



ENERGOFIRMA "JAUDA" LTD.

Sustainability and Responsible Business Report

A voluntary sustainability report prepared in accordance with the VSME standard (Voluntary Sustainability Reporting Standard for SMEs).

2025

KRUSTPILS IELA 119A, RĪGA
LATVIA · LV-1057



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ABOUT THIS REPORT

This is the first voluntary sustainability report of ENERGOFIRMA “JAUDA” Ltd. It covers the 2025 calendar year and the company’s operations at both plants in Riga. Calculations follow the VSME standard, the GHG Protocol and Cabinet Regulation No. 42.



Evija Liakovičus

Chair of the Board

“Sustainability is not a trend for us – it is the company’s business philosophy.”

Our first report marks a turning point in our development

It is a great pleasure to present the first Sustainability and Responsible Business Report of SIA ENERGOFIRMA “JAUDA”. This report marks an important turning point in our company’s development – not only because, alongside preparing it, we have implemented the new Monitor G5 ERP system and continue to expand its practical capabilities, but also because this step is closely linked to our vision of sustainability.

Sustainability is not merely a word or a trend for us – it is the company’s business philosophy. We recognise that our everyday decisions affect the environment, society and the economy in the long term. That is why we are committed to:

- reducing our impact on the environment,
- promoting the efficient use of resources,
- supporting a fair and safe working environment for all employees.

In this context, the implementation of Monitor G5 ERP is a strategic step. This modern resource planning system allows us to:

- plan and monitor production processes far more precisely,
- optimise material and energy consumption,
- increase transparency across our supply chains,

- improve the availability of data for decision-making.

This means we can not only work more efficiently but also move more purposefully towards our sustainability goals – reducing waste, saving energy and strengthening our reputation as a responsible Latvian manufacturing company. The system is only a tool; the key precondition for its successful implementation is People – our professional and enthusiastic team.

My thanks go to everyone who has already contributed to this process, and to those who will continue to refine it. Your knowledge, support and ideas are what have made Monitor G5 ERP an integral part of our daily work. I am confident that we will continue to turn future change into new opportunity, so that SIA ENERGOFIRMA “JAUDA” becomes even more competitive, environmentally friendly and sustainable.

Thank you all for your work – may we continue to act united and with confidence!

Sustainability as part of the company's everyday development

Artūrs Šimins

Member of the Board

"Sustainability is not a separate project – it is part of the company's development."

This is the first sustainability information report of ENERGOFIRMA "JAUDA". It brings together the steps we have taken so far in the environmental, social responsibility and corporate governance areas. The report reflects not only what has been achieved, but also our approach to developing the company over the long term.

In our daily work, sustainability is not a separate project – it is part of the company's development. When making decisions, we assess not only the economic benefit but also the impact on the environment, our employees and

society as a whole. That is why we work on using resources more efficiently, improving processes and ensuring a safe working environment.

In 2025 we took several important steps. One of them was joining CSR Latvia, which allows us to learn from the experience of other companies and to refine our approach to social responsibility and sustainability.

At the same time we launched practical initiatives to support the community. Together with the association "TEV" we helped a social housing facility in Ķekava by donating pallets no longer used at the company. This solution reduces waste while providing useful support to the local community.



Another important milestone was the implementation of the Monitor G5 ERP system. It is already used in daily work and helps plan resources, manage processes and improve data availability across the company.

Thank you to our employees for their contribution to these goals. Both the introduction of technological solutions and our social responsibility initiatives are possible only thanks to the team's knowledge, involvement and desire to develop the company.

We will keep working so that SIA ENERGOFIRMA "JAUDA" is not only a stable and competitive company, but also a responsible partner to its customers, employees and society.

**Anna Priede**

Sustainability Project Manager

“Sustainability reporting is not paperwork – it is a living management tool.”

From the ground up to our first report

Building a sustainability system at SIA ENERGOFIRMA “JAUDA” has been a journey that started from the ground up and today culminates in our first sustainability information report, prepared in accordance with the VSME standard. When we began, the aim was to create a transparent, systematic and data-driven approach that would allow the company not only to meet requirements, but to bring sustainability principles into everyday practice.

The process involved reviewing existing processes and analysing their alignment with VSME requirements, developing a sustainability strategy integrated into the company’s development plans, building an indicator and data collection system that ensures regular, high-quality information, and engaging and training employees so that sustainability becomes a shared value.

