latest generation of ovens, and other technological solutions in both storage rooms and cooking areas. These tools help production workers perform their tasks quickly and efficiently, saving their time and energy.

Beyond this, we want employees to enjoy benefits that can make their employment more rewarding. For our store, warehouse, and production employees, we provide free food or paid lunches. Employees commuting from different cities receive accommodation allowances. We work closely with our partners so that our employees have access to discounts not only in our stores but also at partners' locations. Our companies organise annual employee events, like summer festivals and Christmas parties, which bring our people together to celebrate their achievements, enjoy entertainment, and experience our culture, thus strengthening our team's unity.

In all our operating countries, parental leave duration can be chosen by the employee. Duration determined by law is from 1 to 3 years. That means, employee can return to work anytime he or she wants in 3-year period. That is why the return rate doesn't fully disclose the actual return rate, as an employee, that took his parental leave last year, doesn't necessarily came back this year. Disclosure below, just show status qua, how many took parental leave in 2021 and how many returned in 2021.

Parental leave rate	Men		Women		Total	
	2021	2020	2021	2020	2021	2020
Percentage of employees that are entitled to parental leave	100%	100%	100%	100%	100%	100%
Number of employees that are on parental leave	45	52	1,739	1,224	1,784	1,275
Number of employees that returned to work after parental leave ended in 2021	24	27	363	730	387	757
Return to work rate*	53%	53%	21%	60%	22%	59%

* As return to work rate is calculated as the consolidated number of all operating countries employees and in each country paternal leave varies from 1-3 years. Return to work rate disclosed only partially.



We encourage non-work activities and family time, for example by co-financing fitness club memberships or giving allowances to employees with children.

Here are some examples of additional employee benefits offered by our companies (practices vary by country):

- **Private health insurance**
- **Psychological assistance**
- **Co-financed fitness club memberships**
- **Free courses to improve qualifications**
- **Tuition support**
- **Pharmacy vouchers for employees raising disabled children**
- **Summer camps for employees' children**
- **Easter and Christmas gifts for employees**
- **Christmas gifts for employees' children**
- **Financial gifts for weddings and childbirth**
- **Payments in case of death in the family, disability, or illness**
- **Long-term employee rewards**
- **Various special bonuses (best employee, reference bonus, and many more)**

These investments allow us not only to take good care of the working conditions and health of our employees, but also to pay more attention to their families.

MAXIMA in Lithuania, Latvia, and Estonia is continuing its longest running programme – MAXIMALIST. The programme provides long-term scholarships to high-achieving children of employees. Since its inception 17 years ago, the project has become inseparable from the MAXIMA brand and is valued not only by current but also potential employees.



OCCUPATIONAL HEALTH AND SAFETY

We look out for each other and do our part to maintain a safe and secure environment. Workplace health and safety are fundamental. Our occupational health and safety management efforts reflect all relevant legal regulations and internal risk assessments. Workplace risk assessments are carried out regularly in all countries. The procedures of all MAXIMA Group companies are in keeping with the laws of the country in question.

Our occupational health and safety system covers:

- Risk evaluation, including:
 - 1) planning;
 - 2) visiting the site;
 - 3) assessing risk for each structural unit;
 - 4) defining preventive measures;
 - 5) preparing and issuing documentation.
- Work environment monitoring/supervision;
- Preventive and corrective action planning;
- Training and communication to employees;
- Medical examinations;
- Personal protective and safety equipment;
- Accident investigation.





All employees are covered by the health and safety management system. Every company has dedicated specialists, and some have divisions, responsible for maintaining and implementing the occupational health and safety standards. MAXIMA Lithuania, MAXIMA Latvia and BARBORA outsource experts for safety management assistance.

Our employees can make their voices heard and we encourage them to provide feedback on our occupational health and safety management system. Every company has employee health and safety representatives and/or an occupational health and safety committee with equal weight of the employer and workers' health and safety representatives. Occupational health and safety committees regularly analyse working conditions, examine any problems, propose solutions, and monitor the implementation of the decisions that are adopted.

MAXIMA in Lithuania, Latvia, Estonia and T-MARKET and BARBORA Lithuania have an anonymous trustline for suggestions. Employees are also kept informed through corporate websites, newsletters, e-mails, trainings, and other meetings.

A strong focus on employee safety contributes to a more cohesive, stable, and healthy team. We regularly assess the situation in our stores, logistics centres and other places of operation, and monitor employees' compliance with safety requirements. These assessments give employees a sense of security and promote responsible behaviour.

RISK ASSESSMENT

Our companies employ different risk assessment strategies in accordance with the relevant legal regulations, but there are core processes that all companies use to identify work-related hazards and assess risks:

Visits to divisions
(including
employee
interviews)

Documentation of
risk assessment and
preventive and
corrective action
plans

Explanation of
risks to
employees

Communication by
those responsible
about corrective
and preventive
actions

Implementation
of corrective and
preventive
actions

Monitoring



Risk assessment at MAXIMA Lithuania, MAXIMA Latvia and BARBORA is performed by an independent service provider. The results are shown to managers who prepare strategies to manage the risks. They are then presented to employees and continuously tracked. BARBORA has a guide to risk analysis and assessment which it updates annually.

Our companies are also taking measures to ensure the quality of these processes and the qualifications of the persons responsible via tenders, reviews, and certificate verification.

To eliminate hazards and minimise risks, all companies organise inspections and some e.g. STOKROTKA, MAXIMA Lithuania and BARBORA – conduct periodic audits. We expect employees to closely follow our health and safety programmes and procedures. We also encourage an environment where team members can talk to their managers if they become aware of a safety hazard or unsafe behaviour. Each company has guidelines that require reporting such hazards or behaviour. Each also has systems for such reporting and persons or units responsible (e.g., working environment commissioners).

TRAINED AND INFORMED EMPLOYEES

Our employees are made aware of our procedures through trainings and are encouraged to stop work if they encounter a dangerous situation. In most of our companies, the rules are enumerated in an Internal Rules of Working Procedures manual. STOP, REMOVE and REPORT are the three key steps when a risk is discovered or if a situation poses imminent danger to an employee’s life or health. STOP work immediately, REMOVE yourself from danger area and REPORT to a supervisor as soon as possible. Some companies, such as T-MARKET, provide employees with action plans on crisis prevention and what to do during a crisis, such as when facing aggressive behaviour, injuries, robbery, natural disasters, fire, accidents, or evacuations.

Seeing the increased number of accidents, we will especially concentrate on additional safety induction seminars at all workplaces and trainings for our employees in safety matters.

Work-related injuries

	2021	2020
Total number of work-related injuries	526	446
The number of fatalities as a result of work-related injury	0	0
The number of serious work-related injuries (excluding fatalities)	9	7
Rate of recordable work-related injuries *	9.3	6.2
Rate of serious work-related injuries (excluding fatalities)*	0.1	0.1

• Rates are calculated by dividing the number of injuries by total number of hours worked during reporting period multiplied by 1,000,000

[GRI 403-1], [GRI 403-2], [GRI 403-3], [GRI 403-4], [GRI 403-5], [GRI 403-6], [GRI 403-7], [GRI 403-9]



We regularly update our employees on the most current safety issues and procedures through annual training sessions and visual aids. Employees are trained in general occupational health and safety issues, and those working with potentially hazardous equipment obtain certification. New and existing employees are trained by certified managers in areas such as first aid and fire safety. Usually, training results are assessed by knowledge testing.

To improve the occupational health and safety management system after any work-related incidents, these steps are taken: investigation, report to the state H&S institution, preparation of a corrective and preventive action plan, and implementation and continuous monitoring.

OCCUPATIONAL HEALTH

The health of our employees is a top priority. All our companies conduct health check-ups before the start of employment and provide all needed personal protective equipment. Health check-ups continue throughout an employee's career, and advice is provided on occupational health, safety, and hygiene along with access to first aid and emergency treatment. Some companies engage independent third parties for these services, others have their own medical staff.

To ensure the quality of occupational health services, companies monitor the situation and periodically conduct occupational safety and health assessments.





We do what we can to help our employees stay healthy. MAXIMA Lithuania, MAXIMA Latvia, BARBORA, MAXIMA GRUPĒ, FRANMAX to some extent provide employees with supplementary health insurance after their initial probationary period. More than 50 percent of all employees are insured with supplementary health insurance.

The majority of Group companies provide free seasonal flu vaccination for employees who want that. Some companies, such as MAXIMA in Lithuania, Latvia and Estonia, offer employees psychological and social support. More than 30 highly qualified psychologists have been mobilised to implement this programme at MAXIMA Lithuania. Anonymous and free professional help is available by convenient online registration. Employees can choose the preferred date and time and a psychologist who speaks Lithuanian, Russian or Polish.

MAXIMA Lithuania and MAXIMA Estonia offers employees gym discounts while MAXIMA Latvia provides access to programmes that address major non-work-related health issues, including addiction cessation, dietary advice, and stress-reduction.



LIVING WITH COVID

We adopt a very responsible approach to the pandemic situation and take all possible preventive measures to ensure a safe working environment for our employees. Since the start of the COVID-19 pandemic, every Group company has implemented comprehensive coronavirus prevention measures and employees are provided with protective equipment.

Many of our companies provide employees with supplementary health insurance. MAXIMA Lithuania was one of the first companies in Lithuania to specifically insure all its current and future employees against COVID-19 in the spring of 2020. This year, as the pandemic is continuing, MAXIMA Lithuania has extended additional health insurance to all employees. No less important is employees' mental health. Some of our companies provide free counselling for those facing anxiety, fear or other negative emotions.

During 2021, the Maxima Group invested more than 6,5 million million euros in coronavirus safety and prevention measures.



OUR CUSTOMERS

1.3 million

customers daily



3.96 billion

products sold in 2021



2,503

self-service check outs



3.6 million

loyalty program members





OUR CUSTOMERS

One of our main stakeholders is the customer. Our decisions are based on customers' well-being and fulfilling their needs. With 1,3 million customer transactions daily, we have a responsibility to help our customers eat healthily and improve the quality of the food in our stores that later goes into their baskets. Therefore, we continually invest in quality management processes. Entire Group operates in compliance with food safety management system Hazard analysis and critical control points (HACCP). To ensure the quality of our products, since 2016 we operate an in-house laboratory. Through our private label products, we can ensure an exclusive and attractive assortment. We are addressing customers' needs with various solutions to make life easier and comfortable: e-commerce, ready meals, self-checkout, self-scanning, and cardless customer programmes. Our focus: responsibly creating value by providing the best price, assortment, and service to our customers and making fresh, healthy food available for everyone.

We help our customers to live well – and living well starts with eating well. While food quality is always a priority, we also want to ensure a better shopping experience every day. In a fast-paced world that changes every minute, we adapt to our customers' needs for healthier choices with easier, faster, and more convenient shopping. To do so, we are always listening and responding to them.

