



# TRANSPARENCY REPORT

2024

BDO auditas ir apskaita, UAB

April 29, 2025





# CONTENT

INTRODUCTION FROM THE MANAGING PARTNER....	3
THE BDO NETWORK.....	4
BDO LITHUANIA.....	6
OUR VISION AND VALUES.....	8
SYSTEM OF QUALITY MANAGEMENT (SoQM).....	9
AUDIT QUALITY ASSURANCE.....	12
SYSTEM OF QUALITY MANAGEMENT.....	13
TOOLS WE USE.....	16
SYSTEM OF QUALITY MANAGEMENT.....	17

INDEPENDENCE.....	20
PUBLIC INTEREST COMPANIES.....	22
FINANCIAL INFORMATION.....	23
HUMAN RECOURCES.....	24
PARTNER REMUNERATION.....	30
FOCUS ON SUSTAINABILITY.....	31
ESG POLICY.....	32
TRANSITION TO NET ZERO (Global Net-Zero Programme).....	33
OUR SUSTAINABLE INITIATIVES.....	34
APPENDIX.....	35



# INTRODUCTION FROM THE MANAGING PARTNER

I am proud to present the transparency report of BDO auditas ir apskaita UAB (BDO Lithuania) for the year ended 31-12-2024.

The report is published annually in accordance with the provisions of corporate regulation as set out in Article 13 of Regulation (EU) No 537/2014.

In a time of constant change, the need for trustworthy, quality-assured and forward-thinking leaders is greater than ever.

At BDO Lithuania, we see this as an opportunity to continue to deliver exceptional service and to continue to create value for our clients, our employees and the community we serve. Audit quality is key to maintaining public trust and of course it is the foundation of our professional reputation. We have implemented a quality management system that meets the requirements of the International Standard on Quality Management (ISQM). We pursue audit quality as an outcome by performing audits consistently, in accordance with the requirements and objectives of applicable professional standards, using an effective quality management system in place.

We foster a culture of collaboration and innovation, empowering our teams to provide insights and solutions. Improving processes and commitment to ethical standards. Looking ahead, we are inspired by the opportunities that lie ahead. From enhancing our digital capabilities to our focus on sustainability, we are not only responding to today's challenges, but also preparing for tomorrow's opportunities. We're upskilling our people and training teams that can deliver ESG assurance services, as well as other assurance services, to help our clients achieve the goals they need to build a more sustainable future.



Virginija Sirevičienė  
Direktorė, ILP

# THE BDO NETWORK



REVENUE  
US (14 billion  
(+10.2%))



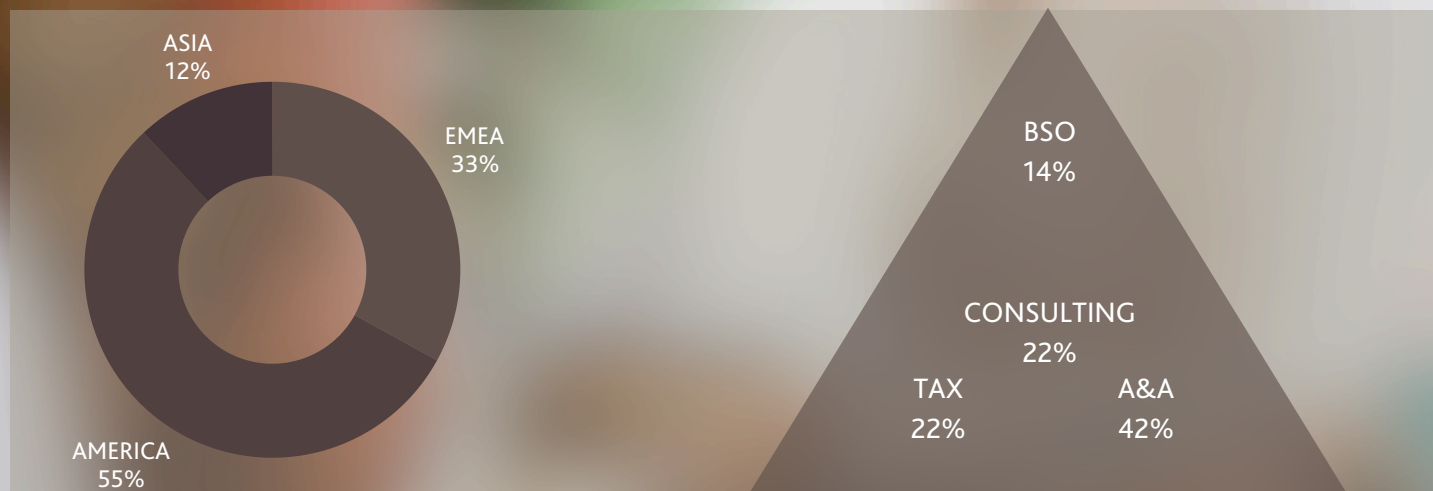
PEOPLE  
115,661



LOCATIONS  
166 countries and  
territories



1 776  
OFFICES





# THE BDO NETWORK

The BDO network is an international network of independent public accounting, tax and advisory Firms which are members of BDO International Limited and perform professional services under the name and style of BDO ("BDO Member Firms"). BDO is the brand name for the BDO network and all BDO Member Firms.



## GLOBAL BOARD

The Global Board is the Board of Directors of BDO International Limited. It comprises the managing partners of at least the three largest firms of the EMEA region, the two largest firms of the Americas region and the two largest firms of the Asia Pacific region. The (re)appointment of the Global Board members, each for a three year term, is approved by the Council. The Global Board Chair is elected by the Global Board members. The Global Board sets policies and priorities for the global organisation and oversees the work of the global Executive team.

## BDO COUNCIL

The Council comprises one representative from each voting BDO Member Firm – generally the managing partner – and represents the members of BDO International Limited. In 2023, there were 109 Council members. The Council is chaired by the Council Chair, elected among the existing Council members by the Council upon nomination by the Global Board. The Council approves BDO's global budget, appoints the Global Board and approves any changes to the Articles of Association and the Regulations of BDO International Limited. The Council meets at least once a year, with additional meetings held if the Council Chair and/or the Secretary of BDO International Limited consider it necessary or appropriate, or upon the request of a minimum number of Council members.

## EXECUTIVE TEAM

The global Executive team comprises the Chief Executive Officer (CEO), who is appointed by the Global Board, and the members of the Global Leadership Team (GLT), who are appointed by the CEO.

# BDO LITHUANIA




BDO auditas ir apskaita, UAB (BDO Lithuania), established in Lithuania, is a member of BDO International, a UK company with limited liability, and the sole legal representative of the international network of independent companies BDO, with more than 26 years of experience in providing audit and assurance, accounting, tax and consulting services to the public and private sectors. BDO Lietuva is jointly owned by UAB Virgauda, which holds 100% of BDO Lietuva's share capital. Detailed information about the owners of BDO Lietuva can be found in the public register of audit companies administered by the Lithuanian Chamber of Auditors, which is published on the website [www.lar.lt](http://www.lar.lt).

The highest governing body of BDO Lithuania is the shareholders' meeting, and the sole governing body of the company is the Director/Managing Partner Virginija Sirevičienė.

BDO has 4 offices in the largest cities in Lithuania: Vilnius, Kaunas, Klaipėda.

Our work reflects BDO's vision - "Global solutions. Driven to be the best". We focus on building strong and long-lasting relationships with our clients and strive to be a trusted partner for specialised services. Our guiding principles reflect how we work with our clients, support our colleagues and are accountable to society. We strive to be a leader for the future and to meet changing market needs and performance standards.

100+  
 TEAM MEMBERS

4 OFFICES 

 6  
PARTNERS

 300+  
CLIENTS



# BDO LITHUANIA

Trust and quality assurance are the foundation of BDO's operations. Transparency is one of the most important elements of our operations, allowing us to strengthen public trust in our competence as a professional service provider and our adherence to high standards of independence and ethics. It is important for us to comply with regulatory requirements and apply best practices in our activities, which is why we continuously invest in audit quality assurance procedures, the professional knowledge and competence of our employees, and follow a conservative risk approach when reviewing procedures and implementing new systems.

## Professional development

We understand how important continuous professional development is in order to achieve high standards in the provision of audit, accounting and consulting services. We encourage our employees to develop their skills and want to nurture the most talented people who can take on responsibility and represent BDO in a manner befitting the name.