It was especially important that sustainability reporting should not be just a reporting document, but a living management tool that helps reduce environmental impact, strengthen social responsibility and improve governance and reputation. The VSME standard served as a clear guide, ensuring that every step – from data collection to the final report – is aligned with internationally recognised criteria.

This report now reflects the foundation of a culture of sustainable development that in the coming years will help the company be both competitive and responsible towards the environment and society.

My sincere thanks to the company’s management for their active involvement – your support, knowledge and ideas were the key precondition for making the sustainability system a reality rather than a goal described on paper.

This is only the first step – building on the foundation and vision created today, we will be able to refine our indicators, set new targets and achieve even stronger sustainability performance, strengthening both the company’s value and its contribution to society in Latvia and worldwide.

B BASIC MODULE

GENERAL INFORMATION

- B1** General company profile
- B2** Sustainability practices, policies and future initiatives

ENVIRONMENT

- B3** Energy and greenhouse gas emissions
- B4** Air, water and soil pollution
- B5** Biodiversity
- B6** Water
- B7** Resource use, circular economy and waste

SOCIAL AND GOVERNANCE

- B8** Workforce – general characteristics
- B9** Workforce – health and safety
- B10** Remuneration, collective bargaining and training
- B11** Convictions and fines for corruption

C COMPREHENSIVE MODULE

GENERAL INFORMATION

- C1** Business model and sustainability strategy
- C2** Sustainability practices and future initiatives

ENVIRONMENT

- C3** GHG reduction targets and climate transition
- C4** Climate risks

SOCIAL AND GOVERNANCE

- C5** Additional workforce characteristics
- C6** Human rights policies and processes
- C7** Severe negative human rights incidents
- C8** Revenue from certain sectors and exclusions
- C9** Gender diversity ratio in governance bodies

The report applies both the Basic (B) and the Comprehensive (C) VSME module. The relevant VSME indices are shown at the top of each section.

More than 65 years in the development of Latvian energy

For more than six decades SIA ENERGOFIRMA “JAUDA” has been one of the leading manufacturers of electrical equipment in Latvia and the Baltics. Since its founding in 1961, JAUDA has grown from a local equipment manufacturer into a modern, export-oriented company that designs, manufactures and supplies electricity distribution solutions for both the Latvian and international markets.

JAUDA manufactures compact transformer substations, distribution and metering cabinets, medium- and low-voltage equipment, metal structures and other energy infrastructure products. Its customers are electricity distribution system operators, construction and industrial companies and infrastructure project developers in Latvia and abroad.

The company’s work is built on developing safe, high-quality and sustainable technological solutions that improve the reliability and energy efficiency of power supply systems. JAUDA’s activity directly supports the development of the energy sector and access to electricity for society.

In 2024–2026 JAUDA carried out one of the most significant transformation projects in its history – the migration to the Monitor G5 ERP resource planning system, introducing unified data management, modernising business processes and strengthening competitiveness for the coming decade.

In 2025 the company also began preparing its first sustainability report in line with VSME requirements, confirming its commitment to transparent, responsible governance focused on long-term value creation.



Founded	1961
Plants	2
Employees	~200
Export markets	Baltics · Northern Europe

Six decades of developing energy infrastructure

From a local manufacturer of electrical equipment to a modern, export-oriented company whose solutions serve the power systems of Latvia and Northern Europe.



IN CONTINUOUS OPERATION SINCE
1961

NET TURNOVER

26,3 million EUR

EMPLOYEES AT YEAR-END

~200

EXPERIENCE IN THE
SECTOR

65+ years

PLANTS IN RIGA

2

Operating profile

MAIN PRODUCT GROUPS

Compact transformer substations · Distribution and metering cabinets · Metal structures

MARKETS

Latvia, the Baltics, Northern Europe and other export markets

EXPORT COUNTRIES

Finland · Netherlands

ADDRESS

Krustpils iela 119A, Riga, LV-1057



How we create value

JAUDA's business model is based on a full-cycle approach – from product development to manufacturing, delivery and technical support. The company creates value for customers by providing reliable electricity distribution solutions that serve for several decades and form an essential part of public infrastructure.

Sustainability is integrated into the company's strategic development and decision-making. Our approach rests on three interconnected pillars.