In 2021, MAXIMA Lithuania, MAXIMA Latvia and MAXIMA Estonia were recognised by customers and presented with the Best Buy Award (Value for Money). In Latvia, an independent customer survey by DDB Brand capital and Kantar TNS found that MAXIMA Latvia is the Most Loved Retailer in Latvia and Baltics and the 2nd Most Loved Brand in Latvia Overall. BARBORA Poland was recognised in Polish Business Awards as Top Partner for their input to retail market. BARBORA Latvia won the Latvian E-commerce Award 2021 for Food. This shows our customers appreciation and empowers us to reach even bigger results.

Our customers is always a priority when thinking about stores and products. We strive to create value for them. One way we can do that is by giving customers the power of choice. We enable them to select:

- The highest quality product at the lowest possible price;
- Products that are sourced responsibly and safely – both globally and locally;
- More healthier products, such as low-sugar or low-fat;
- Diverse ways to shop.





PRODUCT SAFETY AND QUALITY

Product safety is the most important factor for all the items we sell, both food and non-food products. We continually invest in the certification and monitoring of processes to ensure safe and high-quality products. Thus, all the Group’s companies have established a comprehensive quality assurance process. MAXIMA Lithuania and MAXIMA Latvia operate according to a quality management system that is certified in accordance with ISO 9001 and the entire Group operates in compliance with food safety management system - HACCP.

At MAXIMA Lithuania, MAXIMA Latvia, MAXIMA Estonia and T-MARKET, the process starts right from the offer stage. Employees are trained and have a check list of what to consider when choosing a supplier, and also follow a comprehensive selection process for new products. Before choosing a new product, all MAXIMA companies require the supplier to present all necessary documents to prove product compliance. We also request additional documentation to classify products as organic or eco-certified, for instance, along with safety data sheets. Planned and ad hoc laboratory testing is performed to check the safety of products. Planned and ad hoc supplier audits are also carried out to ensure that the production environment and safety assurance procedures are sufficient for our quality team.





In addition to supplier tests, we perform in-house and outsourced fit-for-use tests. And our quality assurance departments may decide to take samples from production. The samples are then examined by independent testing labs or our in-house labs for certain technical and chemical parameters. To implement the related procedures and assessing the relevant indicators, we count not only on our own Quality and Food Safety team but also on external auditors. On delivery, MAXIMA applies comprehensive quality control procedures for the acceptance of fresh foods such as fruits, vegetables and fresh meat at its own or partner warehouses. The quality control system involves a variety of parameters to determine lacks quality that range from product temperature violations to inconsistencies in a product's appearance, smell, etc. These measures ensure quality across the whole supply chain. Goods are only made available for sale once they have passed all assessments.

The International Certification Association ICERTIAS has awarded MAXIMA Lithuania, MAXIMA Latvia and MAXIMA Estonia a Best Buy Award for having the best price to quality ratio. This top-level global award, only confirms that, MAXIMA offers high-quality products at low prices.





PRODUCT ANALYSES
IN 2021



	FRESH FOOD	FOOD	NON-FOOD
SAMPLES ANALYSED	1,458	462	297
PRIVATE LABEL SAMPLES ANALYSED	697	388	144
OWN CONTROL SAMPLES ANALYSED	1,126	486	218
REJECTED PRIVATE LABEL	18	24	62
PRIVATE LABEL RECALLS	47	2	3

IN-HOUSE LABORATORY

In year 2016 current Maxima International Sourcing established in-house laboratory. The initial need for this was to make products testing faster, more efficient, increase our testing scope to suite our needs and to save up on costs. The laboratory does tests on all products in different categories: fresh food, food, and non-food, depending on our internal needs. The LAB has all equipment suitable to perform various product tests, such as weight analysis, tear forces, tensile strength, pH., temperature, GSM, dry friction, paint wash resistance, functionality, the number of watts used by the devices and much more. Requirement comes from commercial department when there is a need for LAB testing because some products are in question, or suppliers' tenders come in and we need to check product specifications. Product depending on its origin is tested in many ways. For example, if a sweater needs usage or durability check, laboratory assistant does many tests - pilling test, wash test, to see if sweater changed in size after washing it, ironing and other. After all necessary checks, laboratory assistant fills in the product specification card with conclusions and return everything to commerce department where they with all the information they got, decide how to proceed with this product. On average, more than 100 products are tested in our in-house laboratory each month. The quality of our products in the store is a number one priority and we do everything to ensure the best quality for the best price to our customers.



PRIVATE LABELS

Our private label offering is improving each year. It is important for us continuously adapting to our customers' needs, which we always work hard to satisfy. We give our customers extensive information to help them make informed purchasing decisions. And we are available via multiple channels to answer questions and respond to feedback. If customers find that they are not satisfied with one of our products, they can return it to us.

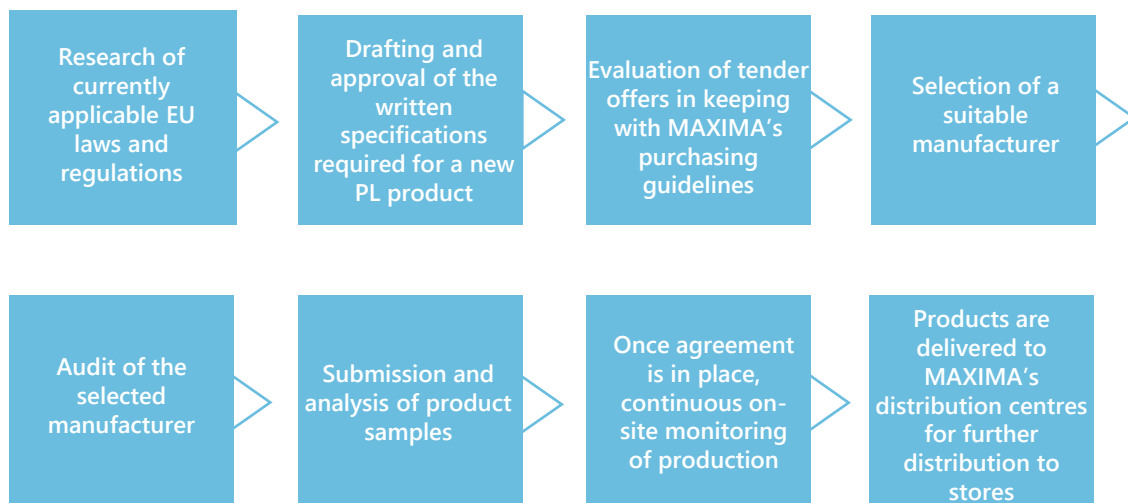
The private label products that MAXIMA produces at sites across the Baltics, e.g., fresh meat, ready-to-eat culinary products and confectionery, are constantly reviewed for possible improvement, also in terms of health and safety. Thus, product recipes and production technologies are continually enhanced. The process involves analysing the results of laboratory testing, prototype evaluation and taste tests.

**LINKĖJIMAI
IŠ KAIMO**



A THOROUGH PROCESS ENSURES HIGH QUALITY PL PRODUCTS

MAXIMA's steps in adding a new product to its private label offering:





While delivering top quality in our private label products, it is just as important to provide the right product information and labelling. Private label departments draft and approve the required specifications. In choosing a label design, we always think about customers: how to ensure all the necessary information reaches each of them.

We are adapting packaging and labelling to include full nutritional information so customers can make healthy choices, providing information per 100 g and per portion whenever the size of the packaging allows it. We also provide customers with information on the sourcing of product components, substances that might have an environmental or social impact, safe use of the product, and proper disposal. We want the most important information to be visible on the front of the package, so customers are better informed. In the process, we aim to comply with all European Union and local country regulations.

HEALTHIER CHOICE

People are increasingly aware of the importance of health and well-being. We focus on openly engaging with customers and developing our product range to help people make informed purchasing decisions. We are available on multiple channels to answer questions and respond to feedback. We give customers clear information on food ingredients, the origins of raw materials, and so on. And we continually review the quality of our products. Changes we make to our products also reflect the needs of each Group company's public and evolving regulatory requirements. We actively monitor community growth and market trends so that we can react quickly and, in our customers', best interests. We also try to educate and help our customers learn and live healthier.

For example, MAXIMA Latvia, to celebrate its 20th anniversary, is giving its loyalty programme cardholders an online recipe platform, 'What to Eat?', which offers a range of ideas for delicious and quick and healthy meals. The new tool not only provides a wide variety of recipes for the everyday and holiday table but also helps plan purchases and save time and money at the store. A similar recipe platform offers healthy recipes to T-MARKET customers.





MAXIMA constantly reviews its assortment in light of our desire to enable customers to eat more healthily and actively support them in their purchasing decisions. We also offer food products for different nutritional needs and lifestyles. In all countries, we offer gluten-free, lactose-free, vegetarian, and vegan products, with work underway on more product lines to meet specific preferences and nutritional needs. The work of the purchasing department takes into account the recommendations of the World Health organisation, among others. In our private label brands, particularly in products for children, we monitor the accepted and approved quantities of food additives and nutrients such as salt, sugar, and fat. We make sure our labels include clear and straightforward information on health, nutrition and serving sizes to promote healthy eating habits. Here we comply with all European Union regulations. As demand only grows, we make sure to offer a variety of products for people with specific nutrition requirements and preferences. Our stores have separate shelves for customers with different dietary restrictions, e.g., diabetic, allergic, gluten-free and so on.



Customer well-being is also the reason we consider products' origin and how they are produced. MAXIMA Lithuania stopped using cage eggs in all private label products as of the end of 2021. They are being substituted with non-cage (barn) eggs. Following MAXIMA Lithuania's example, Maxima Latvia, Maxima Estonia and T-MARKET have now set their own goals for removing cage eggs from their private label assortment in the near future.



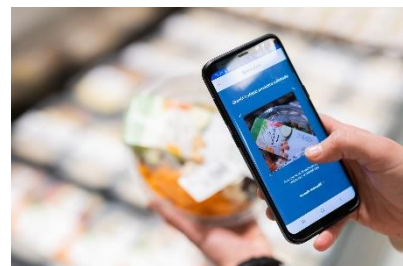
A BETTER SHOPPING EXPERIENCE

For MAXIMA, digitalization is about more than just offering e-commerce. It is also about simplifying shopping in stores. Customers do not want to lose time making decisions, searching for products, standing in queues and preparing meals. We are addressing this need with simple solutions that make life easier for them: e-commerce, ready meals, self-checkout, self-scanning, and cardless customer programmes.

Our self-checkout system is constantly expanding. To date, the Group's stores have a total of 2,503 self-checkouts. At MAXIMA Lithuania, users of self-service checkouts increased by 5% in 2021 and by year-end included 41% of all buyers. Such trends are not surprising, as customers increasingly value more convenient and – now especially – safer shopping, where contact with store employees can be minimised or even eliminated.