## Human resources policies

We understand the significant impact that human resource management has on our business. Therefore, human resource management policy is an integral part of our long-term strategy. We are guided by BDO values and strive for the deepest possible employee engagement and share best practices.

## Independence

Independence remains a core value of our profession. It is the fundamental principle that promotes third-party confidence in audit, review, and other assurance reports. All partners and employees are required to comply with International Standards on Independence and Ethics, as well as processes that are designed to ensure independence from clients. Recognising the importance of independence in our work, we strive to remain objective and impartial, and apply the recommendations of the BDO global network to meet independence requirements.

## Innovative approach

In order to provide services efficiently and securely, we use state-of-the-art technologies to perform audit procedures and ensure the protection of client data. The BDO global network software used in our operations enables work teams to collaborate while maintaining the highest standards of security and data confidentiality. We strive to digitise our processes as much as possible and implement the group's sustainability initiatives, contributing to the preservation of nature.

## Commitment and responsibility

Our goal is to pursue our objectives in a sustainable and responsible manner, while helping our customers and society as a whole to achieve their common goals. We are socially responsible, and this is reflected in all our operating principles and working practices.

## Audit quality assurance

We understand how important it is to ensure the quality of audit services in order to build public confidence in the information received. It is therefore essential that particular attention is paid to procedures designed to ensure the quality of our work. To this end, we apply BDO's global methodology and have implemented control and monitoring procedures.

# OUR VISION AND VALUES

We strive to increase trust in our professional competence and to be successful leaders of the future. Our culture and values reflect our working principles and strategy and are designed to help us in our daily work and to help us achieve the goals of our customers and society. Our values complement each other and are equally important.

The company's management team is responsible for ensuring that employees have the right attitude and behave appropriately. All BDO employees understand and adhere to BDO's values in their daily work and when solving problems. Employee engagement and well-being are important to us. BDO adheres to the fundamental principles of independence and ethical principles set out in the International Code of Ethics for Professional Accountants (including international independence standards). We build trust by adhering to the principle of objectivity, working with integrity, ensuring confidentiality, continuously improving our professional competencies, striving for sustainability and innovation in our activities, and inspiring others to live by BDO's values.



Independence



Involvement



Trust



Sustainability



Collaboration



Flexibility





## SYSTEM OF QUALITY MANAGEMENT (SoQM)

- ▶ We have developed, implemented and maintained a quality management system that complies with the first international standard for quality management (ISQM 1) and the BDO network policy, with the aim of ensuring a high level of assurance that the tasks performed by our teams are of high quality and comply with applicable laws, regulations, standards, and procedures. Our quality management system was developed with the quality objectives of each ISQM component in mind, which help to achieve consistent actions and behavior in performing high-quality tasks.
- ▶ Based on the objectives set, we identified the relevant risks that we seek to manage. We then developed and implemented responses to the identified quality risks, taking into account that each identified risk requires a response. Monitoring procedures for all response actions were planned and carried out. The nature and frequency of monitoring varied depending on the nature and significance of the assessed risk. Monitoring activities may result in observations that are evaluated to determine whether, individually or in combination with other observations, they are related to deficiencies in the quality management system. We have completed the monitoring for the first reporting period to ensure that the response to risks and the monitoring process itself are effective.
- ▶ We have assessed our quality management system for the reporting period and prepared our conclusions. The person with ultimate responsibility and authority for our quality management system has concluded that the quality management system of BDO auditas ir apskaita, UAB provides reasonable assurance that the quality management objectives are achieved. Our quality management system helps us fulfill our responsibilities to serve the public interest and achieve our strategic and quality-related objectives.



# SYSTEM OF QUALITY MANAGEMENT





# SYSTEM OF QUALITY MANAGEMENT

## ACCREDITATION

BBDO member firms worldwide must be accredited annually and comply with the BDO accreditation requirements.

Accreditation is based on the number of accreditation points awarded.

The final accreditation assessment of company members is divided into three levels:

- Full;
- Partial;
- Not accredited.

Each member firm that does not receive a "Full" accreditation rating must prepare a formal improvement plan for the areas requiring improvement.

Each year, all BDO member firms must independently complete self-assessment forms, classified according to specific criteria, and submit them to the International Executive Service.

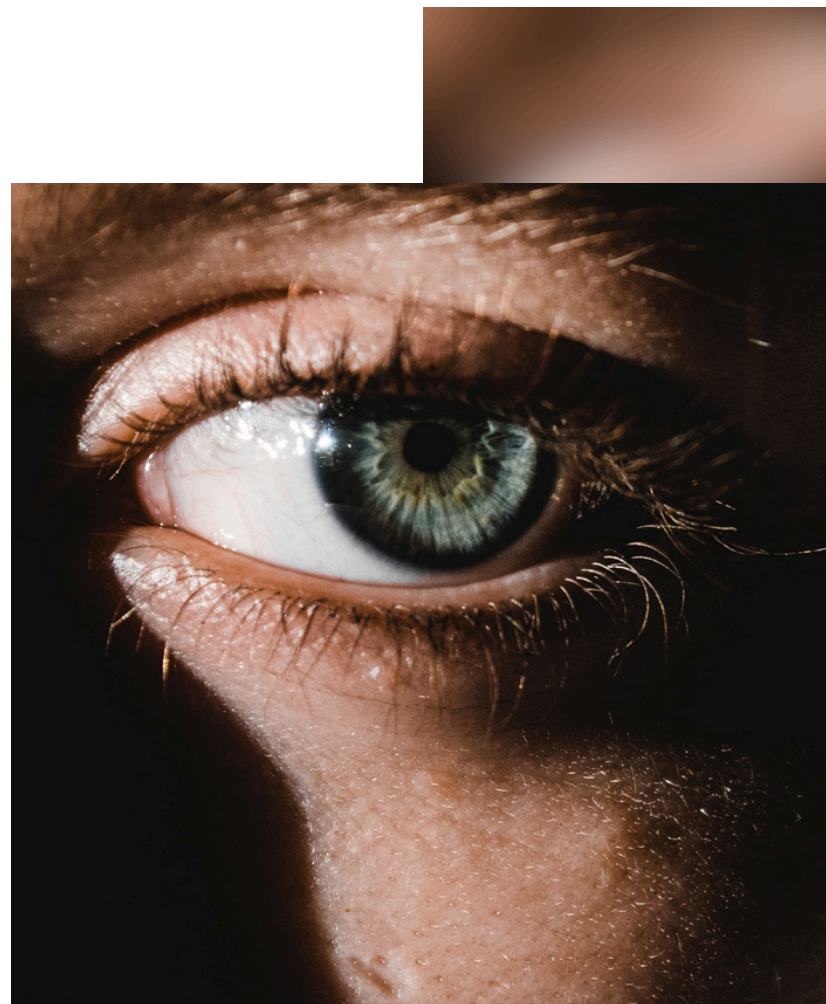
The self-assessments received from BDO members are reviewed based on information available to the BDO Global Office and feedback from the relevant regional representative. The results of the latest quality review of BDO members conducted by the global BDO organisation are also assessed and appropriate action is taken based on the results. BDO members who deliberately provide false information are subject to sanctions imposed by the BDO global office.

After evaluating the results of the self-assessment of BDO members, each BDO member is informed of its accreditation status. BDO Lithuania is fully accredited to provide audit, accounting, tax, and consulting services.

## QUALITY MANAGEMENT SYSTEM VERIFICATION

The Audit, Accounting, Property Valuation and Insolvency Management Service began its quality assurance review of BDO Lithuania on June 25, 2024, which is still ongoing.

In addition, the global BDO organization will begin a quality assurance review (QAR) of BDO Lithuania on July 25, 2025.