ENVIRONMENT

We work on improving energy efficiency, assessing GHG emissions, using resources efficiently and applying circular economy principles. The company is gradually refining its emissions accounting and product life cycle impact assessment.



SOCIAL RESPONSIBILITY

Our priorities are a safe working environment, professional development, equal opportunities and employee involvement in the company's development. JAUDA fosters long-term cooperation with employees, customers, suppliers and local communities.



GOVERNANCE

The company practises responsible corporate governance based on transparency, regulatory compliance, risk management and ethical business principles. Sustainability considerations are integrated into strategic and operational decisions.



Responsibility embedded in the governance structure

The Board is responsible for integrating sustainability principles into the company’s strategy, assessing material ESG risks and approving sustainability targets. It reviews progress regularly and provides the resources needed to implement initiatives.

At operational level, coordination is provided by the sustainability project manager together with quality management, the finance function and unit managers. This ensures ESG aspects are integrated into all company processes and decision-making levels.

When taking investment, procurement and development decisions, the company assesses energy consumption, emissions impact, operating costs, safety aspects and product life cycle costs.

Ethical business conduct

JAUDA maintains high standards of business ethics and applies a zero-tolerance approach to corruption, fraud and other forms of misconduct. The company operates in accordance with applicable legislation, sanctions requirements and the principles of fair competition.

The company expects the same approach from its suppliers and partners, including respect for human rights, safe working conditions and responsible treatment of the environment.

Risk assessment is carried out regularly and its results feed into strategic planning. The aim is to strengthen operational resilience and promote sustainable development across the value chain.

MAIN RISK CATEGORIES

Climate change and energy price risks

Supply chain and supplier risks

Changes in regulation

Reputational risks

Cybersecurity and information security risks

Occupational safety and operational risks

ENVIRONMENT

We build future-proof and sustainable electricity infrastructure solutions.

Reducing GHG emissions in our operations and value chain

Increasing the share of renewable energy

Transition to a circular economy

Energy-efficient and climate-resilient products



SOCIAL

Our people are the foundation of JAUDA's sustainable development.

Safeguarding employee health and safety

Improving employee satisfaction

Developing skills and professional performance

An equal, inclusive and supportive workplace



GOVERNANCE

Responsible governance builds trust and sustainable growth.

Successful cooperation with customers builds a sustainable future

Promoting responsible and transparent governance

A sustainable supply and partner value chain

Excellence in product and service quality



A year of development, growth and sustainable transformation

The company continued to strengthen its position in the Baltic and Northern European markets while investing in digitalisation, energy efficiency, employee development and sustainability governance.

Monitor G5 ERP implementation

One of the most strategically significant projects of the year. The aim: higher process efficiency, traceable data management and long-term digitalisation.

Strengthening sustainability governance

Work began on the first voluntary sustainability report under the VSME standard, embedding sustainability in strategy and governance.

CSR Latvia Silver level

JAUDA obtained CSR Latvia Silver level membership, confirming its commitment to responsible business and active involvement in Latvia's sustainability community.



Customer and partner day

The third "Jaudīgā diena Jaudā" open day introduced customers and partners to our production processes, newest products and development plans.

International market development

Participation in ELFACK 2025 in Gothenburg, Sweden, and the AC/DC Tech 2025 power supply innovation forum in Latvia.

Employee engagement and professional development

Specialists took part in professional training in Germany, including powder coating technology at Wagner’s headquarters. Team-building activities included a photo orienteering competition and the traditional Midsummer celebrations.



COMMUNITY ENGAGEMENT

Support for Ukraine and the association “TEV”

JAUDA began working with the association TEV, supporting humanitarian aid initiatives for Ukraine. This cooperation reflects the company’s social responsibility and involvement in issues that matter to society.

CULTURE AND SPORT

2. place at the LCCI Entrepreneurs’ Sports Games

The achievement of the JAUDA team reflects our team spirit and employee engagement beyond everyday duties.



Energy efficiency management

The company improved its management systems by implementing requirements of the international standard ISO 50001, which supports systematic reduction of energy consumption and efficient use of resources.

Digital transformation as the foundation of sustainable governance

In 2025 one of the most significant strategic transformation projects of the past decade was completed – the migration from Horizon ERP to Monitor G5 ERP. The goal was to create a unified, modern and data-driven management ecosystem enabling transparent process management, efficient resource and financial planning and high-quality decision-making.

