

## APPROVED BY

AS “Eco Baltia”  
Management Board meeting held on 20.09.2021  
(minutes No 27/2021)

AS “Eco Baltia”  
Supervisory Board meeting held on 03.02.2022  
(minutes No.6/2022)

# SUSTAINABILITY AND ENVIRONMENTAL POLICY

## 1. GENERAL MATTERS

- 1.1. This policy (hereinafter also referred to as the “Policy”) establishes the basic principles of sustainability, environmental and corporate social responsibility at AS “Eco Baltia” and its group companies (hereinafter referred to as the “Group”).
- 1.2. The purpose of the policy is to reduce the negative impact of the Group's operations on the society, economy, social conditions and environment. The Company implements socially responsible business activities, observance of principles of fairness and transparency, ensuring sustainable development of the Group companies.
- 1.3. The policy applies to all employees of the Group, and the Group companies communicate these basic principles to their customers and suppliers. The policy is published on websites of the Group companies.
- 1.4. **Sustainability** means sustainable development that meets the needs of today while minimizing the threat to the needs of future generations.
- 1.5. Sustainability is a very important aspect of our business, and sustainability policy promotes implementation of our mission “To find value in each and every thing”.
- 1.6. It is very important for the Group to satisfy the needs of customers in a modern way, by introducing new and innovative solutions and ensuring efficient operation of the company, taking into account the environmental protection aspects in the area of rendered services.

## 2. BASIC PRINCIPLES

- 2.1. Our operations are friendly to society and the environment and are economically viable.
- 2.2. We provide to customers waste management and environmental services, as well as recirculation of raw materials, which helps to tackle sustainability issues such as global climate changes and the introduction of a circular economy.
- 2.3. All our operations comply with regulatory requirements and international standards and are safe for employees, the public, partners, customers and the environment.
- 2.4. We use natural resources responsibly and put in active efforts to develop even more sustainable solutions more efficiently.

- 2.5. We cooperate with all the stakeholders and engage in versatile initiatives with a view to develop even more sustainable solutions.
- 2.6. We treat society in a responsible manner and respect human rights wherever we work.
- 2.7. We ensure good corporate governance, pay fair and motivating remuneration, improve occupational safety and work environment and conditions, and develop the competencies and talents of our employees.
- 2.8. We educate the public and engage in various initiatives involving matters of careful usage of resources and waste sorting.
- 2.9. We carry out competitive business, thus increasing the value of shareholders' capital.

### **3. RESPONSIBILITY TOWARDS THE ENVIRONMENT**

- 3.1. We are committed to environmentally friendly economic activity by efficiently utilizing the available equipment and using natural resources in a responsible manner.
- 3.2. We assess the environmental impact of our services and products throughout their life cycle and continuously strive to reduce the environmental impact of our economic activity by using the best technologies available.
- 3.3. We promote circular economy, primarily by returning the available materials to the market with the maximum added value, as well as by developing a rational waste management system.
- 3.4. We reduce the number of non-conformities and incidents resulting from our economic activity, which may affect the environment.
- 3.5. Our main priorities are mitigating climate change and conserving natural resources, so we monitor the occurring CO<sub>2</sub> equivalent emissions and work on reducing the proportion of landfilled waste amount.
- 3.6. We will define quantitative goals for operational activities and monitor their implementation.

### **4. ECONOMIC RESPONSIBILITY**

- 4.1. In the understanding of AS “Eco Baltia”, the economic responsibility concept means competitiveness, excellent performance and production and provision of services oriented to market requirements, thereby creating long-term added value and ensuring economic growth.
- 4.2. We contribute to development of the industry by engaging in the work of associations of the industry, providing support for scientific activities and research, promoting innovation, organizing discussions and conferences on development of the industry.
- 4.3. We encourage taking such measures necessary for the needs of the business and stakeholders that also help address global sustainability challenges.
- 4.4. We are aware that our economic activities affect all involved parties, both directly and indirectly, so we constantly review our impact on the economy and the wellbeing level.
- 4.5. We cooperate with reliable and honest companies that act in a responsible manner. We support the surrounding community and introduce innovative solutions.