# AUDIT QUALITY ASSURANCE

## MANAGEMENT

- Quality concept and implementation
- Technological quality assurance
- Continuous quality control

## CLIENTS CONFIRMATION AND COOPERATION

- Independence and management of conflicts of interest
- Client information management system
- Risk assessment of client business areas
- Exceptional attention to the client

## PROFESSIONAL ETHICS

- Confidentiality
- Professional cooperation
- Compliance with the provisions of the Code of Ethics

## HUMAN RESOURCES MANAGEMENT

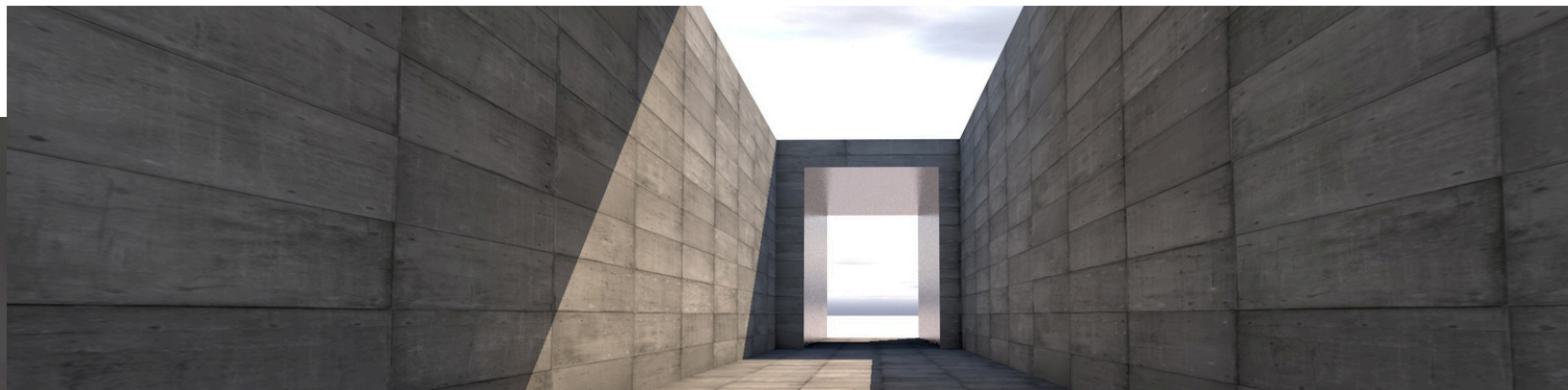
- Employee evaluations/self-evaluations
- Regular qualitative and professional training
- Personal development plans
- Selection of "suitable" employees
- Clear work process procedures

## AUDIT SERVICE PERFORMANCE PROCESS

- Common audit management and analysis software
- Approved audit team project plan
- Approved audit team structure
- Common audit methodology
- Audit project review – 4-eyes principle

## INTERNAL CONTROL

- Internal quality control system
- Quality and risk management specialist control
- Continuous monitoring of audit project quality





## SYSTEM OF QUALITY MANAGEMENT

The implementation of BDO's quality management system and procedures is essential to maintaining the company's reputation and high quality standards. BDO Lithuania's quality management system is designed to ensure that the company, its partners, and employees comply with professional standards and regulatory and legal requirements. Work is performed in accordance with high standards, and reports prepared by the company are appropriate as required by law, regulations, and the requirements of the global BDO organization. BDO Lithuania's quality system complies with:

- The provisions of the ISQM 1 that the company and its employees comply with ethics, professional standards, and apply legal and regulatory requirements, that work is performed in accordance with professional standards, and that conclusions and reports issued by the company or task partners are appropriate in the circumstances.

BDO Lithuania's quality management system comprises eight components that influence the quality of our audits and help us identify and improve relevant areas of auditing:

- the audit firm's risk assessment process;
- governance and management;
- relevant ethical requirements;
- client relationships and acceptance and continuation of specific engagements;
- performance of engagements;
- resources;
- information and communication;
- monitoring and correction process.

### MANAGEMENT RESPONSIBILITY FOR QUALITY IN THE AUDITING COMPANY

Quality depends on an organizational structure that is properly designed and clearly defines the responsibilities of the various management levels. The director, the team of department heads, and all company personnel are committed to performing their work with high quality, ensuring the public interest, and making and accepting sound professional decisions and adhering to BDO's values.

As a professional services firm, it is important to us that our management team seeks to identify talent and highlight their strengths. The director has ultimate responsibility for the company's quality management systems, including the quality of audit work. BDO Lithuania has clearly defined the responsibilities of the director, partners, and other employees. The director and partners form the company's management team, which develops and ensures the company's business strategy and its implementation.



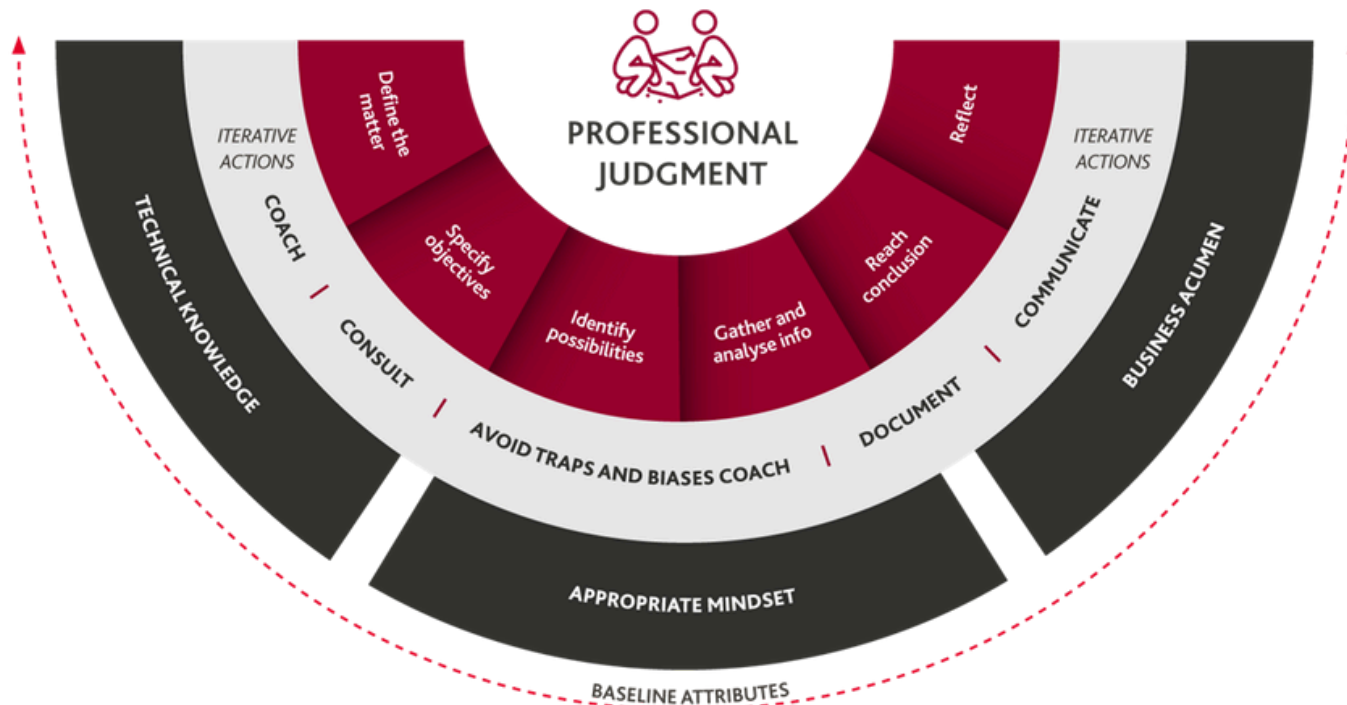
# SYSTEM OF QUALITY MANAGEMENT

## RELEVANT ETHICAL REQUIREMENTS, INCLUDING INDEPENDENCE

The independence, integrity, and professionalism of all company employees are extremely important in protecting the company's reputation and are a key factor in ensuring the company's continued success. The company has established policies and procedures as well as periodic internal training to ensure that employees at all levels of the organization have a common understanding of the ethical environment and requirements in which the company operates.

- Corporate Responsibility Forum;
- International Code of Ethics for Professional Accountants (IESBA®) (including International Standards on Independence);
- The 1st International Quality Management Standard (Quality Management of Audit Firms Performing Financial Statement Audits and Reviews or Other Assurance and Related Services Engagements);
- International Auditing Standards – Independence of the Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing, and Quality Control of an Audit of Financial Statements.

All partners and employees submit annual declarations confirming that they are aware of and understand the company's ethical environment and requirements and help to monitor compliance with these requirements.





# SYSTEM OF QUALITY MANAGEMENT

## CUSTOMER RELATIONS AND ACCEPTANCE AND FOLLOW-UP OF SPECIFIC TASKS

Client and engagement acceptance procedures play an important role when a company provides professional services to clients. BDO Lithuania has established policies and procedures for accepting clients or continuing to provide services when specific tasks are performed for a client. When performing these procedures, the engagement partner assesses the prospective client.

This assessment takes into account the risks associated with the prospective client and the engagement, including the firm's independence, conflicts of interest, and the resources available to the firm, and whether the firm can manage these risks. When considering whether to continue the relationship with the client, procedures shall be performed to assess the risks associated with that client, including:

- attention to the specifics of the client's business, including its geographical spread;
- assessment of information about the client, its management and owners, including obtaining evidence of the identity of the actual owners of the business;
- consideration of information about the nature and reputation of the prospective client and key personnel;
- assessment of potential independence risks and potential conflicts of interest;
- where relevant, consulting the previous auditor on the reasons for the change of auditor and whether there are any reasons why we should not accept the appointment;
- assessing our ability to accept the prospective client;
- reviewing the company's documents, including financial statements for previous years.

In accordance with professional standards, company policy, and procedures, the company will not provide services to a potential client if it identifies conflicts of interest or threats to independence that cannot be resolved by implementing appropriate safeguards. If a risk is identified in accepting a potential client, a quality and risk management specialist and/or the Independence Leader (IL) will be consulted on whether the prospective client can be accepted and what safeguards should be applied to mitigate the risks.

## TASK PERFORMANCE AND GENERAL METHODOLOGY

Our audit procedures and processes are designed to ensure that the audit complies with all applicable professional standards, regulatory and legal requirements, and that the company provides accurate, high-quality conclusions and reports in accordance with all applicable requirements. To achieve this objective and to promote the principles of professional skepticism in auditing and related services throughout the BDO network, the BDO global organization applies a common BDO audit methodology, software, and other standard documentation forms.

The methodology used by BDO is fully compliant with international auditing standards.

Our auditing methodology helps to effectively and consistently manage the risks faced by both our clients and ourselves. Our audit planning and strategy are focused on business areas and are therefore tailored to each of our clients to reflect the specific operational, control, and financial risks they face.

## TOOLS WE USE

In order to achieve and promote a consistent approach to auditing and the application of professional scepticism across the entire BDO network, BDO Global has developed a common BDO audit methodology, related software tools and other standard document forms. This methodology is fully compliant with international auditing standards.

### BDO GLOBAL portal

It is a secure online environment for collaborating and exchanging data with clients. Sharing data and information on the BDO Global portal is more secure than email, and information tracking is more accurate and systematic.

- Documents: more targeted and systematic information tracking.
- Planning: simpler management of your project team. When there are changes in your or our team, all questions we have asked you and all the information you have already provided will be available in one place.
- Access: 24/7.

### APT NEXT GEN

It is an audit process management program designed for risk assessment and audit evidence documentation from the start of the process to the submission of reports, which is continuously updated and improved to meet the highest requirements of International Auditing Standards.

The main advantages are as follows:

- Collaboration: using a single platform, BDO team members around the world can collaborate directly, promoting project efficiency and simplifying engagement and decision-making.
- Quality: APT NEXT GEN is continuously updated and improved to meet the highest requirements of International Auditing Standards.
- Efficiency: This tool is designed to identify risks and plan more effective audit procedures, improving the efficiency and quality of the audit process.

### BDO ADVANTAGE ANALYTICS

BDO Advantage is a suite of data analytics tools that combines the advantages of modern technology with our knowledge and understanding of your business.

Thanks to our advanced audit techniques, we use data visualization, correlation, comparison, and other techniques to identify the most important issues that we need to focus on.

This tool is used to identify risks and gather audit evidence, and helps audit professionals quickly and easily analyze client data and select the appropriate audit strategy.





# SYSTEM OF QUALITY MANAGEMENT

## MAINTENANCE AND INSPECTION

We require that all work performed be supervised by employees with the appropriate knowledge and experience in the field. The task partner or manager is responsible for ensuring that the relevant risks are identified and that decisions are made by employees with the appropriate level of competence and authority. The task partner or manager must also ensure that the work is performed professionally and that it complies with the company's standards in all respects.

Our review procedures are designed to ensure effective audit control. This procedure is designed to ensure that:

- The work was performed in accordance with applicable standards and regulations;
- Important issues were raised and considered in order to make appropriate further decisions;
- Appropriate and necessary consultations have been made;
- The work planning stage has been reviewed and the objective of the planned work has been achieved;
- The work performed and the evidence obtained support the conclusions reached.

The documents provided in the audit program enable experienced auditors to identify significant issues that arose during the audit, as well as the nature, timing, and extent of the procedures performed, the results of those procedures, and the evidence obtained.

Quality control reviews are performed on audits carried out by listed companies, audits of public interest entities, and other audit engagements determined in accordance with internal procedures. The specialist reviewing the quality of audit projects must be suitably qualified but is not part of the audit project team. The opinion of the highly competent specialist reviewing the quality of audit projects is not influenced in any way by other partners or managers.

## CONSULTATIONS

Our company culture encourages employees to consult with experienced partners and other specialists when necessary. The company establishes rules and procedures for when audit partners and team members must consult and how to document the results. Consultation may be necessary when a confident opinion is required to resolve an unusual client issue, make a decision, or identify a risk.



# SYSTEM OF QUALITY MANAGEMENT

## MONITORING AND DOCUMENTATION OF THE QUALITY MANAGEMENT SYSTEM

Our internal work monitoring procedures and processes are designed to reasonably ensure that the company's internal quality management system is effective and that it is followed in our operations.

Our quality management system includes an annual review of audit projects to monitor compliance with the company's policies, procedures, and standards and to ensure that audits are performed to the highest quality standards and are properly documented to support the opinion expressed.

Our internal monitoring process:

- Is assured;
- Is ongoing;
- Is monitored by management;
- Evaluates outcomes;
- Identifies areas for improvement;
- Identifies best practices;
- Reinforces the importance of consultation.

Audit project quality reviews are always performed on listed companies, public interest entities, and other audit projects specified in internal procedures. Random selection is applied on the basis that at least one audit performed by each audit engagement partner is selected each year.

In order to ensure consistent quality in audit processes and provide reasonable assurance that the highest standards and legal and regulatory requirements are met, a responsible person has been appointed within the company – the Head of Audit and Assurance Quality (HAAQM), who is responsible for the quality management system for audit and assurance services. who is responsible for the quality management system for audit processes.

The procedure establishes the criteria for conducting reviews, instructions, objectives, and documentation requirements.

The anonymized results of all qualitative checks performed are discussed with BDO Lithuania employees.

The management of BDO audit and accounting, UAB confirms that the quality management system described above effectively ensures that the audit company and its employees comply with applicable professional standards, laws/legal requirements, and that the audit conclusions and reports issued are appropriate in the circumstances.





# SYSTEM OF QUALITY MANAGEMENT

## QUALITY ASSURANCE SUPERVISION

Our internal quality management system is constantly monitored and updated whenever changes are identified or initiated, but at least once a year.

BDO Global implements a quality control system program, which includes a quality assurance review (QAR) for each member firm.

BDO Lithuania's quality assurance review (QAR) will be launched by the global BDO organization on July 25, 2025.

In Lithuania, independent quality management system reviews are performed by the Lithuanian Chamber of Auditors and the Audit, Accounting, Property Valuation and Insolvency Management Service.

The Audit, Accounting, Property Valuation and Insolvency Management Service began its quality assurance review of BDO Lithuania on June 25, 2024, which is still ongoing.

No deficiencies were identified during the last audit. This fully demonstrates that BDO Lithuania's quality management system meets the highest standards and that our audit and related control processes are of the highest quality.