The system selection process began in 2023. After analysing several solutions available on the market, a strategic decision was taken to implement the Swedish-developed Monitor G5 ERP as the central management platform. Implementation covered business process analysis, data quality improvement, system integration, testing, employee training and full go-live in July 2025.

Data quality and sustainability management.

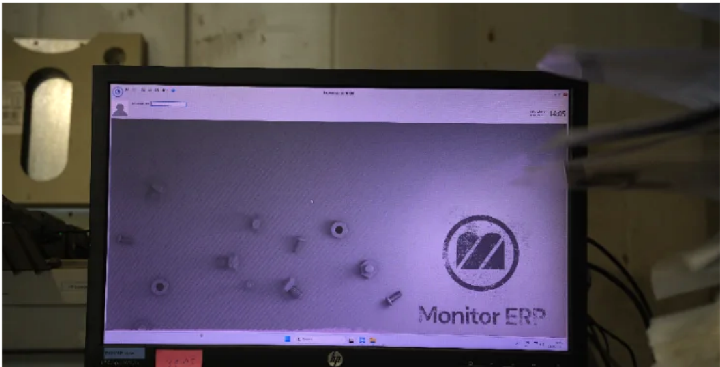
Preparing a sustainability report in line with VSME, ESRS and GHG Protocol requirements demands high data quality, traceability and timely availability of information. A unified system reduces manual data handling,

improves the flow of information between units and creates full data traceability across the organisation.

The system enables more effective monitoring of energy consumption, material flows, supply chains, quality indicators and production efficiency, and provides a basis for developing business analytics solutions and automated dashboards.

Integrating the Nordic approach. The Swedish-developed system has been used by thousands of manufacturing companies for more than 50 years. By choosing Monitor G5 ERP, JAUDA strengthens its ability to work in line with Northern European business culture and customer expectations, improving competitiveness in international supply chains.

JAUDA sees the ERP implementation not as a standalone IT project, but as a long-term management development platform for at least the next ten years.



CONTRIBUTION TO MEETING VSME REQUIREMENTS

- | | |
|------------|--|
| B11 | Transparent, data-driven decision-making |
| B12 | Process standardisation, accountability and data quality |
| C1 | A long-term platform for sustainable growth |
| C2 | Data availability for identifying and managing risks |
| C6 | Automated monitoring of sustainability KPIs |

Environment

Energy and GHG emissions, pollution, biodiversity, water, resource use and the circular economy, climate risks and targets.

- B3
- B4
- B5
- B6
- B7
- C3
- C4



Stork nest platforms – three decades of investment in nature

For more than three decades JAUDA's engineering solutions have contributed to preserving biodiversity in Latvia. The company began manufacturing stork nest platforms for power supply infrastructure in the 1990s and was possibly one of the first companies in the country to develop specialised structures of this kind for white stork nesting.

In Latvia more than 60 % of the white stork population nests on power supply infrastructure, and over 8,000 stork nests have been recorded on overhead line poles. Providing safe nesting sites therefore matters both for bird protection and for the safe operation of the power system.

The platforms made by JAUDA comply with the Latvian energy standard LEK 092. They are hot-dip galvanised steel structures designed for installation on various types of line poles. The structures raise the nest above the power line, reducing the risk of electrocution, short circuits and supply interruptions.

This is one of the most notable examples in Latvia of technical infrastructure serving nature conservation goals at national scale, showing that engineering solutions can create value for society and the environment at once.

6 300+

metal nest platforms installed in the infrastructure of AS "Sadales tīkls"

500 kg

maximum nest weight the structure can carry

ENVIRONMENTAL BENEFITS

- Safer nesting sites for white storks
- Reduced risk of bird mortality on power lines
- Lower risk of grid damage and outages
- Support for preserving Latvia's biodiversity
- Development of sustainable, nature-friendly infrastructure
- Coexistence of people and nature in the energy environment



Emissions from sources owned or controlled by the company

In 2025 the first plant consumed 648.163 MWh of natural gas (87.1 % of total consumption) and the second plant 96.264 MWh (12.9 %), for a combined 744.427 MWh.

Emissions are calculated from energy consumption and the natural gas combustion emission factor under Cabinet Regulation No. 42: **744.427 MWh × 0.202 tCO₂e/MWh = 150.37 tCO₂e.**

Vehicle fleet fuel consumption: 7,769.08 l of petrol and 6,527.80 l of diesel, 14,296.88 l in total, generating 35.46 tCO₂e. Vehicles are included in Scope 1 even when rented or leased, provided the company controls their fuel consumption.

