

Annual targets of the LTG group



ANNUAL INCENTIVE FOR THE ACHIEVEMENT OF ANNUAL GOALS

Annual incentive scheme for the Chief Executive Officer is approved by the Management Board of LTG Group. This scheme is linked to the achievement of the LTG Group's annual goals approved by the Board of LTG Group (100). Each year, the Management Board approves the structure, thresholds, and weightings of the Company's annual goals and, at the end of the year, approves the results of the achievement of these goals and the final value of the annual incentive. The maximum annual incentive opportunity may not exceed 30% of the annual basic salary. The maximum amount of monthly incentive, i.e. 1/12 of the annual incentive share for 2024, could not exceed EUR 3,822.

In April 2025, a monthly portion (1/12) of the annual incentive to the Company's CEO for achievement of the goals of the year 2024 amounted to EUR 3,134. This information is usually disclosed in the company's management report after the end of the calendar year.

ANNUAL TARGETS FOR 2024

In line with the Shareholder's Letter of Expectations and the strategic directions set out in the LTG Group's strategy, in December 2023, the LTG Board approved the LTG Group's annual objectives for 2024, their metrics and target values. The annual objectives help to ensure the achievement of the strategic objectives – value creation through integration into Western markets, expansion of operations in Lithuania and abroad, improved operational efficiency, implementation of a sustainability culture, increased employee engagement and assurance of business resilience. In line with the approved annual objectives, personal goals are set for LTG Group staff, thus involving them in a structured and consistent process of implementing the LTG Group strategy, linking the achievement of the goals to staff career, development and incentive plans.

Strategic direction/ goals	Indicators for measuring achievement of goals	Measurement unit	Targets and tasks	Weight, %	Benchmarks for achievement of goals / targets	Indicators of achievement of goals / targets
Value creation through integration into Western markets	LTG Group EBITDA margin	%	Long-term profitability of the LTG Group in line with the shareholder's expectations	20.0	>27	33
	Strategic projects of the LTG Group	%	Successful implementation of Rail Baltica Programme, Electrification Programme, FREE Rail Programme	20.0	>80	Achieved
Operational efficiency	Operating costs to revenue ratio of the LTG Group (excluding other activity)	Ratio	Declining cost levels of the LTG Group to increase competitiveness	15.0	<0.97	0.90
Business development	LTG Group's revenue from foreign markets and new business development initiatives	EUR million	Business expansion abroad and new business development initiatives in Lithuania to grow the revenue of the LTG Group	15.0	>36.3	39.2
ESG	Preparing for the implementation of the corporate sustainability reporting directive (CSRD)	%	Growing the culture of sustainability of the LTG Group	10.0	>60	Achieved
Business resilience	Business resilience	Level	Strengthening business resilience by implementing cyber security, anti-corruption, the GDPR, information security and other risk management measures and reducing technological dependence of the LTG Group on unfriendly countries	5.0	<III	Achieved
	Lost time injury frequency rate (LTI FR)	Accidents at work *1 million / total working hours	Minimising incidents by ensuring a high level of occupational safety	5.0	<2.4	1.84
Strong organisational culture	Employee engagement	%	Increasing employee engagement	10.0	>50	83