## COMPLAINTS AND ACCUSATIONS

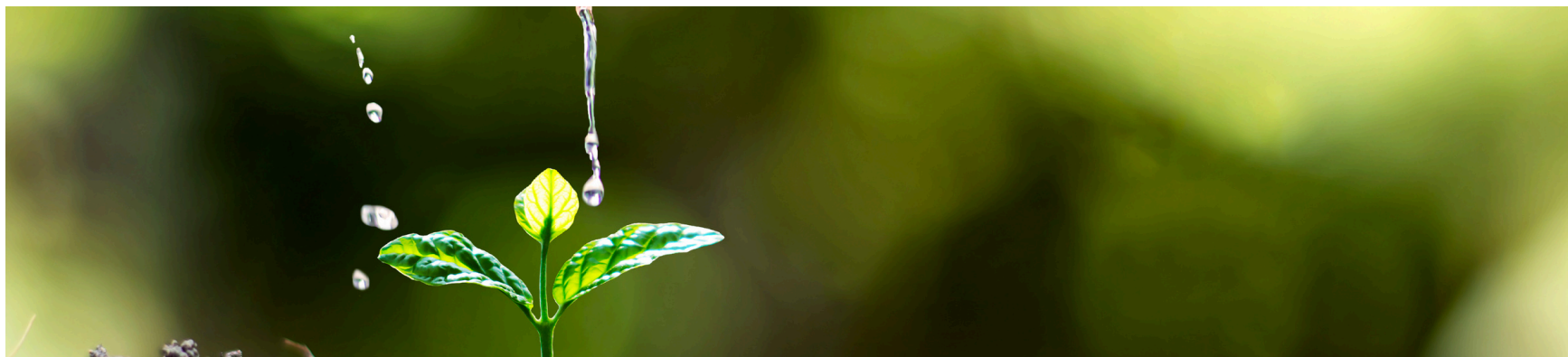
BDO Lithuania has implemented a tool for reporting complaints related to the quality of work. Using this tool, employees can express their concerns that the work performed by the company does not meet professional standards and applicable legal and regulatory requirements, or that the company's quality management system policies, procedures, and processes are not being followed. They can also express any concerns, complaints, or feedback related to their work or work environment anonymously.

The company's policy provides that company employees may at any time directly contact the quality and risk management specialist regarding any work performed that does not comply with professional standards and applicable legal and regulatory requirements and the provisions of the company's quality management system.

## CLIENTS FEEDBACK

We strive to ensure that the services we provide are in line with BDO's vision: "Delivering global solutions – striving for excellence." This is only possible by listening to our clients and responding to their needs and expectations, and by providing services of the highest quality. Therefore, we seek feedback from our clients through personal communication or surveys.

BDO clients have the opportunity to evaluate the quality of our services, praise our strengths, and identify areas for improvement.



# INDEPENDENCE

Independence and objectivity remain core values of our company. This is the fundamental principle of our activities, reflecting our commitment and responsibility to act in the public interest and promoting third-party confidence in our audit, review, and other assurance reports. Members of the BDO global network, including BDO Lithuania, adhere to the fundamental ethical and independence standards set out in the International Code of Ethics for Professional Accountants (hereinafter referred to as the Code), including the five fundamental principles of ethics and independence. In addition, BDO Lithuania is guided in its activities by the Independence Manual approved by the BDO network, which sets out the Independence Policy and the Global Independence Management Programme (hereinafter referred to as the Programme). The Program describes in detail the independence requirements, BDO policies, and mandatory procedures that all members of the BDO network must comply with. The Program consists of five elements:

- Standards and Policies;
- Processes;
- Data and Tools;
- Training and Communication;
- Monitoring and Accountability;
- Leadership and Management.

BDO network program related to integrity, objectivity, and independence:

- BDO network companies, their partners, and employees must adhere to the fundamental principles of integrity, objectivity, professional competence, due care, professional behavior, and confidentiality when providing any professional services.
- BDO network firms, their partners and employees apply the conceptual provisions of the Program to identify, assess and eliminate threats to compliance with the fundamental principles.
- If potential threats are identified, the circumstances giving rise to the threats must be assessed and eliminated; safeguards must be applied or the threats reduced to an acceptable level, or the provision of services must be refused.

The BDO network's international independence policy and procedures, as well as technological solutions, form the control environment of BDO companies and are designed to assess and eliminate any threats to independence or conflicts of interest that may arise.

In accordance with legal acts and the provisions of the BDO Group Programme, BDO Lithuania has approved the Ethics and Independence Policy, which defines compliance with independence and ethical principles and the control of their monitoring. BDO Lithuania supplements the provisions of the Ethics and Independence Policy as required by the Law on Auditing of Financial Statements of the Republic of Lithuania, including the independence requirements of the EU Audit Regulation.





# INDEPENDENCE



Each member of the BDO network appoints employees responsible for compliance with the Independence Standards – Independence Leaders, whose duty is to review and understand the regulatory and BDO network independence requirements and responsibilities, and to ensure and communicate:

- Compliance with Lithuanian laws and regulations;
- Compliance with the independence requirements and standards set by the BDO network;
- Compliance of independence procedures and policies with laws and BDO network requirements;
- Communication with BDO network members on matters related to the implementation of independence policies and practices.

BDO Lithuania employees manage independence and conflicts of interest using the global BDO network database. This database is accessible to all BDO network members and employees to avoid providing assurance services to restricted companies. This tool enables BDO network members to cooperate before confirming the provision of services to clients. If there is a threat to independence or a conflict of interest and if the causes of the threat cannot be eliminated, BDO Lithuania will not commence cooperation with the client or will terminate it immediately.

Every new BDO employee must confirm their compliance with the Independence and Ethics Standards. All employees of the company or appointed Partners must confirm their compliance with the ethics and independence requirements in writing by January 20 of each year. Before signing a service contract for the performance of an audit or before issuing an audit opinion, all employees of the audit department or employees of the company who are required to comply with the ethical and independence requirements set out in legal acts confirm their compliance with the Independence and Ethics Requirements.

The head of BDO Lithuania confirms that compliance with independence and ethical requirements by the company and its certified auditors and other employees was monitored throughout the year.

## PUBLIC INTEREST COMPANIES

Below is a list of public interest entity audit clients for whom BDO has prepared and submitted signed auditor's reports during the years ending December 31, 2024.

The audit opinion provided to the public interest entity IKKB OMX Baltic Benchmark Fund was issued on the financial statements for the interim period ended November 7, 2024.

All audit opinions provided to the public-interest entities listed below were issued on financial statements for the year ended December 31, 2023:

### FINANCIAL AUDIT

- Rokiškio sūris, AB
- Kelių priežiūra, AB
- Saldo bank, UAB
- Allianz Lietuva gyvybės draudimas, UAB
- Allianz S Pension Fund
- Allianz Y3 1996-2002 Pension Fund
- Allianz Y2 1989-1995 Pension Fund
- Allianz Y1 1982-1988 Pension Fund
- Allianz X3 1975-1981 Pension Fund
- Allianz X2 1968-1974 Pension Fund
- Allianz X1 1961-1967 Pension Fund
- Allianz B 1954-1960 Pension Fund
- IKKB OMX Baltic Benchmark Fund
- UAB NTER Asset Management



## FINANCIAL INFORMATION

BDO Lithuania's income is presented in accordance with the requirements of Article 13 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council and consists of:

- Income from audit services for the annual and consolidated financial statements of PIEs and companies whose parent company is a PIE
- Revenue from the audit of annual and consolidated financial statements of other companies as required by law
- Revenue from other permitted non-audit services provided to companies audited by a statutory auditor or audit firm
- Revenue from non-audit services provided to other entities

INCOME	December 31, 2024 Thousands EUR
Audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of entities whose parent entity is a public-interest entity, as required by law	213
Audit of other companies' annual and consolidated financial statements as required by law	1 859
Total income from audit services	2 073
Non-audit services for audit clients	104
Non-audit services for other clients	2 488
Total revenue:	4 664



# HUMAN RESOURCES

In order to implement the company's strategy and ensure the provision of effective and compliant audit services, considerable attention is paid to human resource management. It is important for us to ensure that the company has sufficient professional and competent employees who provide audit services and perform procedures and who are able to work in audit teams, applying the highest professional, ethical, and legal standards and requirements. To this end, we have developed a Human Resources Management Policy and Procedures:

- Clear and consistent work procedures
- Clear description of work processes: tasks, responsibilities, and expectations
- Established recruitment procedure
- Job descriptions: current skills, personal professional development plan, specialization, and professional goals
- Employee team and time planning, career opportunities
- Regular assessment of employees' work tasks and periodic comprehensive employee evaluations
- Employee team development plans and training plan and procedures

Clear human resource management procedures, job descriptions, and work process descriptions reveal the company's goals, structure, vision, and appropriate professional conduct to BDO employees and reflect the rules in force at our company. Our working principles and work process descriptions are designed to ensure and monitor audit quality. Our Human Resources Management Policy ensures that our managers and employees clearly understand the rules that apply in our company, what is acceptable and what is not, and what is expected of all employees. This policy is updated whenever changes occur and is reviewed at least once a year. Our policy is available on our internal system and is easily accessible to all employees. Failure to comply with company policy or professional and ethical standards may result in disciplinary action and consideration of the employee's future with our company.



# HUMAN RESOURCES

## CLEAR DESCRIPTION OF WORK PROCESSES

A clear description of work processes is the basis of our company's personnel policy.

Job descriptions are structured for all positions. This provides employees with clarity regarding their tasks, the performance of their duties, the scope of their authority, what is expected of them, and the standards of work we require.

Job descriptions define:

- The objectives of the functions
- The role of the functions within the company and their position in the organizational structure The main tasks and specific activities
- Responsibilities, powers, and scope of application
- Expectations and quality requirements
- Professional requirements (knowledge, skills, and behavioral competencies)
- Qualifications required for the position

## ĮDARBINIMO PROCEDŪRA

Our recruitment strategy and procedures are designed to ensure that future employees have certain personal qualities, are able to provide high-quality services, and have the professional competence required to perform their duties properly.

Our company's internal culture is based on principles that promote diversity in terms of age, gender, nationality, and physical abilities. This diversity strengthens our company's values and enables us to provide high-quality professional services and share different experiences.

We are always looking for competent, mature, honest, and motivated employees who have the right skills and leadership qualities for their specific job.



# HUMAN RESOURCES

## RESPONSIBILITIES - CURRENT SKILLS, PERSONAL PROFESSIONAL DEVELOPMENT PLAN - SPECIALISATION AND CAREER OBJECTIVES

Employee competency management reflects the concept of "the right person in the right place at the right time." This allows to:

- Assess an employee's suitability for the company's needs
- Assess and link an individual's career needs and aspirations with the company's needs
- Structure personnel management processes (selection, recruitment, administration, evaluation, training)

We provide clear job descriptions with explanations of the necessary competencies and review them periodically to remain competitive.

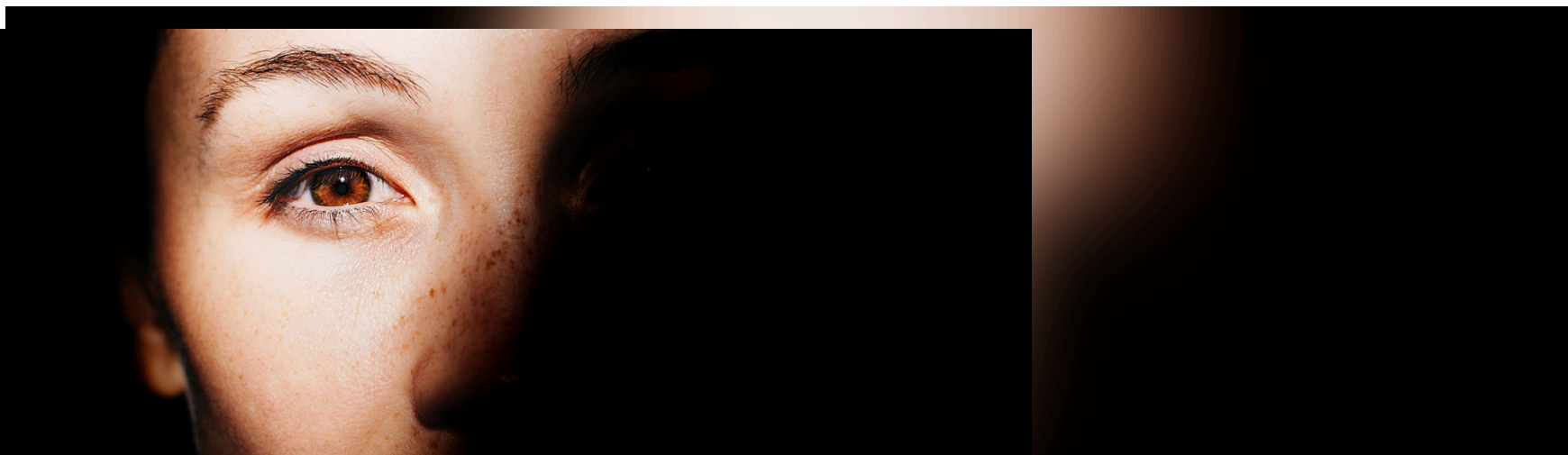
Employee career growth is encouraged both within the company and at the BDO Group level. Employees can usually start at the lowest level, as an assistant, and have the opportunity to progress to the highest level, as a manager. Employees are promoted to the next higher position when an assessment confirms that they are ready to take on greater professional responsibility and are capable of performing their duties.

## EMPLOYEE TEAM PLANNING, IMPROVEMENT PLANS

We recognize that the high-quality work and professional commitment of our partners and employees are key factors that significantly influence the audit process and enable us to provide high-quality services. In view of this, our ability to attract and retain highly qualified professionals is of paramount importance. In order to successfully develop our business and ensure the quality of our services, we plan our staffing levels taking into account the needs of our clients and the volume of work.

Employee conduct rules and procedures are designed to reasonably ensure that work is performed by employees who have the appropriate education, qualifications, competence, and technical knowledge.

We assess the abilities of our staff based on their professional knowledge and by reviewing their managers' assessments of their performance and the quality of their work. This assessment is then used to evaluate the employee's suitability for specific tasks and their potential for improvement.





# HUMAN RESOURCES

BDO's experience transfer and management ensures:

- Maintaining the company's strengths and ensuring successful, long-term management
- Reducing the risk of a shortage of suitable, competent managers in critical situations
- Develop potential managers, motivate them, and reveal their talents and abilities
- Plan and align your available resources with future needs and strategy, and be flexible and able to respond quickly to emerging new management needs
- Overcome difficulties and challenges related to the search for and recruitment of new employees

This helps our employees to:

- Improve their qualifications and competencies, develop the skills necessary for career development and the achievement of related goals
- Remain motivated and loyal to the company

## REGULAR EVALUATION OF EMPLOYEES' WORK TASKS AND PERIODIC COMPREHENSIVE EMPLOYEE EVALUATIONS

All our employees are regularly evaluated to assess their level of competence, monitor their progress, and help them make the most of their potential. Performance reviews look at each employee's contribution to the quality of the services our company provides.

Assessments are carried out separately in each department of the company according to a pre-defined assessment plan. The factors assessed (which may vary depending on the level) include professional and technical competence (including analytical and assessment skills), personal and management skills, and customer service skills.

We conduct regular employee surveys that encourage employees to get involved in the company's activities and actively share their ideas and observations.



# HUMAN RESOURCES

## DEVELOPMENT PLAN AND TRAINING POLICY

Our training and development strategy ensures that the company remains competitive and motivates our employees. This includes both the technical expertise and skills of our employees to meet market demands, such as business consultants, financial analysts, negotiators, and managers. Consistency, objectivity, professional skepticism, and a desire to achieve the company's goals are essential qualities of a good specialist.

We help our employees develop a clear career and personal development plan.

We value honesty and moral values. Employees' skills vary depending on their specialization and experience, so we have identified three key factors that all our employees must have:

- Technical competence in their chosen field of specialization
- Ability to take pride in themselves, the company they work for, and the profession they represent
- Strong personal skills in leading and bringing employees together into effective teams and fulfilling commitments

These are mandatory requirements for cooperation between employees and the company.

Each year, a training plan is drawn up, which includes the topics that must be covered, such as Money Laundering Prevention and Terrorist Financing, Ethics and Independence, etc. Training needs are determined based on the previous year's training, annual performance reviews, consultations with employees, department heads, or changes (in legislation, technical, etc.).



# HUMAN RESOURCES

## PROFESSIONAL DEVELOPMENT

**BDO is committed to developing and maintaining the highest professional standards through its professional development programs.**

By providing exceptionally high-quality services and retaining and motivating our employees, we implement an employee training and development policy as an important and integral part of our business.

The company's policies and procedures stipulate and regulate that audit partners and other audit staff must participate in professional development and training programs.

The training program consists of training organized by BDO Lithuania to meet the essential needs of the company, as well as external training provided by relevant professional or other organizations and training organized by BDO Global.

Auditors must continuously improve their professional qualifications by attending auditor qualification improvement courses (at least 120 hours of courses over three consecutive years or an equivalent professional qualification improvement course) (Article 36(2)(2) of the Law on Auditing of Financial Statements of the Republic of Lithuania).

Before being granted the title of auditor, an assistant auditor must complete at least 40 academic hours of training in the following areas during each year of their assistant auditor practice: auditing, professional ethics, accounting, taxation, law, information technology, economics, mathematics, statistics, finance, and business management.

We have developed a training program for the professional development of our employees. All new audit staff receive an introductory program covering the company's audit methodology, procedures, and structure. All audit staff, including managers and partners, participate in regular training on updates to audit software tools and methodology. The training emphasizes the requirements and principles of audit work, compliance with which is an important aspect of professional development.

All audit staff are personally responsible for complying with the relevant rules and for acquiring the knowledge, skills, and professional competence necessary to perform their duties successfully.

BDO Global provides a virtual training program on its internal network, which is certified accordingly, and all information about self-study is documented internally. It is also very important for audit staff to develop their leadership and other personal skills, which is why BDO Lithuania organizes psychological training with external consultants on personal development and customer relationship management.

Continuous professional development is a factor that is taken into account in the annual assessment of audit staff and the evaluation of their career opportunities within the company. During the employee assessment, professional development needs are evaluated and training measures, directions, and opportunities are identified. We are committed to developing and maintaining the highest standards of competence through our training and qualification programs.



# PARTNER REMUNERATION

## PARTNER REMUNERATION SYSTEM

All BDO Lithuania partners receive a base salary, with bonuses distributed to partners according to a system established by the remuneration system. The base salary of partners is determined based on:

- Experience
- Area of responsibility
- Loyalty to the company

The remuneration system defines the process for determining partners' remuneration, which helps us to consistently evaluate all our partners and measure our individual and collective efforts in achieving our strategic goals.

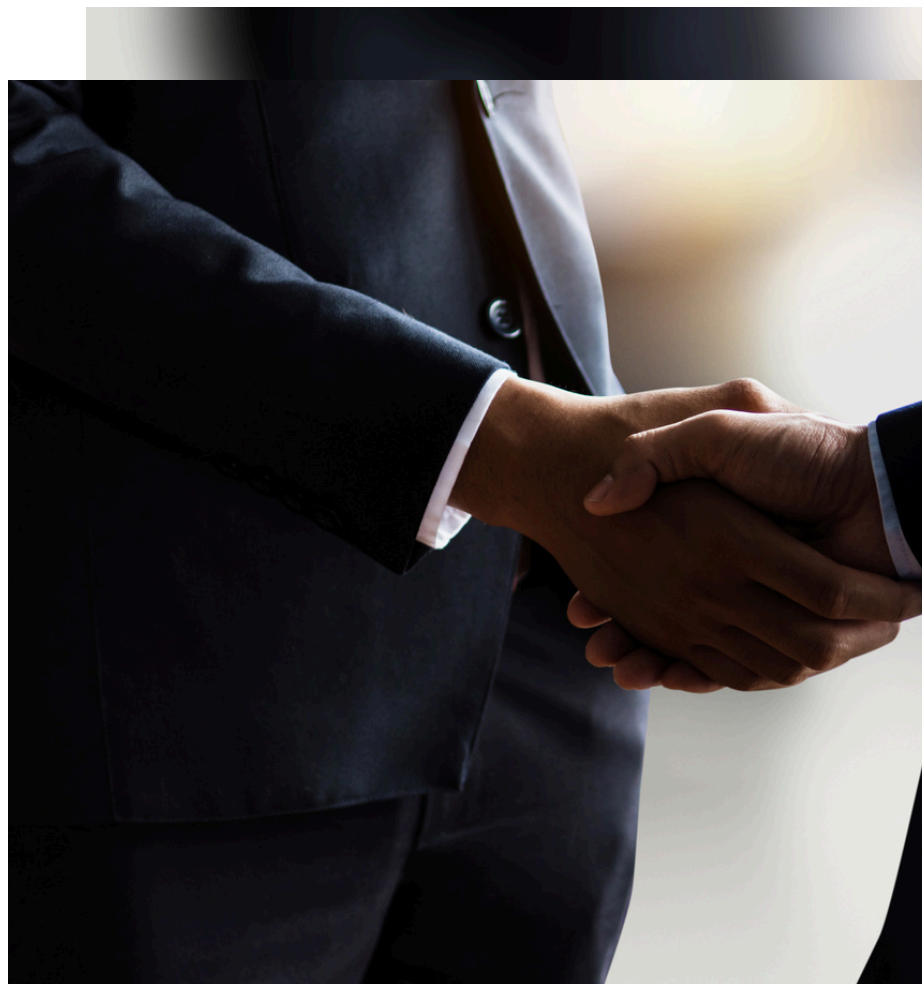
During the process, partners are evaluated according to the following criteria:

- Vision, values, and strategy – adherence to them
- Growth in volume, market share, and strengthening of the BDO brand
- Leadership competencies and personnel (team) management
- Quality assurance and risk management
- Operating results and implementation and promotion of innovations

Audit quality, professional ethics, and independence are factors that are integral to the partner evaluation process.

## AUDITOR ROTATION

BDO Lithuania complies with the requirements for the rotation of audit partners set by the International Ethics Standards Board for Accountants (IESBA), Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU 537/2014), the Law on Audit of Financial Statements of the Republic of Lithuania and, where applicable, the requirements of the US Securities and Exchange Commission (SEC) and Article 4 of the Law on Audit of Financial Statements of the Republic of Lithuania stipulate that the maximum period for which the lead partner/signatory partner of the audit team may perform this role is five years. At the end of the five-year period, the lead partner/signatory partner may not hold this role for three consecutive years in accordance with Article 17 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council. In accordance with the provisions of the International Code of Ethics for Professional Accountants, if a person has served as the signing partner for a total of seven years, the break period is five consecutive years. BDO Lithuania understands and applies the principle of auditor rotation in order to ensure the quality and independence of the audits performed. We use auditor rotation planning and monitoring tools to control auditor rotation.



## FOCUS ON SUSTAINABILITY

The BDO network is committed to implementing sustainability initiatives (ESG, E-environmental, S-social, G-governance), which are integral to maintaining and creating sustainable organizational value and impact. We understand the need to adapt our business development strategy and service delivery practices to justify our clients, employees, investors, regulators, and other stakeholders in achieving sustainable business practices and contributing to the preservation of the planet and the environment for society and future generations. Our approach to sustainable operations is to pursue long-term goals and impact on our environment and society by assessing risks and developing opportunities. The BDO global network believes that technology and innovation can drive positive change not only in our operations but also in our collaboration with clients. Therefore, special attention is paid to the development of ESG solutions and tools that enable organizations to measure, report, and improve the real sustainable and social impact of their activities and results. From the perspective of the BDO network, the aim is to make sustainability one of the key priorities for all BDO network members in the coming years.

- We believe that all organizations have a responsibility to do everything they can to ensure a prosperous, sustainable, and future-oriented world.
- We strive to be an organization that addresses the challenges facing people and our planet.
- We want to be recognized as a responsible business that cares about the impact of our activities on the environment, society, our employees, and the decisions of our customers and related third parties.
- We aim to be an organization that uses its influence to inspire, educate, and share its experience, contributing to the sustainable business development movement in our markets. Therefore, sustainability is integrated into our business strategy and work culture as one of the company's strategic areas.



## ESG POLICY

In today's dynamic business environment, sustainability has become a key objective for many organizations. As we continue our sustainability journey, we recognize that this is not just the responsibility of a few members of our organization—it is a goal for the entire BDO organization.

Sustainability is woven into all of our organization's goals and values, impacting BDO globally, our member firms, our clients, and our people. From reducing carbon emissions to promoting inclusive practices, every aspect of sustainability highlights the interconnectedness of our actions and their broader impact.

BDO's sustainability activities are guided by our core principle of "People helping people" and aim to inspire, educate, and lead an unstoppable movement toward sustainable business practices in our markets and within our organization.

### SERVICES FOR CLIENTS

Our sustainability services are constantly expanding as clients need more help to meet their sustainability commitments and start implementing their decarbonization strategies. Using our suite of ESG solutions and tools, we help clients measure, report, and improve the impact of their operations and results.