EMISSIONS BREAKDOWN



TOTAL SCOPE 1 EMISSIONS

185.83 tCO₂e

Natural gas consumption	744,427.23 kWh
Natural gas emissions	150.37 tCO ₂ e
Fleet fuel consumption	14,296.88 l
Fleet emissions	35.46 tCO ₂ e
Highest monthly consumption	November · 113.192 MWh
Lowest monthly consumption	September · 37.556 MWh

REDUCTION POTENTIAL

Improving the energy efficiency of buildings and production areas, optimising heating systems, automated temperature control, reducing heat losses and a gradual shift to lower-emission heat sources. For the fleet – route optimisation, consumption monitoring and the introduction of low-emission vehicles.

Renewable energy and resource efficiency

An important step was taken in 2024, when a solar power plant with a total capacity of 0.43 MW was installed on the company’s site. The panels began generating electricity in June 2024, and in September the technical documentation was completed and agreements signed for feeding generated electricity into the grid.

2025 was the plant’s first full year of operation. It helps reduce purchased electricity volumes, supports energy independence and contributes to lower GHG emissions.



JAUDA DATA FOR 2025

Purchased electricity	653.759 MWh
Purchased heat	1,185.46 MWh
Total purchased energy	1,839.219 MWh
Generated by the solar plant	255.29 MWh
Solar self-consumption	191.06 MWh
Solar energy fed into the grid	64.23 MWh
Total electricity consumption	844.82 MWh
Total energy consumption	2,030.279 MWh
Electricity emissions	38.57 tCO ₂ e
Heat emissions	175.74 tCO ₂ e

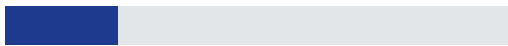
Methodology. Location-based approach, GHG Protocol Scope 2 Guidance, VSME B3, Cabinet Regulation No. 42, IPCC 2006. Emission factors: electricity 0.059 tCO₂e/MWh; heat (AS “Rīgas Siltums”) 0.14825 tCO₂/MWh. Data sources: Enefit, AJ Power, AS “Sadales tīkls”, AS “Rīgas Siltums” and solar plant metering.

TOTAL SCOPE 2 EMISSIONS

214.31 tCO₂e

SHARE OF RENEWABLE ELECTRICITY

22.6 %



SOLAR PLANT CAPACITY

0.43 MW

Note: solar electricity generated by the company itself and electricity fed into the grid are reported separately and are not included in the Scope 2 calculation.

MATERIALITY OF SUPPLY CHAIN CATEGORIES

1 · Purchased goods and services	High
2 · Capital goods	Medium
3 · Fuel- and energy-related emissions	Medium
4 · Upstream transport and distribution	High
5 · Waste generated in operations	Medium
6 · Business travel	Low
7 · Downstream transport to customers	High
8 · Use of sold products	High
9 · End-of-life treatment of products	Medium

Cradle to Gate – covers the product’s impact from raw material extraction until the product leaves the factory.

Cradle to Grave – covers the whole life cycle: raw material extraction, manufacturing, transport, use, maintenance and disposal.

Long-life infrastructure products

Life cycle assessment (LCA) shows that the most significant GHG emissions of a compact transformer substation arise before the product enters service – in raw material extraction, the manufacture of electrical components and assembly.

At the same time, the greatest sustainability value arises during the operating phase. A long service life spreads the initial embodied emissions over a long period, substantially reducing the impact per connection per year.

The greatest reduction potential lies not in assembly but in the choice of raw materials and electrical components. The company therefore continues to evaluate lower-emission materials, more efficient equipment and supply chain optimisation.

Correct operation, regular maintenance and high reliability extend service life and reduce the need for premature replacement.

CRADLE-TO-GATE · ONE SUBSTATION

6.4–16.4 tCO₂e

Equivalent to 16–41 kgCO₂e per connection per year, assuming a 40-year operating period.

EXPECTED SERVICE LIFE

10–60 years



Natural values on the company's site

To better understand the impact of its operations on the surrounding environment, in 2025 JAUDA carried out an internal biodiversity assessment of its site together with SIA "Labie Koki". A biodiversity expert surveyed the area and provided a professional assessment of the trees, shrubs, grasslands and other plant species present.

