



## AKROPOLIS GROUP, UAB SUSTAINABILITY POLICY

### I. Purpose and Scope

1. This Sustainability Policy (the “**Policy**”) of AKROPOLIS GROUP, UAB (the “**Company**” or “**Akropolis Group**”) establishes the key main principles, fields of activities and commitments of the Company and its direct and indirect subsidiaries (the “**Group**”) in three sustainability areas: Environment, Social, and Governance (ESG). The Policy sets out the Company’s prevention of sustainability risks and adverse impacts and provides guidelines to ensure that Akropolis Group operates in accordance with the principles of a responsible company.
2. Akropolis Group is a significant participant of business and public community in Lithuania and Latvia. The Group develops and manages major shopping and entertainment centres, bringing together significant numbers of visitors, employees and businesses, it also contributes to the planning of urban infrastructure, landscape and mobility. Activities of Akropolis Group in all jurisdictions are based on the unified principles of sustainable development described in this Policy.

### II. Context and Prospects Involved

3. Internal stakeholders of the Company in various job positions were involved in the formation of the Policy. Account was also taken of the opinion of external stakeholders (internal and external stakeholders are hereinafter collectively referred to as the “**Stakeholders**”), whose rights and interests are affected by the activities of Akropolis Group, which was expressed in the survey of the Stakeholders’ priorities carried out at the beginning of 2023.
4. The following Stakeholder groups took part in the survey:
  - 4.1. **Employees** working in all companies of the Group in various countries;
  - 4.2. **Executives and shareholders**;
  - 4.3. **External stakeholders**;
  - 4.4. **Visitors/customers** – persons visiting shopping centres;
  - 4.5. **Tenants** – entities renting commercial premises and providing their services in the territories of Akropolis shopping centres (the “**SC**”);
  - 4.6. **Partners** – suppliers of products and services; companies involved in the SC maintenance and management;
  - 4.7. **NGOs** – organisations representing the public and public interest.

### III. Applicable International Standards and Guidelines

5. The Policy was formed based on the following international standards and guidelines:
  - 5.1. OECD Guidelines for Multinational Enterprises;
  - 5.2. UN Guiding Principles on Business and Human Rights;
  - 5.3. UN Global Compact.

### IV. Activities and Impact of Akropolis Group

6. Akropolis Group is the Baltic leading shopping and entertainment centres development and management company. Akropolis Group operates both directly and through its subsidiaries.
7. The main activity of the Group is development and management of multifunctional shopping and entertainment centres in the Baltic States. Currently, the activity is focused on the Lithuanian and Latvian markets. Judging by the size of shopping centres, the diversity of tenants and the awareness of Akropolis brand, the Group is the leading manager of shopping and entertainment centres in the Baltic States.



8. The Group's business covers all aspects of a shopping centre development, from the initial designing and construction stage to operation and overseeing the activities of a fully open and operational shopping and entertainment centre, which includes the conclusion and administration of leases, as well as asset management activities.
9. The Group asset portfolio consists of five operational shopping and entertainment centres (three in Lithuania and two in Latvia) and two office buildings, which are integrated into two shopping and entertainment centres (one in Lithuania and one in Latvia).

## V. Themes of the Sustainability Policy of Akropolis Group

10. Akropolis Group's commitments cover the Environment, Social, and Governance themes. Referring to them and the sector specific requirements and good practices, three priority **principles of sustainable activities** were worded. Each of them is divided into **relevant themes** and **thematic commitments** relevant to each of them.

### 1<sup>st</sup> Sustainability Principle – RESPONSIBLE MANAGER OF REAL ESTATE

11. Real estate management and development of new buildings are the part of our activities that mostly adds to the impact on climate change. We are committed to ensuring environmentally responsible project support and development by reducing pollution, introducing circularity and promoting climate-responsible partner behaviour.
12. The implementation of the principle takes place through the involvement of three Stakeholder groups: (i) **Business Partners**, (ii) **Suppliers**, and (iii) **Tenants**.
13. Directions of the application of the principle and commitments:

#### 13.1. Management of buildings

We are committed to managing the shopping and entertainment centres that have already been built and are operational according to the following principles:

- a. We undertake to assess emissions in all areas, set and periodically review their reduction targets and pursue them.
- b. We encourage long-term use of equipment, responsible consumption and maintenance. We ensure repairs and the longest possible cycle of use before replacing equipment with new one.
- c. We strive for responsible consumption of electricity, heat and water resources. We support resource saving regimes and encourage partners to follow them.
- d. We ensure waste sorting and implement a convenient infrastructure of responsible waste management, thus encouraging partners to use it.
- e. We are gradually switching to renewable energy.

#### 13.2. Development of new buildings

We are committed to planning and developing all the buildings that will be constructed by Akropolis Group in the future and their territories according to the following principles:

- a. We implement energy efficiency solutions when designing new buildings.
- b. We use renewable energy and heating sources in the projects we develop.
- c. We design buildings that are resistant to physical climate risks and changes, monitor and adapt to the physical threats posed by climate change.
- d. We commit to choose less polluting construction materials and equipment.
- e. We responsibly plan the territories under development, integrating projects into the landscape of the city and surrounding nature. We strive to maintain and protect the biodiversity of the area and create green zones for the residents.

#### 13.3. Managing relationships with partners

We are committed to encouraging the responsibility and positive impact of business partners and suppliers working with Akropolis Group by use of the following governance principles:

- a. We encourage the environmental responsibility of the Tenants by providing the Green Lease recommendations and guidelines.
- b. We inform our partners about our sustainability commitments and encourage cooperation in compliance with them (waste sorting, electricity consumption).
- c. When choosing new partners and suppliers, we evaluate their sustainability commitments according to green procurement criteria.
- d. We encourage our partners to honour the principles of social responsibility and business ethics by making them familiar with the Code of Ethics of *Vilniaus prekyba*.
- e. We refuse to work with partners and suppliers whose activities violate environmental or human rights principles.

#### 13.4. **Transportation**

We are committed to facilitating, as much as possible, the sustainable movement to and from shopping and entertainment centres in order to reduce the motor traffic in the city and to promote the sustainable mobility habits of the urban population:

- a. We cooperate with the city and transportation service providers in order to improve the transportation to and from the shopping and entertainment centres by use of sustainable ways of travel – public transport, shared transport, bicycles, scooters and walking.
- b. We are introducing an infrastructure that supports sustainable transport – charging stations for electric vehicles, bicycle storages.

14. The implementation of the principle is ensured by observation of the following commitments:

- 14.1. BREEAM *in-use* standard;
- 14.2. BREEAM *new construction* standard;
- 14.3. ISO 14001 environmental standard;
- 14.4. Climate targets aligned with the Paris Agreement;
- 14.5. Recommendations for tenants regarding Green Lease terms.

### 2<sup>nd</sup> Sustainability Principle – RESPONSIBLE MEMBER OF THE COMMUNITY

15. Our activities pertain to a large group of the society and are a significant part of the urban development. We seek that our solutions would improve the quality of life of customers that directly use our services, employees of our shopping and entertainment centres and all urban citizens, therefore we create responsible and harmonious relationships with relevant communities.

16. The implementation of the principle takes place through the involvement of these Stakeholder groups: (i) **Visitors**; (ii) **the City and the Society**; (iii) **the Sector**; (iv) **Partners' Employees**.

17. Directions of the application of the principle and commitments:

#### 17.1. **Relationships with visitors**

We are committed to ensuring the well-being and safety of our visitors:

- a. We guarantee maximum safety of visitors in the shopping and entertainment centres and in the information environment.
- b. We provide quality, understandable and timely information about services, prevent incorrect or misleading information from our partners, provide guidelines and the Partners' Communication Principles.

#### 17.2. **Well-being of tenants' employees**

We are committed to helping employees of business partners operating in the SC territories to improve their knowledge and act in accordance with Akropolis Group quality standards:

- a. We strive for quality services and service from our partners – we provide tenants' employees with opportunity to study at Akropolis Academy.



### 17.3. **Responsible urban development**

We are committed to act as a responsible and active participant of the urban development:

- a. We encourage dialog with local communities and urban citizens about their needs and take them into account when planning and developing our activities.
- b. We are involved in urban planning, and our projects aim to improve urban areas and settlements.

### 17.4. **Business ethics and transparency**

We are committed to act on the following principles of responsible governance:

- a. We operate in accordance with the principles of transparency and zero tolerance for corruption.
- b. We work only with partners that follow anti-corruption principles.

18. The implementation of the principle is ensured by the following activities and documents:

- 18.1. Sustainability Report;
- 18.2. Akropolis Academy for tenants' employees;
- 18.3. Code of Ethics (applicable to all companies of UAB Vilnius prekyba group);
- 18.4. Partners' Communication Principles;
- 18.5. Support for local communities;
- 18.6. Cultural and informational events for visitors;
- 18.7. Events and training for tenants' employees.

## **3<sup>rd</sup> Sustainability Principle – RESPONSIBLE EMPLOYER**

19. The implementation of our commitments and the right example for our partners depend only on our employees, so we strive to provide them with high-quality and safe conditions for work, improvement and self-fulfilment as professionals and personalities.

20. The implementation of the principle takes place through the involvement of the Stakeholder group – **the Group's employees**.

21. Directions of the application of the principle and commitments:

### 21.1. **Working conditions**

We are committed to ensuring working conditions that meet safety and quality standards:

- a. We ensure safe working conditions.
- b. We take care of the health and well-being of our employees (additional benefits for our employees).
- c. We ensure work ethics and compliance with the labour law rules.

### 21.2. **Employees' growth and improvement**

We are committed to promoting the professional growth of and opportunities for our employees:

- a. We provide conditions for the professional development and improvement of skills of our employees.
- b. We provide career opportunities for our employees in the organisation.
- c. We encourage improvement by providing performance evaluation, space for discussion.

### 21.3. **Equality and inclusion**

We are committed to ensuring equal opportunities and well-being:

- a. We give equal remuneration for work regardless of gender, ethnicity or other differences.
- b. We prevent physical or emotional violence between employees, insults or harassment.

22. The implementation of the principle is ensured by the following measures:



- 22.1. ISO 45001 occupational health and safety standard;
- 22.2. Additional benefits for employees (discounts, health insurance, etc.);
- 22.3. Internal and external trainings.

## **VI. Introduction and Support of the Policy**

- 23. **Responsibilities:** This Policy is meant for all companies of the Group and their Stakeholder groups. The final version of the Policy shall be approved by the heads of Akropolis Group, whereas its introduction and support within the Group shall be supervised by the sustainability project managers.
- 24. **Governance:** The Policy is prepared and taken care of by the sustainability project team and shall be integrated into the corporate culture and activities. Departments of the Company (Asset Management, Lease, Real Estate Development, Human Resources, Top Executives) shall be involved in its implementation. Top Executives shall approve and ensure compliance with the Policy principles and shall be responsible for their non-compliance.
- 25. The monitoring and introduction of the Policy shall be the responsibility of sustainability project managers.
- 26. The compliance with the Policy principles shall be the responsibility of Top Executives.
- 27. **Monitoring:** Implementation of and compliance with commitments shall be constantly monitored and regularly discussed. In case of non-conformities, a group responsible for the implementation of a theme shall be formed, an action plan and success metrics shall be created.
- 28. **Compliance and accountability:** The Policy has been developed in accordance with the Paris Agreement, the sustainability reporting standards and the guidelines for sustainable development of the sector. The Policy shall be reviewed annually and updated as necessary in accordance with the latest sustainability requirements for the sector and enterprises. The updated Policy shall be posted on the Company's website, explaining the updates and their reasons in the Annual Business Report in a clear and transparent manner.
- 29. **Communication and trainings:** Akropolis Group undertakes to familiarize all employees and business partners of the Group with the Policy and their responsibilities. Active involvement of employees shall be sought by holding a session of questions and answers, by comments and feedback. Partners shall be made familiar with the Policy emphasizing its parts that are worth to be communicated to their employees. A contact person to be contacted in case of any questions shall be specified. The communication concerning the Policy shall be guided by the principles of transparency and inclusion.
- 30. **Improvement of commitments:** The Company undertakes to monitor the good practices of the sector in the areas relevant to the Policy and seek to improve its commitments and actively propose new areas to be covered.

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