

PST GROUP AB

SUPPLIER CODE OF ETHICS

1. INTRODUCTION

PST Group AB (hereinafter referred to as the Group), as one of the largest construction and engineering solutions companies in Lithuania, recognizes its responsibility for its impact on the environment, society and economy. We understand that our activities affect not only our customers and employees, but also the wider society and future generations. Therefore, the Group's strategic goal is to become a sustainable, responsible and transparent company that creates long-term value for all stakeholders.

The group purposefully strives to:

- reduce negative environmental impact by optimizing resource use, implementing circular economy principles, reducing greenhouse gas emissions and promoting the use of renewable energy sources;
- ensure social responsibility, safe and dignified working conditions, and adherence to human rights and equality principles throughout its value chain;
- to strengthen ethical and transparent business practices based on fair competition, anti-corruption principles and responsible governance.

With this Code, the Group not only defines its expectations for suppliers, sub-suppliers and business partners, but also invites them to actively contribute to the implementation of the common goal of sustainability. We strive for a supply chain that is not only economically efficient, but also socially responsible and environmentally friendly.

The Group believes that good practices should be shared, which is why we see this document not only as a set of requirements, but also as a guideline to help suppliers, subcontractors and partners strengthen their responsibility and sustainability culture. Only through joint efforts can we achieve lasting change that contributes to the implementation of the European Green Deal, the Paris Agreement on climate change and the United Nations Sustainable Development Goals.

2. PURPOSE AND SCOPE

The purpose of the Code is to establish clear principles of conduct, responsibility and fair business practices that the Group expects from all suppliers, subcontractors and other partners providing goods, services or performing work on behalf of the Group.

The Code applies and is valid to all suppliers who provide services, deliver goods and perform works to the Group. In the Code, the term "supplier" includes the supplier's employees and experts, consultants and other persons who work with the supplier on a basis other than an employment relationship. The supplier is recommended to familiarize its sub-supplier(s) who are used to implement contracts concluded with the Group with the Code.

The Group aims (expectations) with this Code:

- that human rights and freedoms are respected and protected, democratic values are disseminated and fostered, and environmental, social responsibility and business ethics standards and principles are adhered to throughout the Group's supply chain;
- to create conditions for cooperation between the Group and its suppliers in creating a sustainable, responsible and transparent supply chain;
- prevent any behavior that could damage the Group's reputation or cause legal, financial or social damage;
- encourage suppliers not only to comply with minimum requirements, but also to continuously improve their activities in accordance with good international practice.

Suppliers undertake to provide the Group with sustainability data (GHG according to the GHG Protocol , energy, water, waste, materials, OSH, employee indicators) requested by the Group, at least once every two years and/or upon request by the Group, in the specified format. The data is used for ETAS/ESRS disclosures, goals and progress assessment.

The Code is an integral part of the Group's sustainability policy and helps ensure that the Group's operations and its supply chain contribute to the implementation of the European Green Deal, the Paris Agreement, the Sustainable Development Goals (SDGs) and other international commitments.

3. INTERNATIONAL AGREEMENTS, STANDARDS AND CONVENTIONS

This Code is based on the following international documents and standards:

- United [Nations Global Compact](#) ;
- [Universal Declaration of Human Rights](#) ;
- [UN Guiding Principles on Business and Human Rights](#) (UN Guiding Principles) Principles there Business and Human Rights);
- [UN Sustainable Development Goals](#) (SDGs);
- [UN Women Principles for the Empowerment of Women](#) (UN Women Empowerment Principles);
- [International Labour Organization \(ILO\) fundamental conventions](#) (Nos. 29, 87, 98, 100, 105, 111, 138, 182);
- [OECD Guidelines for Multinational Enterprises](#) ;
- [OECD Due Diligence Guidelines on Responsible Business Conduct](#) ;
- [Paris Agreement on Climate Change](#) ;
- [EU Directive on Corporate Sustainability Reporting](#) (CSRD);
- [EU Directive on Corporate Sustainability Screening](#) (CSDDD);
- [Science-Based Targets Initiative](#) (SBTi);
- [GHG Protocol](#) ;
- International management standards (ISO 14001, EMAS, ISO 45001, ISO 50001).