The survey identified a range of natural elements, including the presence of birds and insects, indicating a functioning and viable ecosystem on the site. The expert confirmed that elements important for biodiversity have been preserved and that operations have so far caused no significant negative environmental impact.

It was also concluded that no specially protected habitats, protected species habitats or other environmental risks

were found that might constrain the development of production processes or require special compensatory measures.

The assessment serves as a basis for further environmental management measures, balancing industrial activity with biodiversity conservation. The company will continue to monitor the site's environmental condition and will take conservation principles into account in development projects.



No protected habitats

No specially protected areas were found on the site

A viable ecosystem

Presence of birds and insects recorded

Reuse of pallets

Working with the association “TEV” and the circular economy initiative CleanR Verso, in 2025 JAUDA continued to promote reuse by collecting used non-standard wooden pallets generated at the company and passing them on for reuse.

Pallets no longer used in operations are treated not as waste but as a valuable resource that can be given a new life cycle. Some of the pallets were donated to the association “TEV” for social support initiatives.

Reduces the amount of waste generated

Puts circular economy principles into practice

Extends the life cycle of materials

Reduces the need for new resources

Delivers a positive social contribution to the local community



Circular packaging – the “empty packaging” principle

To reduce waste and use resources more efficiently, JAUDA applies a circular logistics solution. After compact transformer substations are delivered and commissioned, the protective materials are not disposed of but returned to the company and reused for subsequent deliveries.

This significantly extends the service life of packaging materials, reduces single-use packaging and prevents unnecessary waste, while keeping the equipment safely protected during transport.

The “empty packaging” principle is a practical example of the circular economy in the company’s everyday operations.



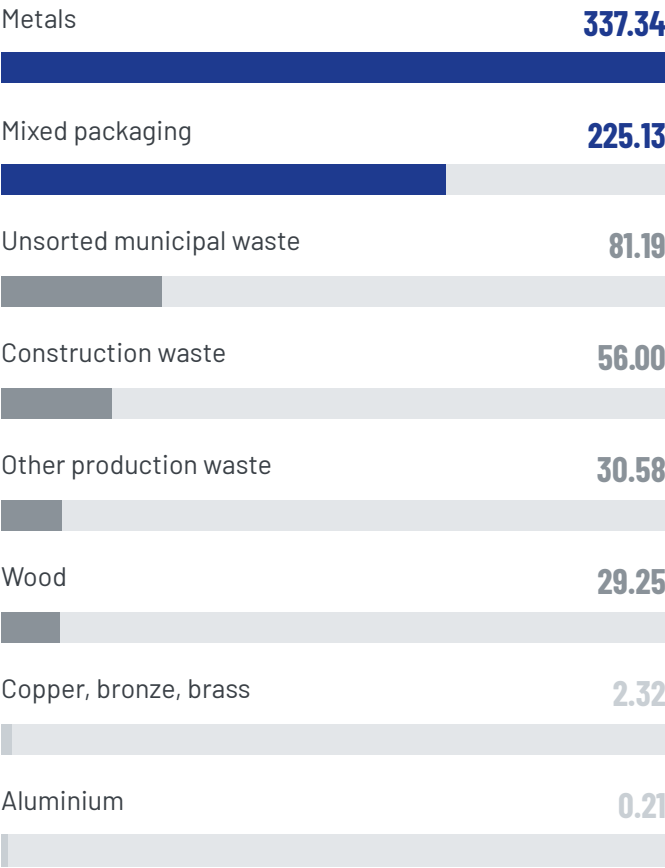
A systematic approach to material flows

Waste generated at the company is separated by type and handed over to licensed waste management companies for recycling or recovery. The nature of the production process means metals and packaging materials account for a large share, creating extensive opportunities to direct these materials to recycling.

In addition to metals, the company separates and sends for recycling packaging materials, electrical equipment, batteries, fluorescent lamps, motor oils and other hazardous waste. Hazardous waste is handed over to certified operators such as AS “BAO”.

The company aims to keep increasing the share of materials sent for recycling, reduce unsorted municipal waste and promote reuse across the value chain.

MAIN WASTE TYPES 2025 · TONNES



METALS SENT FOR RECYCLING

337+ t

Steel, copper, aluminium and other metal alloys returned to the circular economy.

WASTE MANAGEMENT PARTNERS

CleanR · CleanR Verso · BAO · TM Recycling · Metalexpó · T-Metals · Euro Lom



Identified risks

PHYSICAL RISKS

- Increasing frequency of extreme weather
- Severe storms and wind gusts
- Heavy precipitation and local flooding
- Prolonged heat periods
- Supply chain disruption caused by climate events

TRANSITION RISKS

- Stricter GHG emission requirements in the supply chain
- Customer requirements on product carbon footprint
- Evolving EU sustainability regulation
- Suppliers’ readiness to provide emissions data
- Volatility in energy and raw material prices

Short term TO 2027

- Fully implement Scope 1 and 2 emissions accounting
- Establish a Scope 3 baseline for the supply chain and main products
- Assess the carbon footprint of the main product groups
- Increase the use of renewable electricity
- Develop a supplier sustainability assessment process

Medium term TO 2030

- Reduce Scope 1 and 2 emissions against the 2025 baseline
- Increase the share of low-loss transformers in the product portfolio
- Promote the use of recycled and lower-emission materials
- Improve life cycle data quality and emissions transparency for customers
- Further integrate circular economy principles into manufacturing

Water supply and process water

Water is supplied from a deep well on the company’s site, which serves as an independent source of abstraction. The water is treated at the company’s iron removal station. Regular maintenance ensures stable water quality and reliable operation.

Water discharged to sewerage 2025 **3 037 m³**

Resilience: storm damage to solar panels

Latvia was hit by severe storms in 2025 and the company’s solar panel system suffered damage from the extreme weather. After the storm a full technical inspection was carried out, damaged elements were replaced and operation restored, and preventive measures were assessed to mitigate future risks.



Social

Working environment and employment, health and safety, professional development, employee engagement, gender balance and equal pay.

B8

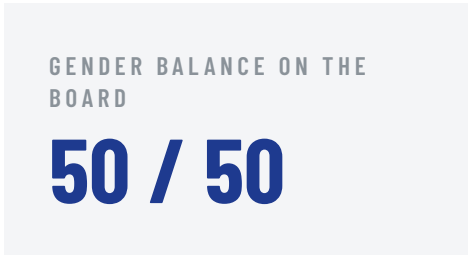
B9

B10

C5

C6

C7



Working environment and employment

JAUDA believes that professional, motivated and engaged employees are the foundation of sustainable development. The company therefore purposefully develops a safe, inclusive and growth-oriented working environment.

Employee turnover in the reporting year was 2.15 %, reflecting stable employment, high retention and a positive working environment.

Pay was benchmarked against market data and indexed for all employees, strengthening our ability to attract and retain qualified specialists.

ENHANCED BENEFITS PROGRAMME

- Free gym membership
- Increased allowances for parents of first-graders and preschool children
- Mental health support for the management team
- Increased birthday gifts and insurance cover

Health, safety and professional development

The company invests systematically in employee qualifications, providing training in both technical and management areas. In 2025 a unified employee training system was created, defining the main learning processes and development directions across all units.

Professional development training was organised on sustainable organisational management, ISO 50001 energy management requirements and the construction of power supply infrastructure. A structured onboarding process was introduced to speed up the adaptation of new employees.

The company regularly carries out occupational safety measures, safety briefings and health protection activities in all units.

Engagement and organisational culture

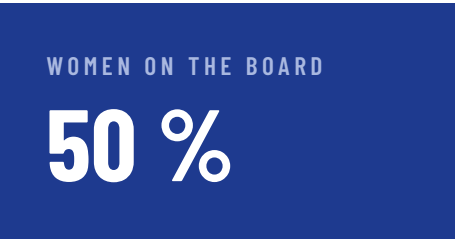
In 2025 an organisational culture assessment was carried out and a development plan drawn up to strengthen cooperation, trust and employee engagement.



SOCIAL PRIORITIES

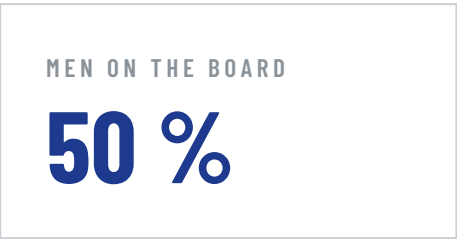
- Safeguarding health and safety
- Improving employee satisfaction
- Promoting skills and professional development
- An inclusive and motivating workplace
- Strengthening retention and engagement
- A people-centred company culture

Balanced governance leads to better decisions



The Board is composed in line with the principle of gender balance, comprising one woman and one man and thus equal representation. In addition to gender balance, the company also applies the principle of equal pay.

Board members’ remuneration is balanced and comparable, based on position, level of responsibility, professional competence and scope of duties rather than gender. This ensures a fair and non-discriminatory approach to remuneration at senior management level.



JAUDA believes that professional competence, experience and leadership skills are the main criteria for management positions and remuneration, while ensuring equal opportunity regardless of gender, age or other personal characteristics.

Gender equality in manufacturing

JAUDA recognises that energy and manufacturing have historically been among the sectors with a marked male majority in employment. The company therefore works purposefully to build a diverse and inclusive working environment.

In 2025 the company took an active part in recruitment events, including the Vacancy Fair organised by the State Employment Agency, emphasising that manufacturing and energy are not male-only professions.

In recruitment JAUDA applies the principle of equal opportunity, assessing candidates on competence, professional experience and motivation. A diverse team fosters innovation and strengthens long-term competitiveness.



Governance

Responsible business conduct, ethics and compliance, prevention of corruption risks, cybersecurity and IT resilience.

B10

B11

C4

C6

C9



Ethics, integrity and compliance

During the reporting period the company had no convictions, administrative penalties or other sanctions relating to corruption, bribery, fraud or other business misconduct.

The company’s governance system is based on responsible business principles, ensuring regulatory compliance, transparent business processes, fair competition and professional cooperation with customers, suppliers, public authorities and other stakeholders.

JAUDA applies preventive measures to mitigate corruption risks, including internal control mechanisms, informing employees about ethical conduct and screening business partners.

A

State Revenue Service taxpayer rating – the highest level

Cybersecurity and IT resilience

The company is classified as an essential service provider, so cybersecurity risk management, protection of information systems and business continuity have become strategic priorities.

In line with regulatory requirements the company carried out a cybersecurity self-assessment, reviewing existing technical, organisational and process management measures and identifying areas for further development.

A cybersecurity expert has been appointed to coordinate implementation of requirements, risk assessment, incident management and cooperation with public authorities and industry experts.

In 2025 a phishing simulation test was run for employees, helping assess their ability to recognise fraudulent emails. Employees also attended an introductory cybersecurity lecture by CERT.LV on current cyber threats and the principles of a secure digital environment.



IN 2025

- 0 cases of corruption or bribery
- Cybersecurity self-assessment completed
- Cybersecurity expert appointed
- Phishing simulation test for employees
- CERT.LV introductory cybersecurity lecture

Sustainability is not a separate project but an integral part of the company's strategy

For JAUDA, 2025 was a significant year of sustainability development, in which the company continued to strengthen its role as a responsible manufacturer of electricity infrastructure solutions and a partner in advancing sustainable development. By preparing its first sustainability report in accordance with VSME requirements, the company has taken a substantial step towards more transparent, structured and data-driven sustainability management.

In the environmental area JAUDA continued work on improving energy efficiency, reducing resource consumption and using renewable energy. Key achievements included the full operation of the solar power plant and the introduction of circular economy principles into everyday processes. At the same time, the company's products create a positive impact beyond its own boundaries, including more than 30 years of manufacturing stork nest platforms for power distribution networks.

In the social area the company continued to invest in employees' professional development, occupational safety and well-being, while promoting diversity and equal opportunity at work. Particular attention was paid to encouraging women's participation in manufacturing and energy.

In the governance area the year was marked by major digitalisation and risk management projects. The Monitor G5 ERP implementation, stronger cybersecurity management, improved compliance processes and the highest State Revenue Service A rating confirm our commitment to responsible business principles.

With more than 65 years of experience in the energy sector, JAUDA looks to the future confident that sustainable development, innovation and responsible business are the foundation of its long-term competitiveness and its contribution to Latvia's energy infrastructure.

"Our goal is to create safe, reliable and sustainable solutions that serve both people and the environment – today and for generations to come."



01

Importing sustainability data into the Monitor system

Integrating data flows into the ERP environment to automate the collection and traceability of sustainability indicators.

02

Extending Scope 3

Adding business travel emissions in connection with the HOP system.

03

Study on connection-based calculation

Conducting a study on the calculation of electricity connections in Latvia and integrating it into the sustainability report.