Our global focus remains on core sustainability services covering climate risk, sustainable finance, sustainable communities, ESG strategy, and the importance of human capital. The global BDO Sustainability Services working group meets regularly to share best practices, strengthen qualifications, collaborate on opportunities, and enhance our overall service offering.

We are currently focusing on the impact of CSRD on European businesses and its implications in other jurisdictions, and our sustainability teams are building their capabilities to assist clients on this issue.

#### Transition to Net Zero

BDO Global joined The Net-Zero Financial Services Providers' Alliance in 2021 and as a result our organisation as a whole made a commitment to support the goal of net-zero greenhouse gas emissions by 2050 or soon.





# TRANSITION TO NET ZERO (Global Net-Zero Programme)

## Global Net-Zero Programme

As a global organization, we are committed to achieving net-zero greenhouse gas emissions by 2050, and possibly sooner.

This ambitious goal has been set by all members of the BDO network. A special Net-Zero program has been created to provide all BDO companies with a uniform methodology and guidelines. The program includes calculating carbon footprints, setting science-based climate neutrality targets, and regular company reporting. This program will ensure consistency in BDO's greenhouse gas (GHG) reporting and reduction targets.

In this way, we aim to ensure the dissemination of accurate and reliable data on the climate impact of BDO's activities. In addition, regular review of our targets and reporting will enable us to continuously improve and move forward towards our ultimate goal.

We will continue to invest in our commitment to climate neutrality by developing the necessary tools and processes to achieve greenhouse gas neutrality for our organization by 2050 or earlier.



1 step

CO2 calculation



2 step

CO2 reduction strategy



3 step

Climate reporting



## OUR SUSTAINABLE INITIATIVES



For two years now, we have been contributing to forest planting – we plant trees with great joy and responsibility, caring for the environment and sustainability. This is not only an investment in nature, but also in the future. Most importantly, these trees will never be cut down for commercial purposes. They will grow freely and naturally, contributing to the preservation of biodiversity, cleaner air, and the mitigation of climate change.



We sort responsibly – we care about how our actions affect the environment. That is why we strive to sort waste properly and promote sustainable consumption every day.

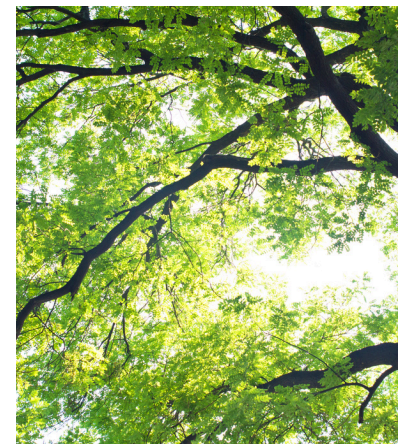
We believe that small steps can lead to big changes – from sorting bins in the office to conscious decisions in everyday life. Together, we are creating a cleaner and more sustainable environment for everyone.



We care about well-being, which is why we actively participated in the step challenge and encouraged our colleagues to exercise more, involving the team in a healthier lifestyle.

We encourage exercise, active leisure, and the importance of rest.

Emotional health is also important to us, so we provide opportunities to consult with professional psychologists or participate in mindfulness sessions.



In order to conserve natural resources, we sign all documents with electronic signatures. This is not only convenient and fast, but also helps reduce paper consumption in our daily activities.



# APPENDIX

This appendix lists the member firms of the global BDO organization that are registered audit firms operating in EU or EEA member states.

Country	Territory	Audit Firm Name
AUSTRIA	Austria	BDO Salzburg GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
	Austria	BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
	Austria	BDO Steiermark GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
	Austria	BDO Oberösterreich GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
	Austria	BDO Audit GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
BELGIUM	Belgium	BDO Bedrijfsrevisoren BV / Réviseurs d'Entreprises SRL
BULGARIA	Bulgaria	BDO Bulgaria OOD
CROATIA	Croatia	BDO Croatia D.O.O.
	Albania	BDO Albania Sh.P.K.
	Sarajevo	BDO BH d.o.o. Sarajevo
CYPRUS	Cyprus	BDO Limited
CZECH REPUBLIC	Czech Republic	BDO Audit s.r.o
	Czech Republic	BDO Group s.r.o.
	Czech Republic	BDO Czech Republics.r.o.
DENMARK	Denmark	BDO Statsautoriseret revisionsaktieselskab
		BDO Holding VI, Statsautoriseret Revisionsaktieselskab
ESTONIA	Estonia	Aktsiaselts BDO Eesti

Country	Territory	Audit Firm Name
FINLAND	Finland	BDO Oy
	Finland	BDO Audiator Oy
FRANCE	France	BDO France
	France	BDO AUDIT DES ACTIVITES SOCIALES
	France	BDO PARIS ENTREPRISES
	France	BDO PARIS AUDIT PME
	France	BDO ATLANTIQUE
	France	BDO RENNES
	France	BDO LYON AUDIT
	France	BDO IDF
	France	BDO LES HERBIERS
	France	BDO FONTENAY LE COMTE
	France	BDO NANTES
	France	BDO LES ULIS
	France	BDO Paris Audit & Advisory
	France	BDO Méditerranée
GERMANY	Germany	BDO AG Wirtschaftsprüfungsgesellschaft
	Germany	BDO Oldenburg GmbH & Co KG Wirtschaftsprüfungsgesellschaft
	Germany	BDO DPI AG Wirtschaftsprüfungsgesellschaft
	Germany	BDO Dr. Daiber Audit GmbH



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This appendix lists the member firms of the global BDO organization that are registered audit firms operating in EU or EEA member states.

Country	Territory	Audit Firm Name
GIBRALTAR	Gibraltar	BDO Limited
GREECE	Greece	BDO CERTIFIED PUBLIC ACCOUNTANTS S.A.
	Greece	BDO Services SA
HUNGARY	Hungary	BDO Hungary Audit Ltd
ICELAND	Iceland	BDO ehf.
IRELAND	Ireland	BDO
ITALY	Italy	BDO Italia S.p.A.
LATVIA	Latvia	BDO Assurance, LLC
LIECHTENSTEIN	Liechtenstein	BDO (Liechtenstein) AG
LITHUANIA	Lithuania	BDO Auditas ir Apskaita, UAB
LUXEMBOURG	Luxembourg	BDO Audit
MALTA	Malta	BDO Malta CPAs
NETHERLANDS	Netherlands	BDO Audit & Assurance B.V.
NORWAY	Norway	BDO AS
	Poland	BDO Spółka z ograniczoną odpowiedzialnością Sp. K.
PORTUGAL	Poland	BDO Legal Latała i Wspólnicy Sp. K.
	Portugal	BDO & Associados, SROC, Lda
ROMANIA	Romania	BDO Audit SRL
	Romania	BDO Auditors & Accountants SRL
	Romania	BDO Auditors and Business Advisors SRL

Country	Territory	Audit Firm Name
SLOVAK REPUBLIC	Slovak Republic	BDO Audit, spol. s r.o.
SLOVENIA	Slovenia	BDO Revizija d.o.o.
SPAIN	Spain	BDO Auditores, S.L.P.
	Spain	BDO Audiberia Abogados y Asesores Tributarios, S.L.P.
SWEDEN	Sweden	BDO AB
	Sweden	BDO Göteborg AB
	Sweden	BDO Göteborg Intressenter AB
	Sweden	BDO Göteborg KB
	Sweden	BDO Mälardalen AB
	Sweden	BDO Mälardalen Intressenter AB
	Sweden	BDO Norr AB
	Sweden	BDO Norr Intressenter AB
	Sweden	BDO Stockholm AB
	Sweden	BDO Sweden AB
	Sweden	BDO Syd AB
	Sweden	BDO Syd Intressenter AB
	Sweden	BDO Syd KB

## BDO LITHUANIA

### AUDIT | BSO | TAX | CONSULTING | ESG

This transparency report has been carefully prepared, but it reflects only general aspects of our activities and should be considered as a guide. The transparency report does not assess specific or particular situations, and therefore this publication cannot be interpreted as professional recommendations or explanations. For more detailed questions, circumstances, or decisions, please contact BDO Lithuania directly. BDO Lithuania accepts no responsibility for any losses incurred as a result of any actions taken based on the general information provided in the transparency report.

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The BDO logo, featuring the letters 'BDO' in a bold, white, sans-serif font, with a horizontal line underneath the letters.