## 5. SOCIAL RESPONSIBILITY

- 5.1. Flawless occupational safety and “0” accident policy is one of the goals of AS “Eco Baltia”.
- 5.2. Our goal is to provide a safe work environment for every employee, in turn every employee must take responsibility for compliance with occupational safety requirements. We make continuous improvements in occupational safety and working conditions, promote education of employees and their understanding of work environment matters.
- 5.3. We set fair pay and offer employees other additional benefits, as well as promote the wellbeing of all employees, with a special focus on balance of work and private life.
- 5.4. We observe the principles of human rights and the basic principles of diversity inclusion. In our companies, we employ people with diverse skills, experience, qualifications and culture, enabling us to better respond to the needs of our customers and cooperation partners. We strive to remove obstacles for employment by offering the vacant positions to the broadest possible public.
- 5.5. We take care of employee development and continuing education, by using various forms of training, and we have created a platform for growth of our talents.
- 5.6. We appreciate each employee’s contribution into the Group's operations. Underlying in our growth and quality of services is both the individual contribution and growth of each employee and the joint work of the team. At all job levels, we support employees who have the potential for professional and personal growth at the Company, offering them to acquire additional skills in various trainings, take on additional responsibilities and take on more responsible positions.

## 6. COOPERATION WITH STAKEHOLDERS

- 6.1. The ensures fair and equal treatment in communication with stakeholders and observes the principle of free and fair competition.
- 6.2. Cooperation with stakeholders takes place on the following levels of cooperation, depending on the topicality and relevance of the matter in the Company's operations - consultations, workshops, talks, involvement, partnership.
- 6.3. The most important stakeholders in our operations are employees, customers, competitors, suppliers, shareholders, investors, national regulatory authorities that govern and affect our operations, local governments, non-governmental organizations and associations (including the Latvian Employers' Confederation, Latvian Chamber of Commerce and Industry , Latvian Association of Waste Management Companies), mass media, local community.
- 6.4. We have developed a privacy policy and a personal data protection system, which ensures compliance of operations with the binding laws and regulations, as well as protects the personal data of the Company's customers.
- 6.5. We encourage our customers to provide feedback and suggestions for improvements through various channels with a view to continuously improve the quality of our services and processes.
- 6.6. The Group is open to building business relationships with partners whose professional

skills, experience and ethical principles align with our principles and established standards, regardless of the nationality, political affiliation, race, gender, etc. of the business partner and its employees.

- 6.7. We initiate and engage in community support activities together with other organizations, as well as make social contributions in the form of both financial investments and donation of goods and services in accordance with our sponsorship and donation guidelines.

## **7. BASIC PRINCIPLES OF ENVIRONMENTAL POLICY**

- 7.1. The Group carries out production and provides its services by assessing the environmental impact and interaction with the environment, striving to minimize the impact of its operations on the climate, the environment and biodiversity, and by planning and implementing appropriate environmental protection measures.
- 7.2. Our goal is to raise the awareness of the public, employees, customers and cooperation partners about waste management, saving of resources and to promote changes in daily habits to ones that are more sustainable and environmentally friendly.
- 7.3. The Group is constantly seeking to use safer, cleaner and more modern technologies. We support the introduction and application of technological innovations that allow coexistence of the environment and the economy, thus reducing emissions into the environment.
- 7.4. In the field of energy management, our goal is to use energy resources rationally, support procurement of energy-efficient products and services, as well as projects to improve energy performance. Whenever possible, we use energy-efficient equipment with a view to reduce the consumption of resources by the Group.
- 7.5. We support carrying out green procurements and their application for an ever-widening range of goods and services, and we participate in and organize green procurements ourselves.
- 7.6. For purposes of environment preservation and efficiency, we have introduced electronic communication options with customers and employees, for example, using e-signature, electronic mail or social networks, e-services application in communication.
- 7.7. As far as applicable in each particular case, we encourage avoiding physical movement to meetings, conferences, etc., if other alternative methods, such as conference calls or video conference calls, are available and can be practically used.

## **8. FINAL MATTERS**

- 8.1. The policy is approved by the Board and Council of AS “Eco Baltia”.
- 8.2. The Head of the Legal Department is responsible for policy development and updating.
- 8.3. The Board shall review it at least once every three years and submit an updated version of the Policy to the Council for approval.