4. ENVIRONMENTAL PROTECTION

When purchasing goods, services and/or works, the Group seeks to minimize the negative impact on climate change, environmental pollution, waste generation, use of natural resources, the state of

ecosystems and their services and/or other negative environmental impacts, and we encourage the supplier to conduct its activities in an environmentally responsible and efficient manner. The supplier is encouraged to establish and implement procedures to reduce any negative environmental impact of its activities and to continuously improve in this area:

- The supplier aims to reduce negative environmental impacts and ensure continuous improvement of environmental performance. We encourage the Supplier to apply environmental management system requirements in its activities in accordance with the LST EN ISO 14001 standard or the European Union Eco-Management and Audit Scheme (EMAS) or other equivalent environmental management systems based on European Union or international standards, or to have an effective environmental policy or program that helps manage environmental issues and reduce negative environmental impacts;
- to conduct its activities in accordance with all environmental protection requirements applicable to its activities, which are set out in applicable legal acts, regulations, environmental permits and standards;
- to strive for responsible, environmentally friendly supply of raw materials and/or to include environmental criteria in its purchasing processes;
- strive to reduce the consumption of raw materials and natural resources and ensure their efficient use. Suppliers should also increase the use of energy produced from renewable resources in their operations;
- measure CO₂ emissions (GHG), set science-based GHG targets (SBTi) and control CO₂ emissions;
- set water consumption targets, monitor and reduce consumption, apply wastewater control and pollution prevention, and comply with permits and limit values.
- assess the impact on ecosystems and protected areas, avoid and reduce negative impacts, giving priority to avoiding negative impacts.
- seeks to reduce the amount of waste generated in its activities, ensure its safe and responsible management, reuse and recycling;
- to use less or no hazardous chemicals to produce goods/materials, provide services or perform work, does not pose a risk to human health and actively seeks to avoid harm to the environment;
- when delivering goods and/or providing services to the contracting authority, give preference to non-emitting and/or less environmentally friendly vehicles;
- to set goals for responsible business and sustainable development and measures to achieve these goals in the form of an appropriate policy, strategy, declaration or other binding document;
- to develop the competence and responsible attitude of its employees towards environmental protection, to participate, where possible, in initiatives promoting environmental protection and preventive programs ensuring environmental protection;

5. SOCIAL RESPONSIBILITY

The Group expects the Supplier to pay special attention to ethics and professionalism at work, base professional relations on the principles of tolerance and mutual respect, at the same time set the highest standards of professionalism, respect human rights and create safe and healthy working conditions. The Supplier will conduct its activities in compliance with applicable legal requirements and international agreements and will treat all its employees fairly and respectfully. The Supplier also aims to:

Human rights

- to provide equal opportunities for employees, promote employee diversity and not tolerate any form of discrimination, including, but not limited to, discrimination based on age, gender, race, nationality, citizenship, language, origin, social status, faith, beliefs or opinions, age, sexual orientation, disability, ethnicity, health status, marital and family status, membership in a political party, trade union or association, religion, intention to have a child, as well as on the grounds that an employee exercises or has exercised the provided human rights, and on circumstances unrelated to the employees' professional characteristics, or on other grounds established by law;
- not to tolerate any form of psychological, physical, sexual or verbal harassment, intimidation, threats, mobbing or other forms of offensive actions ;
- not to employ, directly or indirectly, to the best of his knowledge, children or to use the labour of children below the age provided for in the International Labour Organization Convention No. 138 concerning the minimum age for admission to employment and in applicable legislation;
- respect the right to privacy of our employees, customers and other stakeholders when collecting personal data or implementing employee monitoring tools;
- the Group of any potential or actual negative impact human rights and take effective corrective actions to eliminate identified non-compliances and preventive measures to avoid similar violations in the future;
- ensure a confidential reporting channel for its own and subcontractors' employees, allowing them to report human rights, OSH, discrimination, corruption and other violations. Reporters are protected from any negative impact (non-reproach principle). According to the agreement, suppliers can also use the Group's complaints channel informuok@pst.lt.