The Scan & Go checkout service enables shoppers to scan products using a portable scanner, place them in the bag, and pay for them in a special payment area without having to removing items from their bag. In Lithuania and Latvia, Scan & Go has already been implemented at 20 stores, while in Estonia, MAXIMA customers can use it at all stores, scanning products with the MAXIMA APP. This shows that customers value their time and seek a quicker, more convenient shopping experience. In 2022, MAXIMA plans to implement Scan& Go at even more locations across Lithuania and Latvia.

BARBORA Lithuania has introduced "Drive in" stations to help customers save time. Once an order has been placed and paid for, they can collect it at the "Drive in" station. BARBORA's pickers prepare it within half an hour and deliver it directly to the car. Whether you forgot something on your shopping list, want to buy one item, or do your full weekly shopping, it will be ready in just 30 minutes.





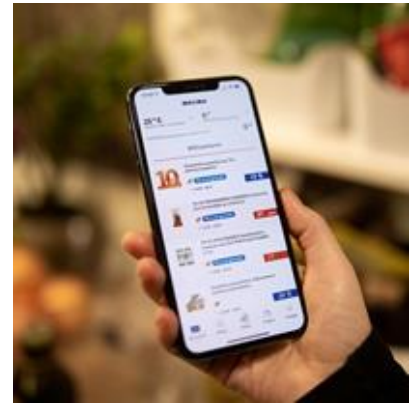
We have set ourselves goals to strengthen the loyalty of all customers while meeting each one's needs. The AČIŪ programme is a key means of doing so. AČIŪ loyalty cards in Lithuania, PALDIES loyalty cards in Latvia, AITÄH loyalty cards in Estonia and БЛАГОДАРЯ loyalty cards at T-MARKET help us know our customers and thank them for their loyalty. The AČIŪ programme helps us segment our customers and make individual offers. At MAXIMA Lithuania and MAXIMA Latvia, we have expanded loyalty card benefits. Now people can join *clubs* and get special offers for what they need. For example, if you are enthusiastic reader, you can join a "Readers club" and get a 20% discount on books throughout the year. Or if you are cheese fan, you get special offers on cheese. MAXIMA Lithuania now has 9 clubs and MAXIMA Latvia – for now 2 clubs that customers can join based on their everyday needs.

COMMUNICATION WITH CUSTOMER

We make a huge effort to make sure all communication with customers is true, transparent, and up to date. Our communication principles are based on our customer service standard and follow international good practices for trade and advertising.

Customers access information on our offers via many different channels, such as advertisements in newspapers, weekly leaflets, customer magazines, TV commercials and our official websites. In-store customer contact is of paramount importance to us. Our store employees are our most important brand ambassadors. We also have information and communication channels on social media networks like Facebook, LinkedIn and Instagram.

Our customers expect efficiency and speed when they ask for something. MAXIMA Lithuania manages customer requests through a "Customer Request Management" system. Requests may be made by phone, e-mail, post, website, in person at stores or on social networks. MAXIMA Latvia addresses such requests with a customer complaint and recommendation response procedure. STOKROTKA has a Customer Service Office which replies to customers as soon as possible and always within seven days. These services are available 24/7. Similar customer service lines are used in other countries and by BARBORA.





RESPONSIBLE SHOPPING

MAXIMA Lithuania is set to reduce plastic consumption by 30% by 2025 and ensure that all plastic packaging for its private label products is 100% recyclable. A variety of focused initiatives are underway to help reduce the use of unnecessary plastics. As of 2021, BARBORA Lithuania has completely eliminated plastic bags for delivery and all products are now delivered in recyclable paper bags. All our stores across countries offer cardboard boxes, jute fibre, recycled paper and/or recyclable plastic bags for customers to carry what they buy. While there is a wide range of alternatives for sustainable packaging today, it is important to respect the principles of the circular economy. That means assessing the total pollution in the entire life cycle of the packaging in terms of both air (GHG) and water, as well as the resources required for the production and recycling of packaging, waste generation, and recycling.

The world is changing, and it is good to see that implementing green ideas has become an important topic of dialogue with all our manufacturers. Decisions adopted and supported jointly by responsible businesses can strongly contribute to positive change for our environment.



LIVING WITH COVID

The safety of our customers is a priority. Extremely strict hygiene requirements have been introduced in all our stores. After each use, shopping carts and baskets are disinfected, and other surfaces are also regularly disinfected: cash registers, stacking areas, scales, card readers, and so on. Stores are cleaned more often, and their ventilation systems have increased fresh air circulation. We continue to provide free facemasks for all customers and comply with each country's legal requirements for safe shopping. Thus, we control the number of shoppers in every store, place two-meter distance markings on floors, and use printed, audio, and video messages to remind customers to wear masks, avoid standing in groups, and observe safety rules. MAXIMA Lithuania, given today's global situation, is helping to promote vaccination among our customers. Working with municipalities and in stores, we have held promotional and informational campaigns and encouraged vaccination at mobile vaccination points set up in store parking lots. The safety of our customers and employees continues to be our priority.



OUR ENVIRONMENT



More than

70%

of our total waste is
recycled



More than

47%

of electricity consumed
by us is from renewable
sources



OUR ENVIRONMENT

The Group's wide range of activities as a retailer have an impact on climate and the environment. This is a result not only of the products we sell but of our entire operations. Our attitude aligns with the commitments we made as a signatory to the United Nations Global Compact's environmental principles. We continue to find and learn ways to reduce our environmental impact by adapting circular economy principles, whether in purchasing, logistics and store organisation, or in educating employees and customers. Identifying and addressing our sustainability priorities, we continue to counteract climate change through more energy efficient operations, responsible waste management, and prevention of food waste, all the while applying circular economy practices. In 2021, more than 70% of our total waste is recycled and more than 47% of electricity consumed by us is from renewable sources. The T-MARKET chain so far is ahead of the curve, as all of its stores are 100% powered by renewable energy.

In thinking about the world's future and our Group's future, the environment is an aspect we consider. One of the major factors affecting our business is climate change. Climate change can have serious effects on the food retail industry, impacting agriculture and other major components. We have seen that produce can be exposed to unexpected environmental factors like droughts, heavy rain, floods, and wildfires. The Group tries to mitigate the risks of climate change by remaining attentive to the situation around the globe and taking whatever steps it can. All our businesses work to reduce energy consumption at all levels. We recognise that it is not just us but also our suppliers also who must take responsibility for actions with an impact on economic growth, social welfare, and the quality of the environment. Our Code of Conduct, in effect since 2019, reflects the efforts of the Group's companies to strengthen sustainable collaboration with suppliers, promoting compliance with relevant and applicable environmental protection laws, regulations and standards, promoting responsibility for the environmental impact of their operations, encouraging usage of technologies that are not harmful to the environment and to follow environmentally friendly business practices, including respect for human rights and business ethics. While each of our companies has individualised their commitments and implementation, we are all looking and headed in the same direction.





CLIMATE AND ENERGY EFFICIENCY

We believe in saving energy at every stage of our business and the environmental expectations we must meet have never been higher. Our customers rightly ask us about how we conduct our business responsibly from the start of sourcing to the moment product ends up in their basket. Here is how we address energy efficiency within our logistics processes, store activity, and office infrastructure. All our countries have robust environmental management systems in place. MAXIMA Lithuania uses ISO 14001 accreditation, which helps to improve environmental performance through more efficient use of resources and reduction of waste. MAXIMA Latvia uses the ISO 50001 standard to help continually reduce their energy use and therefore their greenhouse gas emissions.

LOGISTICS: In recent years we have made positive progress in transport and logistics. All our Baltic companies and T-MARKET use a transport planning system to identify, create and improve optimal routes. This reduces the negative impact of transportation of our goods by avoiding unnecessary travel. MAXIMA Latvia uses a “car-train” solution to be able to distribute up to twice as many goods and reduce emissions. Meanwhile, 78 trucks operated by STOKROTKA are Euro 6 compliant, and at MAXIMA Latvia more than 90% of logistic services are provided with vehicles that meets the Euro 7 emission standard and are no more than 10 years old. Supply chain initiatives have been an important start and we continue to find ways to improve our logistics. For example, MAXIMA Latvia is testing vehicles with a liquefied natural gas engine that reduces the release of carbon dioxide into the atmosphere by up to 80%.

All our distribution centres in Latvia, Lithuania, Estonia, and Poland use LED lighting, which is significantly more efficient than fluorescent and lasts longer than incandescent lights. Motion-detected lighting regulated to different levels of brightness also helps save and use energy efficiently.

Total energy consumption within the Group

	2021	2020
Total electricity consumption	388,392.10 (MWh)	497,067.92 (MWh)
Total electricity consumption from non-renewable sources	203,627.75 (MWh)	287,550.93 (MWh)
Total electricity consumption from renewable sources	184,764.35 (MWh)	209,516.99 (MWh)
Total heating energy consumption	111,302.78 (MWh)	113,538.42 (MWh)
Total energy consumption	499,694.88 (MWh)	610,606.34 (MWh)



STORES: Our stores are the final stop in our supply chain and in stores we can control the biggest part of our energy use. We are improving our stores by implementing advanced solutions. The T-MARKET chain so far is ahead of the curve, as all 98 of its stores are 100% powered by renewable energy. All our operators use energy control and management systems to monitor, control, measure, and optimise energy consumption. We agree with the attitude that it is the things that get measured that get improved. When measuring and monitoring energy consumption in stores, we can see precisely where improvements are needed. All new and renovated stores in Lithuania, Latvia, Estonia, Bulgaria and Poland use LED lighting solutions. Compared to incandescent bulbs or fluorescent light bulbs, LED luminaires not only use less energy but also last longer. Thus, LED bulbs can provide illumination for up to 100,000 hours – about 11 years. They do not contain any environmentally harmful elements and the bulbs are completely recyclable. Also, some MAXIMA Lithuania, MAXIMA Latvia, MAXIMA Estonia and STOKROTKA stores use systems of natural refrigerators and freezers fitted with doors and covers that avoid unnecessary energy consumption. To reduce carbon emissions associated with cooling and air conditioning systems, we use leak control technologies.

OFFICES: Our concept for sustainable workplaces includes energy-saving initiatives, avoiding the heating and cooling of unused spaces, and putting the emphasis on improved buildings, design, and location. The offices of STOKROTKA, MAXIMA Lithuania and MAXIMA Latvia use energy control and management systems to monitor and control the efficient use of energy. The offices in all countries also use LED lighting solutions and, in most countries, also motion-detected lighting. So, if fewer people are in the office, less lighting is needed. As less and less paper is used in day-to-day operations, we are reducing the overall number of printers and using ‘follow me’ printing to ensure documents are not printed until an employee collects them by swiping their access badge.



GHG EMISSIONS:

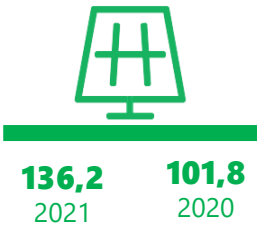
SCOPE 2

2021	177,264.36	tones CO2 eq
2020	210,938.57	tones CO2 eq

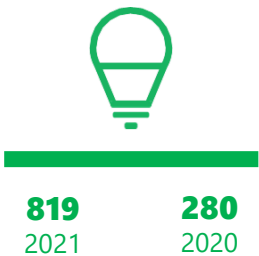
SCOPE 1

2021	14,340.48	tones CO2 eq
2020	17,321.73	tones CO2 eq

Total electricity produced by
our solar power stations (MWh)



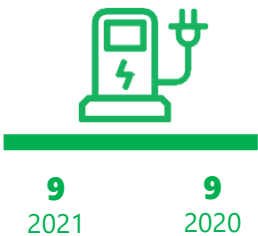
Number of stores with LED
lighting



Number of stores with
natural refrigerants
(CO2, WL)



Number of buildings with
electric vehicle charging
stations (both owned or
leased parking lots)



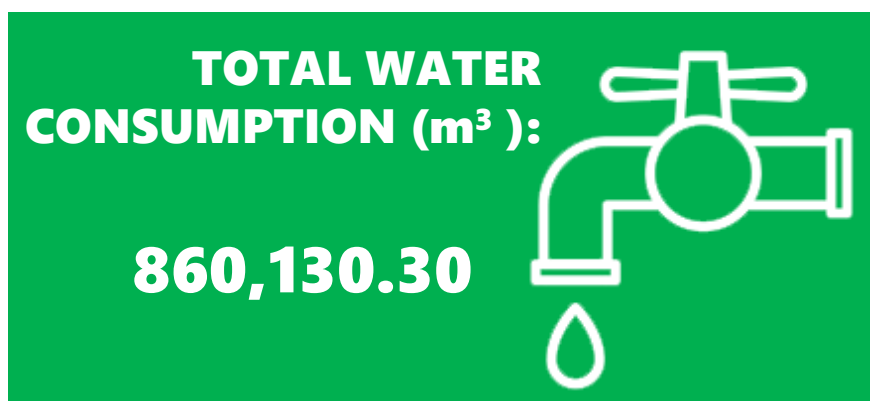


WATER

Water is the most essential natural resource on earth. As people's needs grow, water use increases. If ten years ago everybody thought water was an inexhaustible resource, today that has changed drastically and there is less of it to go around. We are doing our bit to tackle water shortages by improving the efficiency of water use across our operations and implementing water-saving initiatives. Through robust water stewardship, we are addressing and managing all areas of water vulnerability in our business. We recognise the tension between protecting freshwater supplies and needing it to operate our business. Hence, we continue to maintain and enhance best practices in managing the quality of water leaving our site.

As a retailer, our Group depends on water to power our operations. True, we do not do any manufacturing and view ourselves as a minor water resource consumer since water use is only essential for the operation of our stores, distribution centres and offices. But we still think about how to lower reduce that usage. Properties managed by the MAXIMA Group use water from municipal water supplies in all our countries of operation. The largest use of water is at our food production and preparation facilities. All other use is for cleaning and employees' personal needs. We seek to reduce our water consumption as much as possible. At all our Baltics stores as well as our production, warehouse and office facilities, we use water-efficient systems like water flow regulators to reduce consumption and taps with timers/sensors to help prevent wasting water. Given the nature of their business, our stores and other facilities do not produce heavily polluted wastewater. Nevertheless, wastewater treatment and recycling systems have been introduced in all countries. In all the Baltics and at T-MARKET, our production facilities and stores use grease traps to prevent grease entering municipal sewer systems.

Following the good example of MAXIMA Lithuania, which eliminated all live fish aquariums in stores, saving around 30,000 m³ of water per month, MAXIMA Latvia in 2020/2021 also eliminated aquariums. We no longer have live fish aquariums at our stores in any country.





MATERIALS AND WASTE MANAGEMENT

The large increase in the amount of waste produced worldwide places a considerable burden on the environment. One of our aims is to avoid waste and reuse or recycle materials wherever possible. We believe that to for our impact to be sustainable, a circular economy is needed that designs out waste, uses fewer materials and materials with lower environmental impact, including alternatives to plastics, and makes reuse and recycling easier. We listen to our customers and hear their concerns about the impact of plastic packaging. We want to use data to make informed decisions, drive positive system changes and understand the holistic impact of plastic packaging changes.

Over the life cycles of our products – whether food or non-food – the largest amount of waste is generated during production and after use by customers. As an intermediary station in the chain, retail usually involves the least waste, and it mainly consists of transport packaging and waste generated at stores. Perishable food products that have not been sold in time are also a source of waste. All our companies have integrated steps into their day-to-day operations to manage and to reduce their waste-related impacts as much as possible. Some of these steps are:

- ✓ Resource-efficient manufacturing process assessment;
- ✓ Strict requirements for fresh food producers and suppliers to maintain food freshness and quality;
- ✓ Optimization of ordering and forecasting of goods for sale;
- ✓ Continuously monitoring and managing the temperature of refrigerators in all distribution centres and stores;
- ✓ Selling products that are close to expiration at a discounted price;
- ✓ Donating food products;
- ✓ Training employees to properly separate waste and what has reuse potential;
- ✓ Recycling stations/bins at all sites (shops, warehouses, etc.);
- ✓ Campaigns to educate customers on food waste;
- ✓ Partnership with organisations in waste management and many more.



PLASTIC

MAXIMA Lithuania has set a target of 2025 to have all private label packaging 100% recyclable, while MAXIMA Latvia aims to replace all plastic carrier bags with ones made from recyclable and sustainable materials. To that end, data on the use of plastic in our operations was analysed looking for possible ways to avoid plastic or replace it with more environmentally friendly material. As of last year, MAXIMA Lithuania, MAXIMA Latvia, MAXIMA Estonia, T-MARKET and STOKROTKA do not offer or sell single-use plastic items like cotton bud sticks, cutlery (forks, knives, spoons, chopsticks), plates, straws, beverage stirrers, balloon sticks, expanded polystyrene food containers, beverage containers, cups or items made of oxo-degradable plastics (excluding those in stock). All such items have been replaced with others that have a smaller negative impact on the environment.

All our companies are moving towards plastic-less shopping. In all our stores across all regions, we offer customers less harmful alternatives for carrying their purchases home. All our stores offer a selection of recycled paper bags, reusable bags, and even cardboard boxes left from unpacking products. At MAXIMA in Latvia and Lithuania, cloth bags are available for customers to purchase once and reuse multiple times. Customers are also allowed to use their own re-usable food containers when buying weighed food instead of single-use plastic dishes. STOKROTKA has introduced paper bags at an attractive price and offers reusable bags for fruits and vegetables. MAXIMA Estonia is in the process of changing plastic bags for fruits and vegetables from plastic to bio decomposable.





Our e-commerce leader BARBORA made big changes in this area. As a food delivery company, it must follow strict legal regulations for product packaging and for separating food and non-food items, frozen goods, and so on. So, customers end up with more bags than if they went to a store in person. But as of 2021, BARBORA Lithuania has completely eliminated plastic bags for delivery and all products are now delivered in recyclable paper bags. To highlight this big change and make the transition as smooth as possible, our e-shop, with the help of a Lithuanian sustainability promoter, launched a series of videos on how to creatively reuse paper bags. About 40 different ideas were presented for what can be made from simple paper bags. To make it even more engaging for customers, at Christmas time BARBORA invited everyone to participate in small initiative to make a Christmas stocking from a recycle paper bag and leave it for the courier to fill with a little present. Nobody expected such active participation – in less than a month couriers delivered nearly 15,500 stocking gifts to customers.



SEPARATING WASTE

We endeavor to make recycling simpler and more convenient for our employees as well as for our customers. Viewing waste as a commodity is the essence of a circular economy and is decisive for reducing MAXIMA's carbon footprint. Sorting of fractions of various materials is even more important in stores than in warehouses due to smaller package sizes. All our stores have a recycling station. T-MARKET stores have special paper presses for more efficient disposal of transport packaging by separating the plastic from paper and transferring both for recycle. MAXIMA Lithuania trained all store and warehouse employees for how to recycle correctly and minimise waste that goes to landfill. At the chain's recycling stations, employees find detailed instructions regarding what waste goes where, what is recyclable and what is not, to maximise recycling. We not only train our employees but also encourage and help our customers to recycle.

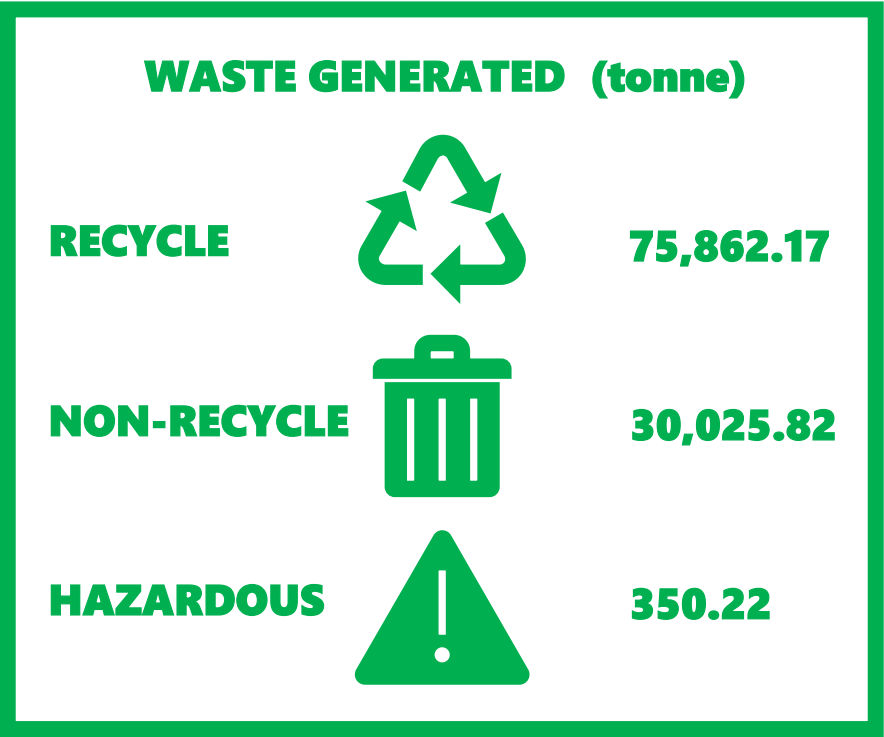


Starting in February 2022, MAXIMA Latvia implemented a container deposit system in stores to manage and collect plastic, glass and tin containers for recycling. MAXIMA Lithuania has had a container deposit system since 2016.

We also offer front-of-store recycling stations for plastic and cardboard and some electronics. All Baltic operators provide bins for customers to return used batteries and small devices no longer suitable for us, like phone chargers and extension cords. These are handled internally and by our hazardous waste vendor, which recycles them and provides tracking data. Outside its bigger stores, MAXIMA Lithuania works with municipalities to provide a collection container for recycling bigger electronics, like old radios, TVs, washing machines and even car batteries. We continue to educate the public about sorting waste and waste reduction.

MAXIMA Estonia eliminated all paper receipts at self-checkout counters last year and gave customers the option to choose to print a receipt or not when prompted. MAXIMA Lithuania introduced similar option in early 2022 except that once a customer chooses to not print a receipt at self-checkouts in the MAXIMA APP, the choice is retained so that the person shops again, they do not have to choose again, an e-receipt goes straight to their email.

STOKROTKA, MAXIMA Lithuania, FRANMAX and some other companies have implemented electronic invoicing systems and DMS, allowing us to save even more paper in those ways.





REDUCING FOOD WASTE

The UN Environment Programme estimates that one-third of all food produced in the world is lost or wasted and if food waste was a country, it would be the third largest greenhouse gas emitter in the world. As one of the biggest retailers in the Baltics, we must take action to prevent and reduce food waste in our operations and to educate people as widely as possible about how to stop food waste. That is why MAXIMA Lithuania and MAXIMA Latvia are putting their foot forward and setting the goal of reducing food waste by 30% in their own operations by 2025.

We are taking multiple paths to reducing food waste. It is very important that products are stored and transported in ways that keep them from spoiling. To reduce food waste, we have consistently raised the efficiency of supply and storage processes. We use intelligent route planning systems for our logistics, so transportation of food products is more efficient, faster and without losses. Innovative, environmentally friendly food storage solutions are being introduced in MAXIMA stores and distribution centres. Energy-efficient heating and ventilation systems and advanced refrigeration systems not only save energy but also allow us to keep products fresh longer.

We carefully watch our replenishment approach not to hold more food than we think we will sell, and we stock what is relevant to a particular store and the customers it serves. We use intelligent systems to help more accurately forecast and order the required quantities of products. We continue to improve our inventory calculations, forecasting and merchandising solutions, and to offer customers discounts on food close to expiration. In the summer of 2021, MAXIMA Lithuania and BARBORA, together with a local Lithuanian vegetable producer, started a campaign with the funky name of “Beauty and the Beast” on welcoming non-standard vegetables into customers’ homes. The law regulates the quality standards for what vegetables can be sold in shops. With the support of government, this zero-waste initiative gave us an opportunity to directly introduce consumers to vegetables of non-standard form but with the same taste, nutritious value and a one-third lower price. It is estimated that more than 100 tonnes of food were saved and ended up on dinner tables.





We feel a big responsibility to reduce food waste as effectively as possible. For food that is still fit for consumption, we use in-store campaigns and technology to promote it and donate it through our trusted food bank partners. In 2021, MAXIMA Lithuania donated 325 tonnes of food, MAXIMA Latvia 399 tonnes and MAXIMA Estonia 135 tonnes. We are very proud of our joint efforts with food banks in all the countries where we operate, and we are also proud to have partners that help us reuse food not suitable for donations to food banks. Products like that which have reached the end of their shelf life are used for animal feed, compost, biomass, electricity, and heat production. For example, 132 tonnes of food waste no longer suitable for human consumption, including vegetables, fruits, and bread, were collected by MAXIMA Lithuania and given to farmers who feed livestock and poultry or make compost with it. To prevent unsold food from ending up in landfills, MAXIMA Lithuania sends products that are no longer suitable for consumption (676 tonnes of plant waste, 30 tonnes of fat, and 195 tonnes of animal by-products per month) to one of our partners who converts them into biomass and biogas. We also collaborate with a high-quality, certified company that collects and converts used oils into biodiesel.

Animal welfare is part of our sustainable business approach. As of 2021, there are no more aquariums with live fish at any MAXIMA Group stores. MAXIMA Lithuania and MAXIMA Latvia have also announced that they will seek to phase out caged hen eggs by 2025. We are implementing these decisions gradually, to ensure a smooth and consistent transition.

Waste handed to farmers (tonne)

	2021	2020
Food waste of animal origin	136.69	134.6
Waste of non-animal origin	132.45	256.0
Fats' waste	3.5	5.6



OUR SUPPLY CHAIN



5,000

More than suppliers



More than 78 %
of the Group's suppliers are
local* (more than 95% in
some countries)

* Local supplier means a supplier or service provided whose at least one product or service offered for procurement is produced in operating country.



The supply chain is especially important for MAXIMA GRUPÉ as its reliability determines whether customers will find needed food and other products on our stores' shelves every day. We strive to be a valued long-term partner, empowering our partners to develop and flourish together with us. Three core principles form the basis for our close cooperation with strategic partners: respect, trust, and transparent communication. And we expect the same standards of business ethics from our partners. We are aiming to improve the processes for communicating our standards and policies, such as anti-corruption trainings and application of the Supplier Code of Conduct. Our suppliers are increasingly focusing on the sustainability of their activities. Our companies regularly review the conditions of cooperation with our suppliers to ensure mutual benefits and the best choices for our customers. Furthermore, we maintain close cooperation with almost 3,000 local suppliers and take measures to strengthen this cooperation.

In 2020, we adopted a Supplier Code of Conduct, which reflects the efforts of the Group's companies to strengthen sustainable collaboration with suppliers, promoting practices that are lawful, professional, and fair, including respect for human rights, business ethics and environmental protection. We expect suppliers to comply with all relevant legislation and regulations in the countries in which they operate, and to behave fairly, respectfully and justly towards their employees, providing them with a safe and healthy work environment. We also expect suppliers to operate in accordance with environmental laws, regulations, and standards, and to take responsibility for the environmental impact of their activities.

A core focus in our work with partners is achieving mutual understanding and agreement on practices and expectations. Transparent communication is one way to address this. MAXIMA GRUPÉ's Anti-Corruption Policy includes principles of transparency as well as requirements and guidelines for anti-corruption practices in our everyday work and communication with partners. A trust line is maintained at the company where anyone, including our partners, can anonymously report possible cases of corruption or other unlawful activity in the company.

We are striving to improve the processes for communicating our standards and policies, such as anti-corruption trainings and application of the Supplier Code of Conduct. As of 2021, the Code is included in every new contract with a supplier and is available to any potential partner on our company's website.

The majority of our supply chain is managed country individually handles about 84% of product choice, negotiation, and purchasing processes and is tasked with increasing regional and local sourcing. MAXIMA International Sourcing provides centralised sourcing – the remaining 16% of the Group's supply chain. It provides Group companies with purchasing and negotiation services and develops private label brands. As a wholesaler, MAXIMA International Sourcing buys goods from suppliers and delivers them via warehouse or directly to operators. This highly centralised delivery model increases operating efficiency and allows the Group to better control the quality of its products and services.





PARTNERSHIPS WITH SUPPLIERS

We are grateful for the dedication and cooperation of our suppliers. Thanks to them, our customers in the countries where we operate have access to fresh and high-quality products.

We regularly review the conditions of cooperation with our suppliers to ensure mutual benefits and the best choices for our customers. MAXIMA Lithuania, in cooperation agreements with Lithuanian manufacturers and suppliers, has revoked legal provisions on fines for delays in delivery of goods. We continue working with suppliers to find common solutions based on mutual trust that will strengthen our trust-based partnership.

Each company carries out internal procedures and audits to assess suppliers' reliability and transparency. Before starting to work with them, a supplier must submit a whole list of documents based on which we verify its financial situation, credibility, and fulfilment of tax obligations. Potential risks are identified and analysed. To mitigate risks, our companies are generally taking the following measures: preparation and updating of contract templates and other documents used in cooperation with suppliers, training of managers and employees on issues related to the risk occurring in cooperation with suppliers, and implementation of procedures. While working together with suppliers, we monitor information from the market and regarding their public financial obligations.

Suppliers are selected on the basis of strong quality standards and locality to the Group's stores, since we strive to ensure products are of high quality and fresh. Suppliers are also evaluated in terms of production, service, and product quality. All our operators perform planned and ad hoc laboratory testing or audits to verify safety characteristics of products. Most non-food items are purchased through MAXIMA International Sourcing, which also assures that their quality is checked – when a product is introduced, manufacturers submit certificates for assessment and the product is tested at in-house laboratory.

Close partnerships with our suppliers allow us to offer customers fresh, high-quality goods for affordable prices. Group companies periodically organise joint projects and campaigns together with suppliers. In 2021, MAXIMA Latvia organised a price reduction initiative which aimed to long term lower the prices on hundreds of everyday essentials, with discounts of up to 57% on both Latvian products and leading global brands. New products were also made available in various categories: food, household items and a range of other high-quality goods.





RESPONSIBLE SOURCING

In refining our assortment of products, we aim to increase the variety of sustainable items. Certifications and labels play a key role in ensuring responsible sourcing. STOKROTKA has a procedure for introducing organic products and guidelines for their delivery.

We are pleased to see that suppliers are increasingly focusing on the sustainability of their activities. Our Supplier Code of Conduct reflects the effort of MAXIMA GRUPĖ to strengthen the sustainability aspect of collaboration with suppliers and promote sustainable business practices.

We are working with our suppliers to provide our customers with more environmentally friendly and animal welfare-friendly products. In 2021, we finally eliminated all live fish aquariums in MAXIMA Lithuania and MAXIMA Latvia stores. And effective cooperation with the suppliers has allowed our companies to provide alternatives to single-use plastic products. We offer our customers a choice of single-use products made of paper, wood, recyclable plastic, and other environmentally friendly materials.

In addition, our assortment of food produced locally and regionally depends on responsible sourcing: short transport routes, product freshness and the support of local businesses.





LOCALITY

Our customers take great interest in locally produced products, especially fresh food, and our companies continue to offer a wide selection of locally sourced items in stores. We maintain close cooperation with almost 3,000 local suppliers from Lithuania, Latvia, Estonia, Poland, and Bulgaria, from small family farms to large local food producers. Therefore, our most important priority remains high-quality and fresh products that are locally produced.

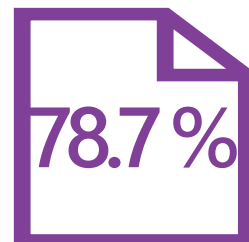
A wide range of products from local producers is available in our stores. Their share of sales in certain categories can be up to 90%. By concentrating on products from local brands, we create added value for the entire economy of the countries where we operate, in synergy with our customers and partners.

We are committed to local partnerships, to helping local farmers and producers enter the market and grow. Because we value cooperation with local farmers and manufacturers, we will continue to seek ways to meet the changing needs of our customers and strengthen the popularity of local products. One way we can help our suppliers is by encouraging our customers to shop locally through product listings, advertising, and joint communication campaigns. Our retail chains organise such campaigns at least 2 or 3 times a year.

We take additional measures to strengthen collaboration with local suppliers. MAXIMA Estonia has introduced simplified contracts for small local producers. That creates opportunities for start-ups and small business growth, thus promoting a more diversified, robust economy.

We want to foster long-term partnerships because we know that reliable relationships ensure reliable products.

Proportion of spending on local suppliers within the Group*



LIVING WITH COVID

We are proud of the business partnerships that have allowed us to coordinate efforts to fight COVID-19. We know we can count on our trusted suppliers to step in and help our common communities. In 2021, disruptions in the supply chain continued due to the COVID-19 pandemic. Failure to meet delivery deadlines was often due to reduced production capacity as a result of sick workers, shortages of raw materials, delays on account of logistics disruptions in other countries, and so on. We managed to deal with all the difficult situations and continue to work together with our partners to ensure a continuous supply of goods to stores.

The Group continued to provide rent concessions to tenants that suffered from the lockdown. MAXIMA Lithuania has shown solidarity with small and medium-sized enterprises whose activities were restricted or completely suspended, reducing their rents by up to 50%.

*Local supplier means a supplier or service provided whose at least one a product or service offered for procurement is produced in operating country.

Percentage of the procurement budget that is spent on local suppliers.



OUR COMMUNITIES



Items



Community
support



Food



Money

3.3
million
euros in
donations



OUR COMMUNITIES

As a local corporate citizen in each of our operators' countries, the Group is driven to contribute to local economic development, community outreach and support, social unity and the fight against poverty and exclusion. To us, responsibility means making a positive contribution to the community by bringing our skills and resources to bear beyond just our core business operations. We are actively committed to environmental and social issues, especially in the regions where we do business. Charitable donations, whether in the form of money or donations in-kind are important part of our commitment to social responsibility. Group companies are encouraged to get more involved in community support partnerships with food banks and other leading non-profit associations, to develop local community initiatives and to support their efforts. Total value of donations by MAXIMA Group in 2021 amounted to 3.3 million euros. Our activities and funding priorities in this area are specifically adapted to the diverse needs of individual regions. Each country's team defines them based on the local social situation, pressing concerns and vulnerable groups, to meet the specific needs of the people who live there and thus improve their environmental and social development. Purpose of support vary from helping people in need, development of local communities to supporting education of young generation and healthy family lifestyle. We feel privileged to have the opportunity to contribute to our local communities.





LOCAL COMMUNITIES

We strive to be as active and involved as possible in the life of each community where we operate, adding value by creating jobs, providing necessary goods, and contributing to community projects. To be attentive to the needs of our communities, we maintain a close dialogue with the people we serve. Our business is continually expanding, and we attach great importance to taking local needs into account when opening or enlarging stores. In preparation for construction or renovation, we responsibly coordinate works with the relevant authorities. All building plans are assessed for both environmental and social impact. The impact assessment is then publicised on the website of the responsible authority, in the construction information system, and, in some countries, on the bulletin board of the authority, on a stand next to the project site, and/or at a public meeting. We always listen to, consider, and respond to public opinion, trying to find optimal solutions for all parties.

For seven years, MAXIMA Lithuania has been running a “WE ARE COMMUNITY” programme. It aims to support Lithuanian communities that create alternative spaces for education, leisure, and entertainment, increase opportunities for non-formal learning and employment, and develop infrastructure for education, culture, and sports. A total of 14 local initiatives were funded and invigorated during 2021 in different Lithuanian regions. Projects vary widely: from supporting, transporting, and engaging people with disabilities to involve them in community activities, to cultural, educational, and artistic spaces for communities to gather and be active. MAXIMA Lithuania also supports cities initiatives where they exist. This year a total of 6 cities initiatives were funded, for Šiauliai, Plungė, Visaginas, Anykščiai, Širvintos, and Švenčionys. The goal is to support community events and to unite the people living there.



SUPPORT TO COMMUNITY DURING EMERGENCY

This year MAXIMA Lithuania helped not only local communities, but also communities that find themselves in a difficult situation on the Lithuanian border. This autumn, a state of emergency was declared due to migrant flows on the border of Lithuania. Thousands of migrants were stuck in between borders without essentials. To take care of migrants who entered the country and particularly help families with children, MAXIMA Lithuania provided the Lithuanian Red Cross with canned goods, hygiene items, infant formula, special baby bottles, diapers and other essentials with a total value of almost 65,000 euros. Since the crisis at the border continued into the Christmas period, the company also donated Christmas presents for children, winter clothes, food, and a Christmas symbol – a fully decorated Christmas tree – in a wish to at least try to help ease this difficult period.



PROMOTING HEALTHY LIFESTYLE

Our future depends on how we live today and one of the most important matters is our own and our children's health. All our companies are committed to improving the health and well-being of youth. MAXIMA Latvia has been a supporter and official partner of the Latvian Athletics Association for four years now. Their ongoing support lets children benefit from Latvia's "Kids Athletics" programme. Through this programme, MAXIMA Latvia and the LAA are helping children learn the basics of athletics, increasing diversity in athletics training at schools, and providing equipment and training itself. By making training more accessible and engaging for children and their families, interest in pursuing athletics at a professional level is also created. MAXIMA Latvia has also been working with the Latvian Orienteering Federation for the last two years. It supports initiatives like "Orienteering Night" – a nationwide event with more than 2,800 participants in 15 cities. The main purpose is to create new opportunities for children and families to spend time outdoors and live an active lifestyle. T-MARKET, meanwhile, provided healthy and nutritious food products to the Basketball Club in the "A" group of the Bulgarian Basketball League for the 2021/2022 season.





SUPPORTING THOSE IN NEED

Unfortunately, our communities face many health challenges. The Group's companies prioritise and support solutions in this vulnerable sphere. We encourage all to be involved in initiatives to support children in need, elderly people, people battling illnesses and anyone who needs help to ensure their basic human needs.

MAXIMA Latvia collaborates with responsible local producers to supply the Children's Hospital Fund with high-quality fresh local goods every day. The initiative, known as "EAT WITH JOY" (Ēstprieks), aims to provide healthy to the hospital's young patients as well as to educate society about the importance for children of a healthy, balanced diet, which plays a crucial role in the recovery process. With the donated funds and products, the hospital has fed some 15,000 patients this year, serving 48,000 delicious and healthy meals. In 2021, 12 episodes of a show on healthy nutrition, "Discover the Joy of Appetite" (Atklāj Ēstprieku), were made to educate parents about the importance of a healthy diet for children and young adults. Surveys of patients at the Children's Hospital show satisfaction with hospital meals increased 28% during the year.

MAXIMA Latvia continues its long cooperation with the Poga rehabilitation centre. The goal is to help children with disabilities and raise awareness in society. This year's donations are focused on ergotherapy courses for young Poga patients and on installing a water treatment centre at Poga which will be finished in 2022.

SOS Children's Villages is an organisation that cares for children in difficult situations, doing all they can to help children grow up in happy and safe families. MAXIMA Lithuania not only supports them, but also encourages others to do the same. In cooperation with organisation, we have installed contactless donation machines in our stores so everyone who would like to support SOS Children's Villages can do so easily. During 2021, we increased the number of such machines from 100 to 200.

MAXIMA Estonia continues their beautiful tradition in the Christmas period of fulfilling the gift wishes of children from low-income families to make their festive season happier. Customers can take an angel from an Angel Tree in our stores and buy the gift indicated. Over the years this campaign has been very well received by shoppers, who are quick to take all the gift wishes from the Angel Trees and even ask for more to be provided. When the wishes run out, there are customers who simply bring gifts and ask them to be given to children. This year more than 2,000 children's wishes were fulfilled.





FOOD DONATIONS

During the year, we run numerous initiatives in all the countries where we are focused on providing for essential needs. Some of these include:

STOKROTKA: Like every year, last year support was given to Polish Red Cross charity activities for local communities, involving food distribution to people in need. STOKROTKA donated essential food products to the Red Cross for delivery in local communities to seniors and low-income families. STOKROTKA also supports local collection centres of the Great Orchestra of Christmas charity and provides food donations for volunteers of an annual charity fundraiser. Christmas time is not easy for everyone, and STOKROTKA works with Little Brothers of the Poor Association to prepare and distribute Christmas food packages to lonely seniors, to put the smile on their face and contribute to their joy.

MAXIMA Lithuania: 18 years of working together with Lithuanian Food Bank continues. The Food Bank's traditional autumn and spring campaigns took place all over MAXIMA Lithuania stores, aiming to gather as much support as possible in the form of non-perishable products for socially vulnerable people in Lithuania. During these campaigns, shoppers at MAXIMA Lithuania's stores donated almost 200,000 units of food, the value of which exceeded 175,000 euros. The products were distributed to more than 300 non-profit organisations that care for various socially vulnerable groups: large families, low-income disabled people, the elderly, the unemployed, single mothers, and people in social crisis. Additionally, every month, the retail chain donates and distributes food products for more than 40,000 euros. Thus, people living in deprivation receive food several times a week.

MAXIMA Estonia: In 2021, 135 tonnes of food were donated to the Estonian Food Bank to reduce food waste and provide essential food to people and families in difficult situations and in need of such help. MAXIMA Estonia organised food drives in 15 stores several times a week, where customers are able to buy and donate food themselves.





T-MARKET: With a huge desire to make Christmas holidays happy for children deprived of parental care, young adults, and adults with disabilities, as well as elderly people from nursing homes, T-MARKET participated in the Christmas Charity Campaign of the St. Nicholas National Fund in Bulgaria. Christmas and New Year parties were organised for 350 children and young adults as well as 180 adults.

T-MARKET donated festive food and beverages for the celebrations. T-MARKET also supported the Municipality of Novi Iskar in its Christmas initiatives by donating food products to make the holidays brighter for children from the municipality and socially disadvantaged families.

MAXIMA Latvia: For several years now, MAXIMA Latvia have been promoting donations of food to organisations to help the most vulnerable. In the first quarter of 2021, a record number of products – 206,000 food items – were donated to six charities, various communities, NGO's and people in need.



ENCOURAGING EDUCATION

Being active in education involves supporting the sharing of knowledge and skills from one generation to the next through teaching, training and leading. It is an important role in a sustainable future.

T-MARKET has introduced a "Business Management" internship programme. It allows young adults to see the retail business from the inside, choosing which department is closer to their skills and later even staying on to work. During the project, participants get acquainted with the work of the company's main departments. Performing tasks with the help of mentors involves them in our daily work and provides a lot of practical experience.

It is important to spark children's interest in and desire for education from a young age. That is why MAXIMA Estonia, for a fourth year, supported the "My future in Estonia" (Minu tulevik Eestis) initiative by providing educational publications, books of brain teasers and books for young children to orphanages, children's hospitals, and social centres across the country. About 10,000 books were given so less fortunate children could experience the joy of reading.

Some parts of Estonia continued with safety restrictions and distance learning in schools. MAXIMA Estonia donated 20 full sets of computers to the Estonian Association of Large Families. Children from multi-child families were given the equipment necessary to continue learning from home, so their education does not suffer.



We are extremely proud of the impact on children's education of "LITHUANIAN MAXIMALIST" (Lietuvos Maximalistai). This is our longest-running project, implemented by MAXIMA Lithuania. For a 19th year, MAXIMA Lithuania invited students in grades 1 to 12 who are talented, creative, and eager to excel, to apply for a MAXIMALIST scholarship. The scholarship gives gifted children the possibility of preparing for and participating in national and international science, art, innovation, ecological and sport competitions, or to acquire what they need to be able to further develop their talents. 101 young talents received MAXIMALIST scholarships for 2021/2022 school year.



LIVING WITH COVID

We continued our support for those battling COVID-19 daily. Working with the Municipality of Vilnius, MAXIMA Lithuania supplied food and drink to doctors and volunteers at the main vaccination center. For eight months, deliveries of food and beverage were made every week.

In the spring, MAXIMA Latvia ran an information campaign on COVID-19 vaccination to explain and encourage employees and society at large to get vaccinated. The campaign was organised in cooperation with the Ministry of Health of the Republic of Latvia, Latvia's Centre for Disease Prevention and Control (CDPC), and experts. Its main goal was to encourage even more employees and other individuals to voluntarily get vaccinated to protect themselves, their family members, and others. In the framework of this initiative, information on vaccination was made widely available to our customers and employees in the communication channels of MAXIMA Latvia. Everyone was able to obtain science and fact-based answers to their questions, and educational seminars were held for employees.

ABOUT CSR REPORT

ABOUT CSR REPORT
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ABOUT CSR REPORT

This is the Group's second annual Corporate Social Responsibility Report. It contains data for the financial year starting on the 1st of January and ending on the 31st of December 2021. The scope of reporting includes MAXIMA GRUPĖ, UAB and all its direct and indirect subsidiaries. In 2021 the Group's main subsidiaries are provided in the Appendix of this report (page 86). Other subsidiaries not listed are mainly involved in real estate management. The Group owns 100% of shares in all subsidiaries.

This report has been prepared in accordance with the GRI Standards: Core Option. These guidelines provide a framework for a consolidated approach to reporting, maintaining the highest degree of transparency and consistency. The standards allow this information to be reliable and useful to markets and society. All presented data have been consulted internally and verified by employees responsible for individual areas of our business so that they are true and up to date. Moreover, this report has been read by our auditors (see the statement in the financial report). We are committed to reporting annually on our sustainability performance. In case of any question, feel free to contact us at: CSR@maximagrupe.eu

MATERIALITY TOPICS

According to GRI Standards guidelines, the content of this report is a product of the materiality definition process. The report was prepared based on internal and external consultation and an overview of trends and issues important for the retail industry, and it contains strategic aspects for the Group's sustainable development. As a result, topics were categorised into five main categories: supply chain, customers, employees, communities, and environment.

LIST OF MATERIAL TOPICS

1. Our Sustainability approach

2. OUR People

Responsible workplace - Health and safety of employees - Training and development of employees

3. OUR Customers

Products quality and safety - Healthy products - Shopping experience

4. OUR Supply chain

Responsible sourcing - Partnership with suppliers

5. OUR Communities

Supporting local communities - Food donation

6. OUR Environment

Environmental protection and climate change - Packaging of products - Waste management - Preventing food waste

EU TAXONOMY FOR SUSTAINABLE ACTIVITIES (EU TAXONOMY)

Under the EU Taxonomy and Delegated Acts, MAXIMA Group is required to disclose information to the public to what extent its activities are associated with environmentally sustainable economic activities. We have been engaged in thorough sustainability efforts, with sustainability as an integral part of our business activities.

The main economic activity of MAXIMA Group is retail trade in food and consumable goods. This activity currently is not included in the list of eligible activities of the EU Taxonomy Delegated Acts. Therefore, the main activity of MAXIMA Group is out of scope of current EU Taxonomy reporting. However, the Group is involved in secondary economic activities that support retail activities, such as transportation of goods, owning and leasing out buildings, renovating buildings and investing into the energy efficiency equipment. These economic activities are taxonomy eligible activities in accordance with the EU Taxonomy legislation.

Key ratios	Share of economic activities covered by the EU Taxonomy, %	Share of economic activities not covered by the EU Taxonomy, %
Turnover	0.10	99.90
Capital expenditures / CapEx	15.53	84.47
Operating expenses / OpEx	0.21	99.79

TURNOVER

Total Group's turnover corresponds to revenue reported in the Group's consolidated financial statements prepared in accordance with IFRS as adopted by EU.

Turnover KPI shows what proportion of the Group's revenue constitute revenue from the lease of buildings and revenue earned from e-commerce transportation services. Accounting policy for revenue recognition is disclosed in the Group's consolidated financial statements.

CAPITAL EXPENDITURE (CapEx)

Total CapEx corresponds to the acquisition of property, plant and equipment, intangible asset, investment property and additions to right-of-use assets during the reporting period.

Assets covered by the EU Taxonomy relate to the Group's owned buildings, owned and leased vehicles and investments into energy efficiency equipment. MAXIMA Group installs and maintains energy efficiency related equipment located in stores and warehouses, mainly various refrigeration, lightening and heating systems. The Group outsources transportation services from external suppliers. However, its owned or leased vehicles are used for transportation of goods to e-commerce customers.

CapEx KPI shows what proportion of MAXIMA Group's investments into the aforementioned assets forms in relation to total Group's capital expenditure (including vehicles additions to right-of-use assets) during the reporting period.

OPERATING EXPENSES (OpEx)

According to the Commission Delegated Regulation (EU) 2021/2178, total OpEx is defined as direct non-capitalised costs that relate to the day-to-day servicing of assets of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets. The Group incurs asset repair and maintenance costs and costs of short-term rent of vehicles.

The OpEx KPI shows what proportion of the aforementioned operating costs MAXIMA forms in total Group's costs.

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403-4	Worker participation, consultation, and communication on occupational health and safety	38, 39, 40, 41, 42
403-5	Worker training on occupational health and safety	38, 39, 40, 41, 42
403-6	Promotion of worker health	38, 39, 40, 41, 42
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	38, 39, 40, 41, 42
403-9	Work-related injuries	40
TRAINING AND EDUCATION		
404-1	Average hours of training per year per employee	32
404-2	Programs for upgrading employee skills and transition assistance programs	32, 33
404-3	Percentage of employees receiving regular performance and career development reviews	35
DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	30, 31
NON-DISCRIMINATION		
406-1	Incidents of discrimination and corrective actions taken	31
LOCAL COMMUNITIES		
413-1	Operations with local community engagement, impact assessments, and development programs	72, 73, 74, 75
CUSTOMER HEALTH AND SAFETY		
416-1	Assessment of the health and safety impacts of product and service categories	45, 46, 49, 50
MARKETING AND LABELING		
417-1	Requirements for product and service information and labelling	48, 49, 50

¹ Total energy consumption provided in the CSR report of 2020 was recalculated, as mistake of calculation was detected.

Scope 2 provided in the CSR report of 2020 was recalculated, as mistake of calculation was detected.

² We are improving our information collection systems so that we can fully report this indicator.

FURTHER INFORMATION

INFORMATION ABOUT MATERIAL SUBSIDIARIES
APPENDIX

INFORMATION ABOUT MATERIAL SUBSIDIARIES

The Company does not have branches or representative offices. In 2021 and 2020, the Group's main subsidiaries are listed in the table below. Other subsidiaries not listed below are mainly involved in real estate management. The Group owns 100% of shares in all subsidiaries. There were no significant business combinations in 2021 and 2020.

Significant subsidiary	Country of incorporation	% held by the Group (on 31 December)		Principal business activities
		2021	2020	
MAXIMA LT, UAB	Lithuania	100%	100%	Retail in food and consumables
MAXIMA Latvija SIA	Latvia	100%	100%	Retail in food and consumables
MAXIMA Eesti OU	Estonia	100%	100%	Retail in food and consumables
MAXIMA Bulgaria EOOD	Bulgaria	100%	100%	Retail in food and consumables
Stokrotka Sp.z.o.o.	Poland	100%	100%	Retail in food and consumables
BARBORA, UAB	Lithuania	100%	100%	E-trade
PATRIKA SIA	Latvia	100%	100%	E-trade
SUPERSA OU	Estonia	100%	100%	E-trade
Barbora Polska Sp.z.o.o.	Poland	100%	100%	E-trade
FRANMAX, UAB	Lithuania	100%	100%	IT development, maintenance and consulting services
MAXIMA INTERNATIONAL SOURCING, UAB	Lithuania	100%	100%	Procurement and agency services of food and consumables

RISK MANAGEMENT CONTROL FRAMEWORK

Like any business, we face different types of risks that might cause unexpected situations in our companies. In order to operate successfully, we strive to foresee and react to such risks rapidly, so that they do not interfere with our primary goals, outlined in our strategy. We seek to promote a work culture that takes a proactive approach to risk management and lets us meet our stakeholders' expectations.

MANAGEMENT OF SIGNIFICANT RISKS

We identify three principal risk categories. For each risk, MAXIMA GRUPĖ takes specific measures to manage the underlying causes and minimise potential consequences. The key risk drivers and measures for their mitigation are detailed below for financial, business and compliance risks.

FINANCIAL RISKS

Risk	Key risk drivers	Mitigation
Credit risk	<ul style="list-style-type: none"> Cash and cash equivalents Trade and other receivables 	<ul style="list-style-type: none"> Monitoring the creditworthiness of debtors by using controls that include credit approvals, limits, prepayment requirements and other monitoring procedures Exposure spread over a number of counterparties and customers Funds in banks not concentrated because the counterparties are a large number of banks, or their subsidiaries, with investment grade ratings assigned by international credit-ratings agencies Successful long-term cooperation supported by signed contracts where terms, conditions and the responsibilities of both parties are described
Restrictive covenants in long-term debt arrangements	<ul style="list-style-type: none"> - Restrictions on financial indebtedness - Negative-pledge or no disposal of assets clauses 	<ul style="list-style-type: none"> Constant monitoring of indebtedness ratios and covenants Risk management related ratios and limits are set out in the Treasury and financial risk management policy, which is communicated across the Group and are regularly reviewed by the Management board and management.
Funding and liquidity risk	<ul style="list-style-type: none"> Different maturity profiles of receivables and payables Liquidity surplus 	<ul style="list-style-type: none"> The ability to use undrawn committed borrowing facilities as an instrument of liquidity risk management Sufficient level of available cash and cash equivalents Liquidity levels and sources of cash are regularly reviewed, and the Group maintains access to committed credit facilities and debt capital markets Arranging funding ahead of demand Our Treasury and financial risk management policy is communicated across the Group and are regularly reviewed by the Management board and management.
Foreign currency exchange rate	<ul style="list-style-type: none"> Purchasing of goods in foreign currencies while income is mostly denominated in euro and other local currencies 	<ul style="list-style-type: none"> The Group uses derivative financial instruments ("forwards") to hedge its risks arising from foreign currency fluctuations
Interest rate	<ul style="list-style-type: none"> Floating rate facilities 	<ul style="list-style-type: none"> Entering to borrowing contracts with fixed interest rate Application of derivative financial instruments

BUSINESS RISKS

Strategy risk	<ul style="list-style-type: none"> Revenue EBITDA 	<ul style="list-style-type: none"> Focus of management of the Group Business continuity strategic guidelines and tactical policy Business continuity management plans
Reputation risk	<ul style="list-style-type: none"> Revenues 	<ul style="list-style-type: none"> Permanent improvement of internal control system Training employees and developing the corporate culture to make sure unethical behaviour is seen as unacceptable
COVID-19	<ul style="list-style-type: none"> Revenue EBITDA Supply chain Results of operations Financial performance 	<ul style="list-style-type: none"> The safety of our colleagues and customers has been and continues to be our priority Customer's safety: masks, disinfection, social distancing, self-service checkouts Employee safety: safety equipment, health checks & temperature measurement, COVID-19 tests, remote work Supply chain safety: disinfection stations for drivers, protective equipment, required temperature checks, limiting contact, securing additional supply chain capacity to meet changes in demand The availability of cash resources and committed facilities together with strong cash flow, support liquidity and longer-term solvency
Country risk	<ul style="list-style-type: none"> Presence in countries with political, financial, social or economic instability 	<ul style="list-style-type: none"> The Group is present in different countries with different specific risks Knowledge and awareness of countries where the Group is present Monitoring, reviewing and reporting on changes of the political, financial, social or economic situation in countries' where the Group is present
Geo-political factors	<ul style="list-style-type: none"> - Political or economical developments in EU or neighboring countries 	<ul style="list-style-type: none"> The Group is present in different countries with different specific risks Knowledge and awareness of countries where the Group is present Incorporation of the impacts of political and regulatory changes in our strategic planning and policies Monitoring, reviewing and reporting on changes of the political, financial, social or economic situation in countries where the Group is present Engagement of leadership, structured action and communication plans to manage this risk area
Regulatory risk	<ul style="list-style-type: none"> Revenue Environmental regulation 	<ul style="list-style-type: none"> The Group is present in different countries with different regulatory framework, which enables risks' diversification Knowledge and awareness of regulations in countries where the Group is present Monitoring, reviewing, and reporting on changes of regulations in countries where the Group is present
Competitive environment, economic conditions and risks of unforeseen increases in cost structure	<ul style="list-style-type: none"> Group's business Results of operations Financial condition 	<ul style="list-style-type: none"> Research and monitoring of consumer behaviour Analysis of economic development Price benchmarking of the competition Approved strategies Strengthening of own brands Developing a more personalized customer relationship Continuous improvement of the internal control system Managing the product mix and pricing policy Multi-format model to meet changing customer needs

BUSINESS RISKS

Risk	Key risk drivers	Mitigation
Growth, expansion, and lack of cost-efficient locations risks	<ul style="list-style-type: none"> Number of stores Revenue Results of operations Financial condition 	<ul style="list-style-type: none"> Research and monitoring of separate regions Maintaining M&A and property management competencies Approved strategies Due diligence reviews
Risk related to information technologies performance, Data Security and Data Privacy	<ul style="list-style-type: none"> Revenue Operational costs 	<ul style="list-style-type: none"> Continuous improvement of the internal control system Engaging the best internal IT experts Using effective outsourcing practices with SLA and monitoring compliance Ensuring sufficient reliability of centralised IT infrastructure Policies and procedures to ensure cybersecurity Established team and information systems to detect, atypical behaviour in the corporate network and report and respond to security incidents Special hardware and software for protection against malicious software, spam, external and internal cyberattacks, data leaks Training and communication to help prevent data security and privacy-related incidents, regular induction and refresher courses for our colleagues
Crime and Security Risks	<ul style="list-style-type: none"> Engagement of employees in misconduct or improper activities 	<ul style="list-style-type: none"> Continuous improvement of the internal control system Policies and procedures to ensure safety Outsourced security service providers
Retail operations, supply, and inventory management risks	<ul style="list-style-type: none"> Gross Profit Operation Cost Levels of service Financial position 	<ul style="list-style-type: none"> Optimal level of decentralisation for operational business processes and supply chain Logistics strategy for managing and diversifying supply chains within the existing network to avoid concentration of supply from certain regions or countries Efficient management of inventory stocks Increased direct centralised global sourcing as well as reduced shrinkage and efficiency improvements
Human resources, a strike or other labour disruption	<ul style="list-style-type: none"> Labour costs Operation cost Levels of service 	<ul style="list-style-type: none"> Monitoring the labour market and providing employee benefits in line with the market Processes ready for employee onboarding, training and development Developing the corporate culture
Unforeseen taxes, tax penalties and sanctions	<ul style="list-style-type: none"> Tax amendments or changes in application of tax regulations in the markets in which the Group operates 	<ul style="list-style-type: none"> - Monitoring of draft laws, timely initiation of internal projects to prepare for legislative changes - Open collaboration and long-term cooperation with tax authorities in all countries where the Group operates - Approach to tax risk is conservative - Intra-group transactions in the Group are performed following arm's length principle

COMPLIANCE RISKS

Compliance with current legislation	<ul style="list-style-type: none"> Internal governance and business process 	<ul style="list-style-type: none"> Continuous improvement of the internal control system Monitoring of draft laws, timely initiation of internal projects to prepare for legislative changes Legal support, audit of contracts, development and use of contract templates
Product safety and liability risks	<ul style="list-style-type: none"> Revenues Safety regulation 	<ul style="list-style-type: none"> Product safety policies Control standards for food and non-food products Standard operating procedures Monitoring of performance in the business Tracing of product origins and conditions of production Third-party certification Insurance programme Carrying out laboratory tests of product samples Complying with approved rules for product transportation, storage and sale Complying with sanitation rules Providing training for employees, including quality assurance
Environment and sustainability risk	<ul style="list-style-type: none"> Operations and reputation 	<ul style="list-style-type: none"> Reducing packaging Implementing new methods to increase energy efficiency across stores and warehouses Implementing methods to reduce waste throughout the whole value chain Setting targets for energy efficiency, water, plastic or waste management
Occupational health and safety risk	<ul style="list-style-type: none"> Financial position, results of operations, reputation 	<ul style="list-style-type: none"> Safe and comfortable working environment Compliance with employees' working hours and holiday schedule Regular medical examinations and health screening for employees

APPENDIX

Total number of employees by employment contract, by region

		Permanent	Temporary
MAXIMA Lithuania	Men	1,866	300
	Women	9,522	646
	Total	11,388	946
MAXIMA Latvia	Men	1,412	0
	Women	5,408	1
	Total	6,820	1
MAXIMA Estonia	Men	810	25
	Women	2,619	48
	Total	3,429	73
STOKROTKA	Men	938	890
	Women	5,069	4,516
	Total	6,007	5,406
T-MARKET	Men	529	2
	Women	1,727	4
	Total	2,256	6
BARBORA	Men	763	180
	Women	876	35
	Total	1,639	215
OTHER*	Men	106	6
	Women	178	6
	Total	284	12
The Group (Consolidated Data)	Men	6,424	1,403
	Women	25,399	5,256
	Total	31,823	6,659

*MAXIMA International Sourcing, MAXIMA GRUPĖ, FRANMAX, EMPERIA HOLDING Sp. Z o.o., ELPRO DEVELOPMENT Sp. Z o.o.

APPENDIX

New employee hires and employee turnover

MAXIMA Lithuania

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	800	51 %	768	49 %	-	-
	Women	1,316	42 %	1,807	58 %	-	-
	Total	2,116	45 %	2,575	55 %	-	-
Total percentage of new employee hires during the reporting period	Men	830	49 %	863	51 %	-	-
	Women	1,416	38 %	2,353	62 %	-	-
	Total	2,246	41 %	3,216	59 %	-	-

MAXIMA Latvia

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	532	50 %	323	30 %	207	20 %
	Women	629	36 %	643	37 %	462	27 %
	Total	1,161	42 %	966	35 %	669	24 %
Total percentage of new employee hires during the reporting period	Men	628	49 %	415	32 %	247	19 %
	Women	756	32 %	863	36 %	775	32 %
	Total	1,384	38 %	1,278	35 %	1,022	28 %

MAXIMA Estonia

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	497	60 %	172	21 %	154	19 %
	Women	680	48 %	419	29 %	321	23 %
	Total	1,177	53 %	591	26 %	475	21 %
Total percentage of new employee hires during the reporting period	Men	484	56 %	192	22 %	193	22 %
	Women	712	42 %	546	32 %	446	26 %
	Total	1,196	46 %	738	29 %	639	25 %

APPENDIX

New employee hires and employee turnover

STOKROTKA

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	392	53 %	315	42 %	37	5 %
	Women	1,305	37 %	1,831	51 %	433	12 %
	Total	1,697	39 %	2,146	50 %	470	11 %
Total percentage of new employee hires during the reporting period	Men	368	51 %	308	43 %	44	6 %
	Women	1,096	33 %	1,648	50 %	569	17 %
	Total	1,464	36 %	1,956	49 %	613	15 %

T-MARKET

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	393	62 %	202	32 %	43	6 %
	Women	574	36 %	670	43 %	326	21 %
	Total	967	44 %	872	39 %	369	17 %
Total percentage of new employee hires during the reporting period	Men	396	62 %	198	31 %	43	7 %
	Women	546	35 %	678	43 %	354	22 %
	Total	942	42 %	876	40 %	397	18 %

BARBORA

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	968	74 %	309	24 %	28	2 %
	Women	948	78 %	251	20 %	22	2 %
	Total	1,916	76 %	560	22 %	50	2 %
Total percentage of new employee hires during the reporting period	Men	954	77 %	262	21 %	22	2 %
	Women	1,064	79 %	255	19 %	34	2 %
	Total	2,018	78 %	517	20 %	56	2 %

APPENDIX

New employee hires and employee turnover

OTHER*

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	24	67 %	12	33 %	0	0 %
	Women	36	61 %	21	36 %	2	3 %
	Total	60	63 %	33	35 %	2	2 %
Total percentage of new employee hires during the reporting period	Men	16	40 %	24	60 %	0	0 %
	Women	40	68 %	16	27 %	3	5 %
	Total	56	57 %	40	40 %	3	3 %

THE GROUP (CONSOLIDATED)

		< 30 yrs.		30-50 yrs.		> 50 yrs.	
Total number and rate of new employee hires during the reporting period	Men	3,606	58 %	2,101	34 %	469	8 %
	Women	5,488	43 %	5,642	44 %	1,566	13 %
	Total	9,094	48 %	7,743	41 %	2,035	11 %
Total percentage of new employee hires during the reporting period	Men	3,676	57 %	2,262	35 %	549	8 %
	Women	5,630	40 %	6,359	45 %	2,181	15 %
	Total	9,306	45 %	8,621	42 %	2,730	13 %

*MAXIMA International Sourcing, MAXIMA GRUPĚ, FRANMAX, EMPERIA HOLDING Sp. Z o.o., ELPRO DEVELOPMENT Sp. Z o.o.