

ENVIRONMENTAL POLICY

Environmental protection and sustainability are integrated in the SKONTO GROUP's business strategy. SKONTO GROUP is aware that the construction industry may have a significant impact on the environment, therefore it undertakes to reduce any negative impact from its activities. The aim of this Policy is to define the general principles of integrated environmental management system in all SKONTO GROUP enterprises and it applies to all areas of business activity, including construction project development and product manufacturing, selection of raw materials, efficient use of resources, selection of more environmentally friendly transport and logistics solutions and waste management.

Basic principles:

- **Compliance with environmental laws and regulations**
We comply with environmental laws and regulations, standards, and industry best practices. Our group companies are certified for Environmental Management System ISO 14001.
- **Ensuring efficient use of resources**
We commit to reduce energy and water waste in our activities and to use raw materials efficiently, thereby reducing emissions, environmental impact and waste from our activities.
- **Ensuring proper waste management**
We commit to ensure that the waste generated by our activities is sorted and recycled, thus reducing the amount of waste transferred to landfills.
- **Promoting environmentally friendly procurement**
When choosing raw materials, packaging materials, transport and logistics solutions or other goods and services, we do our best to use solutions with less lasting impact on the environment.
- **Adhering to the principles of sustainable construction in the development of products and services**
Wherever it is possible, we offer our customers to implement sustainable construction, i.e., we offer solutions aimed at increasing the efficiency of buildings by reducing the consumption of energy, water and materials during both construction and operation.
- **Introducing more environmentally friendly technologies**
Introducing new technologies, wherever it is possible, we select the ones that ensure cleaner and more efficient production. Thereby we reduce the release of pollutants into the environment and use resources more efficiently.
- **Environmental monitoring on regular basis**
We regularly monitor the environment to ensure that our actions do not cause any harm to it.
- **Reducing potential environmental risks**
When implementing projects or providing services, we initially assess risks and take preventive measures to reduce any risk of harm to the environment and people. In case of pollution, we immediately take measures to confine and collect it.
- **Reviewing and improving environmental performance on regular basis**
We commit to monitor changes in laws, regulations, and the latest environmental protection requirements regularly, to review and improve SKONTO GROUP's Environmental Policy and Management System accordingly.
- **Communication and cooperation on environmental issues openly**
We deal with environmental issues openly and cooperate with our customers, suppliers, employees, public and competent authorities. We promote culture of openness and encourage the reporting of environmental breaches. If you have any questions regarding this Policy, or you want to report known or possible misconduct, you are welcome to do so by sending an email to report@skontogroup.com, calling +371 67096120 or filling out a special form on SKONTO GROUP website: www.skontogroup.com.

Revised and approved:

Riga, Latvia, year 2020