Working environment and conditions

The Supplier undertakes to ensure safe, healthy and dignified working conditions for its employees, in compliance with all applicable legal requirements. In this way, the Supplier undertakes to:

- contracts with employees that comply with the requirements of legal acts , specifying working conditions, number of working hours , procedure for overtime pay , wages and periodicity of their payment ;
- observe maximum working hours, ensure rest periods, overtime is voluntary, paid no less than in accordance with the procedure established by legal acts and collective agreements. Wages are not lower than those established by legal acts and are paid on time;
- respect the right of its employees to join trade unions, works councils, participate in their activities and conduct collective bargaining without fear of negative consequences;
- prohibit in its activities corporal punishment and forced labour, as provided for in Protocol No. 29 to Convention No. 29 of the International Labour Organization, including modern slavery and human trafficking, as well as debt bondage and other forms of forced labour;
- ensure safe and healthy working conditions. Comply with the requirements for occupational safety and health set out in legal acts and assess the occupational risks of employees in all activities carried out. Take appropriate action to prevent occupational diseases and work-related accidents;
- to provide equal opportunities to improve qualifications, pursue professional development, retrain, and gain practical work experience for its employees, regardless of their position,

gender, age, family or social status, nationality, race, sexual orientation, pregnancy or maternity, political or religious beliefs, disability and/or other characteristics;

- organize necessary training for employees in the field of occupational safety and health and provide them with appropriate personal protective equipment, work clothes and tools necessary to safely perform the assigned work;
- implement measures that ensure that employees have the opportunity to anonymously file complaints about violations of labor discipline, unsafe working conditions, discrimination and other violations;
- protect employees who report or testify about incidents and their representatives from hostile treatment, retaliation and other negative consequences;

6. GOVERNANCE AND BUSINESS ETHICS

The Group conducts its activities honestly and ethically, in compliance with the requirements of applicable legal acts, and therefore expects the same from its supplier:

- not tolerate bribery, kickbacks, influence peddling, money laundering, abuse of office and/or other forms of corruption. We expect the Supplier to have a clear policy against all forms of corruption;
- implement standards and procedures to ensure that the supplier's employees and third parties acting on its behalf do not offer, promise, give, receive bribes, or make or accept improper payments (such as kickbacks or gratuities) to obtain new business, retain existing business, or secure any other improper advantage;
- Gifts, hospitality and entertainment cannot influence decisions; they are recorded if they exceed the thresholds set by the Group. Political donations on behalf of the Group are prohibited.
- not to participate in any form of illegal agreements between public procurement participants or other mechanisms that restrict fair competition in procurement, not to enter into any form of cartel agreements with competitors, for example, on the division or allocation of markets or customers, or agreements on prices, etc.;
- reduce dependence on manufacturers and suppliers that are not established or registered in a Member State of the European Union, a Member State of the North Atlantic Treaty Organization or a Member State of the European Economic Area and/or the Organisation for Economic Co-operation and Development;
- promote corruption prevention initiatives aimed at managing risks related to corruption, identifying manifestations of corruption and involving its employees in these initiatives and, in accordance with the procedure established by law, informing responsible institutions about possible cases of corruption;
- to promote an innovative approach and, where possible, to invest in the development of its employees' competencies, research and development projects, new technologies and advanced tools, and to implement them responsibly.

7. MONITORING OF COMPLIANCE WITH THE CODE

The Group strives to ensure that high standards of environmental protection, social responsibility and business ethics are applied throughout the supply chain. Therefore, the Group not only monitors the compliance of Suppliers with this Code, but also actively assesses their progress in the area of sustainability:

- Suppliers, in order to cooperate with the Group or continue existing contractual relationships, undertake to complete and submit the "Sustainability Declaration (Appendix No. 1 to the Group's Supplier Code of Ethics, form available [at www.pst.lt](http://www.pst.lt))" prepared by the Group. The purpose of this declaration is to assess suppliers' progress in the area of sustainability, including environmental (E), social responsibility (S) and governance (G) principles. The information collected helps the Group to better understand the maturity of suppliers' activities, identify risks and plan improvement actions in the supply chain. The sustainability declaration must be submitted:
 - for the first time – before signing the contract;
 - periodically – at least once every two years or at the request of the Group.
 - The Group reserves the right to:
 - request additional explanations or documents substantiating the data provided;
 - carry out on-site inspections or consultations;
 - assess suppliers' sustainability progress and, if necessary, provide recommendations for improvement;
 - incorporate the results of the declaration into supplier selection, evaluation and risk management processes;
 - The Group applies responsible business practices diligence process: (1) identification of supply chain risks, (2) risk assessment, (3) preventive and mitigating measures, (4) performance monitoring and progress measurement, (5) information and disclosure, (6) complaint handling and remediation. The Group seeks to involve Suppliers in cooperation at all stages, provide documentation and implement corrective actions.
 - Suppliers that consistently implement sustainability principles and demonstrate progress in the ESG area may be included in the Group's "Trusted Supplier List", giving them priority in participating in procurement and projects;
 - The Supplier must take all possible measures to eliminate any non-compliances with the requirements of this Supplier Code of Ethics identified or noticed during its own or the Group's inspection, seek to correct them within a reasonable time and inform the responsible persons of the Group thereof;
 - Suppliers must inform the Group of any known or potential non - compliance with this Supplier Code of Ethics, unethical or unfair behavior that may negatively affect the Group's reputation or cause financial or other damage;
 - A fair report of potential non-conformities will not affect the Supplier's relationship with the Group if the Supplier takes action to address and resolve the non-conformity;
 - If any non-compliance with this Supplier Code of Ethics is identified, the Group reserves the right to evaluate the Supplier's actions under the contract in progress and make decisions regarding further cooperation;
 - The Group's Supplier Code of Ethics is publicly available on the Group's website www.pst.lt. All procurement terms and conditions and contracts include a reference to the Supplier Code of Ethics. The Supplier confirms its familiarization with and compliance with the provisions and undertakes to disseminate the provisions to sub-suppliers.
-

SUPPLIER SUSTAINABILITY QUESTIONNAIRE / DECLARATION

This declaration is an annex to the Supplier Code of Ethics of PST Group AB. Its purpose is to assess the sustainability performance of suppliers, subcontractors or potential business partners according to the main criteria of environmental protection (E), social responsibility (S) and governance (G). Please complete the questions below and confirm your commitment to comply with the provisions of the Group's Supplier Code of Ethics.

1. General information

Company name:

.....

Registration number:

.....

Responsible person (name, surname, position):

.....

Contacts (e-mail, phone):

.....

Company's field of activity:

.....

2. Environmental protection (E)

Does your company have an environmental policy or strategy? ☐ Yes ☐ No

Does the company apply environmental management systems (e.g. ISO 14001, EMAS)?

☐ Yes ☐ No

Does the company measure and monitor greenhouse gas (GHG) emissions? ☐ Yes ☐ No

If so, what were the latest data/targets:

.....

Does your company have goals to reduce energy consumption, water use, or waste?

☐ Yes ☐ No

Are circular economy principles applied (recycling, reuse, waste prevention)? ☐ Yes ☐ No

3. Social responsibility (S)

Does your company comply with the International Labour Organization (ILO) conventions on child labor, forced labor, discrimination, and the right to organize? ☐ Yes ☐ No

Are safe working conditions ensured in accordance with applicable legislation and/or ISO 45001? ☐ Yes ☐ No

Are employees paid a minimum wage that meets the requirements of national law? ☐ Yes ☐ No

Does your company have a whistleblowing channel? ☐ Yes ☐ No

Does the company promote gender equality, diversity and inclusion? ☐ Yes ☐ No

4. Business Ethics and Governance (G)

Does your company have an anti-corruption policy or measures? ☐ Yes ☐ No

Is your company committed to not engaging in bribery, money laundering or other illegal activities? ☐ Yes ☐ No

Do you comply with fair competition and antitrust laws? ☐ Yes ☐ No

Does your company ensure the protection of personal data and commercial information in accordance with the GDPR? ☐ Yes ☐ No

Does your company publish public sustainability or social responsibility reports? ☐ Yes ☐ No

5. Commitment

We confirm that the information provided is correct, and our company undertakes to comply with the provisions of the Group's Supplier Code of Ethics and to continuously improve its operations in accordance with ESG principles.

Company name:

.....

Responsible person (name, surname, position):

.....

Date:

Signature: