

CONSTI

CONSTI PLC

CORPORATE SOCIAL RESPONSIBILITY REPORT

2021



CONTENTS

1 INTRODUCTION5

1.1. Consti Plc in brief5

1.2. Consti’s responsibility themes for the strategy period 2021-20236

1.3. Leadership and corporate social responsibility.....7

1.4. Reporting on responsibility.....7

2 MEGATRENDS AND THE OPERATING ENVIRONMENT.....9

2.1. Operating environment9

2.2. Megatrends10

3 CONSTI AND THE UN’S SUSTAINABLE DEVELOPMENT GOALS13

4 CONSTI’S NET IMPACT PROFILE14

5 ENVIRONMENTAL FRIENDLINESS.....17

- Expertise regarding the impacts of climate change on properties17

- Sorting and recycling of waste.....18

- Energy-efficiency of Consti’s own operations18

- Environmental risks.....19

- Consti’s green transition.....19

6 OCCUPATIONAL SAFETY AND WELL-BEING21

- Continuous improvement of occupational safety.....21

- The development of personnel and support for expertise.....23

- Equality and respect for human rights.....25

7 SUPPLY CHAIN27

- Prevention of grey economy27

- Partner collaboration28

- Corporate governance.....30

- Tax footprint31

8 CUSTOMER SATISFACTION33

- Customer understanding.....33

- Cooperative projects – open discussion of costs.....34

- Supporting the customer’s climate goals35

9 INDICATORS OF RESPONSIBILITY36

10 APPENDICES39

Appendix 1 Consti’s Ethical Guidelines for Personnel39

Appendix 2 Consti’s Ethical Guidelines for Partners41

Appendix 3 GRI Table44

INTRODUCTION

1.1. CONSTI PLC IN BRIEF

Consti is one of the leading companies in Finland that focus on renovation and technical building services. Consti offers comprehensive renovation and building technology services and selected new construction services to housing companies, corporations, investors and the public sector in Finland's growth centres.

The company's market position is strong especially in the selected growth centres: the Helsinki metropolitan area, Pirkanmaa, Turku and Oulu. In 2021, some 70% of the Group's net sales was formed in the Helsinki metropolitan area, 17% came from Pirkanmaa and 13% from Turku, Oulu and the rest of Finland.

The business operations of the Group are divided into four business areas: Housing Companies, Corporations, Public Sector and Building Technology. All business areas also offer maintenance services, the share of which was 13% of the Group's net sales in 2021.

The parent company of the Group is Consti Plc. At the end of 2021, the business areas operated in subsidiaries completely owned by the parent company: Consti Korjausrakentaminen Oy, Consti Talotekniikka Oy and RA-Urakointi Oy that was acquired in the autumn 2021 and which is specializing in the repair of blocks of flats and terraced houses. Consti only operates in Finland.

For 2021, the net sales of the Consti Group was some 289 million euros and the average number of employees was 969. The company's headquarters are located in Helsinki.

Consti's strategy for 2021 – 2023 is based on utilising Consti's customer-oriented organisation structure. Consti's vision is to be "our customer's number one partner and expert in multiple types of construction".

The strategy emphasises the utilisation of enticing growth opportunities in the company's current business operations and expanding the value created for the customer. Consti wishes to meet the needs of its customers by also offering new construction services on a selective basis. Possible new construction targets include facilities for industrial, warehouse and office use as well as various public buildings, for example. Consti's first new construction project under this strategy is a complex of two office buildings in Helsinki's Ilmala where construction began in August 2021.

Consti wishes to expand its role in the value chain of construction. This means participating in project development and planning management at the beginning of the value chain and reinforcing maintenance and upkeep services especially in Building Technology. This value chain thinking also includes the diversity of project types.

Improving production efficiency and improving profitability – as well as having the best talent in the business – remain at the heart of the strategy. Consti strives to be the most desirable employer in its field. Furthermore, Consti wishes to be a pioneer of the field in social responsibility and sustainable development.

**"ENVIRONMENTAL FRIENDLINESS
MEANS EXPERTISE IN CLIMATE
CHANGE EFFECTS ON PROPERTIES."**

1.2. CONSTI'S RESPONSIBILITY THEMES FOR THE STRATEGY PERIOD 2021–2023

Consti's responsibility themes mean those areas of the company's responsible business operations that are socially significant, important to Consti and its stake-

holders and such that Consti's operations can have an effect on them. These themes for the strategy period 2021–2023 are as follows:

ENVIRONMENTAL FRIENDLINESS

- ▼ Expertise in climate impacts on properties
- ▼ Energy efficiency of Consti's own operations
- ▼ Sorting and recycling of waste

OCCUPATIONAL SAFETY AND WELL-BEING

- ▼ Continuous improvement of occupational safety
- ▼ Supporting the expertise and development of personnel
- ▼ Equality and human rights

SUPPLY CHAIN

- ▼ Grey economy prevention
- ▼ Development of partner collaboration

CUSTOMER SATISFACTION

- ▼ Customer understanding
- ▼ Supporting the customer's climate goals

Environmental friendliness means expertise in the impacts climate change has on properties. It also means careful consideration of environmental factors in the company's operations by improving energy use and the recycling of construction site waste, for example.

Occupational safety is a constant development target in the construction industry. Developing the skills of the staff and an equal work community are key means of ensuring a skilled workforce and a well-being work community.

Incorporating the supply chain as part of social responsibility means utilising Consti's network of partners and the various partnership models diversely to develop expertise and make operations more transparent. Management of the supply chain also includes the prevention of grey economy.

Customer satisfaction is the basic requisite of successful business operations and it necessitates knowing and understanding customer expectations. It is important to ensure that the quality of the products and services meets what has been agreed upon. Based on customer surveys, Consti's customers also appreci-

ate the openness in reporting and communication and the contractor's expertise in areas such as offering and realising environmentally friendly solutions. Supporting the customer's climate goals by providing diverse energy efficiency solutions, for example, will become even more emphasised in the future.

Stakeholder groups and megatrends shape the responsibility themes

Consti's most important stakeholders are its customers (housing cooperatives, public sector developers, real estate investors and other companies), developer consultants, designers, property managers and subcontractors, as well as both current and potential future personnel, such as construction students. The company engages in continuous dialogue with stakeholders in customer meetings, cooperative projects, industry seminars, exhibitions and other events, visits to schools and colleges and student events and via various written surveys such as customer satisfaction and personnel surveys.

The effect of global megatrends is also taken into

account in the development of the company's responsibility efforts. The megatrends that most clearly affect Consti's operations are climate warming, urbanisation, digitalisation, ageing population and changes to economic systems. The development work in this regard takes international agreements and both EU and national legislation into account. The company is also continuously monitoring the development drive towards low carbon in various fields.

1.3. LEADERSHIP AND CORPORATE SOCIAL RESPONSIBILITY

Consti's mission is to improve the value of the building stock, and the value of life. The satisfaction of our customers and partners, as well as the well-being of our personnel are the prerequisites to all our operations.

Consti aims to act responsibly in all of its operations. It means being responsible with regard to our own staff and the staff of our partners, our customers and the end users of our facilities, as well as with regard to the environment and society at large. By operating responsibly Consti strives to reduce environmental risks and support the built environment's acclimation to climate change. Furthermore, responsible operation reduces grey economy and ensures a safe and equal working environment for personnel and partners. Our risk management procedures are discussed more thoroughly in Consti's annual report and on the company website at www.consti.fi -> Investors -> Corporate Governance. At Consti, responsible operation also means openness, honesty and reliability.

At Consti, social responsibility is an integral part of business management, which is led by the Chief Executive Officer with the help of the company's management group. The strategy period's essential responsibility themes are decided on by the management group and approved by the company's board. The management group also defines the guidelines and concrete measures related to social responsibility. The decisions are enacted by Business Area Directors.

Responsibility work is coordinated by a dedicated steering group consisting of representatives from Consti's business areas and support functions. Central tasks of this steering group include coordinating the work to develop responsibility at Consti, plan the procedures to implement the responsibility themes in practice and monitor the development of corporate

social responsibility and the requirements set for companies. The steering group meets once every quarter and its term spans the strategy period.

Additionally, a person has been designated for each of Consti's four responsibility themes who coordinates the practical responsibility work in work groups consisting of representatives from Consti's business areas. On the Consti Group level, the operation and coordination of these work groups and reporting on them to the management group is the responsibility of the chair of the social responsibility steering group.

The Group's communications specialists participate in the instruction and communication concerning matters of corporate social responsibility.

1.4. REPORTING ON RESPONSIBILITY

Consti has been publishing corporate social responsibility reports since 2014. The annually published report presents the principles and goals of Consti's responsible business operations and offers information on how responsibility is present in everyday work. This report was created by Consti's communications team according to guidelines from the management group. The previous report was published on 22.6.2021.

Consti Plc has been listed on the main list of the Helsinki Stock Exchange since December 2015. Companies on the stock exchange list are obligated to report on more than just financial information. The non-financial information companies are required to publish includes information on environmental aspects, corporate social responsibility, personnel issues, adherence to human rights and the prevention of corruption and bribery. In addition to providing this non-financial information, the Board of Director's Report 2021 also contains the central matters related to corporate social responsibility.

Consti's corporate responsibility report has been prepared with reference to GRI standards since the report for 2020.



MEGATRENDS AND THE OPERATING ENVIRONMENT

2.1. OPERATING ENVIRONMENT

Professional renovation has been on a nearly continuous rise in Finland for the last 20 years. In 2021 the renovation market grew by some 1–1.5% and the growth rate is expected to remain the same or accelerate slightly in 2022. In 2021 the COVID-19 pandemic didn't have a significant impact on construction.

In 2021, some 45% of all house construction consisted of renovation. This share has remained quite stable for a long time. Finland's renovation market is very fragmented and there are plenty of small companies operating in the sector. Consti is the largest renovation company in Finland.

In 2021, the value of professional renovation was some 14 billion euros, of which some 8.1 billion came from residential buildings. Most of renovation is conducted at terraced houses and blocks of flats. Renovation of both residential buildings and business premises is expected to increase in the coming years. General risks for growth are increasing construction costs and the availability of both personnel and materials. The lack of competent personnel is especially a problem in growth centres where both renovation and new construction are being centralised more and more.

Megatrends and the age of Finnish building stock increase the need for repairs

The primary driver behind the growing need for repairs in Finland is the age of the building stock. Housing construction was at its most fervent in the 1970s and the building services, facades and structures of buildings from that era are now in need of comprehensive repairs. However, when the value of

repairs is analysed in relation to surface area, housing cooperatives built in the 1960s have been repaired the most so far.

With regard to renovation, the fastest growing area has been building technology repairs, such as service water and sewerage repairs and heating, air conditioning, cooling and electricity renovations. The share of these renovations has been nearly half of all housing cooperative repairs in recent years. Some 70% of building technology repairs are plumbing renovations. In public buildings such as schools the starting point of renovation is often improving indoor air quality.

The second largest repair target is formed by external surfaces and structures, which amount to nearly 40% of the renovations. According to the Finnish Real Estate Federation's renovation barometer, repair needs will be focusing even more on facades in the coming years. As the price of energy soars, the increased heating costs will probably highlight the significance of energy efficiency even more. Some one fifth of renovation is formed by maintenance and upkeep repairs.

The market for renovation is estimated to continue its relatively steady growth. As with new construction, this growth is focused on growth centres.

In addition to the large residential building stock built in the 1970s, the need for renovation is maintained by growth in repairs required by business and office premises. The construction of business and office premises was particularly intensive in the 1980s and also relatively busier than housing construction in the early years of the 1990s and 2000s. The properties built in the 1980s often fail to meet modern requirements, and increases in remote work and online sales pose new challenges for the effective use of facilities. The demand for facilities changes more rapidly than the technical lifespan of the buildings.

2.2. MEGATRENDS

Global megatrends are macro-level phenomena and development trajectories that are expected to have major impacts on our society. Of the global megatrends categorised by the Finnish Innovation Fund Sitra (2020), the ones that most clearly affect Consti's operating environment and business operations are climate warming, urbanisation, ageing population, changes to economic systems and digitalisation.

These megatrends require Consti to procure new expertise, in part, but also offer new and more extensive business opportunities.

Climate warming

Finland's goal is to reach carbon neutrality by 2035 and carbon negativity soon thereafter. The government is committed to the climate policies of the European Union and Finland to limit the rise of average global temperature to 1.5 degrees Celsius. EU must achieve carbon neutrality before the year 2050.

Construction and the built environment produce approximately one third of Finland's greenhouse gas emissions. Therefore the emission reduction measures directed towards this sector are indispensable if Finland means to achieve its goal of carbon neutrality. To reach these goals, the Confederation of Finnish Construction Industries RT created a report in the summer of 2020 titled Road Map for Low-Carbon Construction and Built Environments 2020–2035–2050.

The energy efficiency of existing building stock is crucial in the reduction of energy consumption and emissions as new construction only grows the Finnish building stock by 1–2% per year. Containing climate change requires, among other measures, that buildings are made more energy-efficient in accordance with the EU Energy Efficiency Directive, which can be promoted via building services and building automation, for example, as well as constructionally through facade renovations and improved insulation. Climate change increases the amount of rain and air moisture in Finland, and adapting to these changes requires careful upkeep of facades especially.

The carbon footprint of the built environment can be reduced with several different measures, such as by reducing energy consumption, favouring renewable energy sources and improving the efficiency of the reuse and recycling of materials.

Urbanisation

Urbanisation is estimated to increase the need for flexibility to accommodate future changes to spatial needs, as well as the need to alter the purpose of properties as old industrial buildings in urban centres are turned into apartments or offices, for example. Densely built cities also create new opportunities for combining renovation projects of different operators, of which the group renovation projects of housing cooperatives serve as an example.

At the same time, urbanisation reduces vitality in areas outside of growth centres and leads to a reduction in the prices of properties and apartments in many places. This makes profitable renovation even more challenging in these areas. However, when comparing renovation and new construction, one should strive to take the environmental impacts of different options into account more often instead of simply focusing on their cost difference.

Population ageing

The ageing of population changes the requirements set for built environments. Apartments, various service buildings, business premises and access routes must be accessible and safe, and the significance of balconies as a venue for outdoor recreation might grow, for example.

Population ageing also increases competition between companies over high-quality expert employees.

Changes to economic systems

Changes to economic systems can take the form of increased entrepreneurship, changing working methods and the continuous growth of the expertise of both individuals and companies, for example. This is visible in both Consti's own operations as well as the spatial needs of Consti's customers. Circular economy is also a part of the changes to economic systems. This will be especially visible in the systematic further use of waste or demolition material created in renovation, bringing new business opportunities to the sector.

Digitalisation

Technology is developing at a rapid pace and changing production methods and operation models in the

field of construction and in society more broadly. As digitalisation progresses, the opportunities for remote work increase and offices are reduced in size or altered to be more flexible. Online commerce is also a factor that changes spatial needs.

Developments in technology bring new opportunities for renovation in terms of project management and customer service, for example. At its best, technology speeds up work and improves quality.

"URBANIZATION IS EXPECTED TO INCREASE THE NEED FOR PROPERTY CONVERSION FLEXIBILITY TO PREPARE FOR FUTURE CHANGES IN SPACE REQUIREMENTS."





SUSTAINABLE DEVELOPMENT GOALS

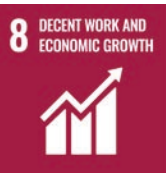
CONSTI AND THE UN'S SUSTAINABLE DEVELOPMENT GOALS

Consti's operations are closely connected to the following sustainable development goals defined by the UN:



Gender equality

- Equal treatment is a part of Consti's ethical guidelines
- Realisation of equality is monitored via such means as personnel surveys
- The goal is to increase the share of women among personnel



Decent work and economic growth

- Favouring permanent employment relationships
- Trainee positions for students
- Adherence to labour legislation and collective agreements
- Comprehensive occupational health care
- Regular personnel surveys
- Subcontractors as collaborative partners



Sustainable cities and communities

- Renovation increases the lifespan of existing buildings
- Accessibility renovations such as balcony extensions make everyday life easier for the elderly
- Indoor air quality renovations lead to healthier housing
- Building Technology improves energy-efficiency, safety and living comfort
- Modifications of building use allow underused facilities to be used more efficiently
- Comfort renovations of rental buildings without disrupting tenancy
- Renovation of historical buildings with respect to their architecture



Climate action

- Renovation instead of demolition and new construction
- Renovation and maintenance of facades helps properties withstand the extreme phenomena caused by climate change
- Improving the energy efficiency of customers' facilities
- Energy efficiency and recycling in our own operations



Peace, justice and strong institutions

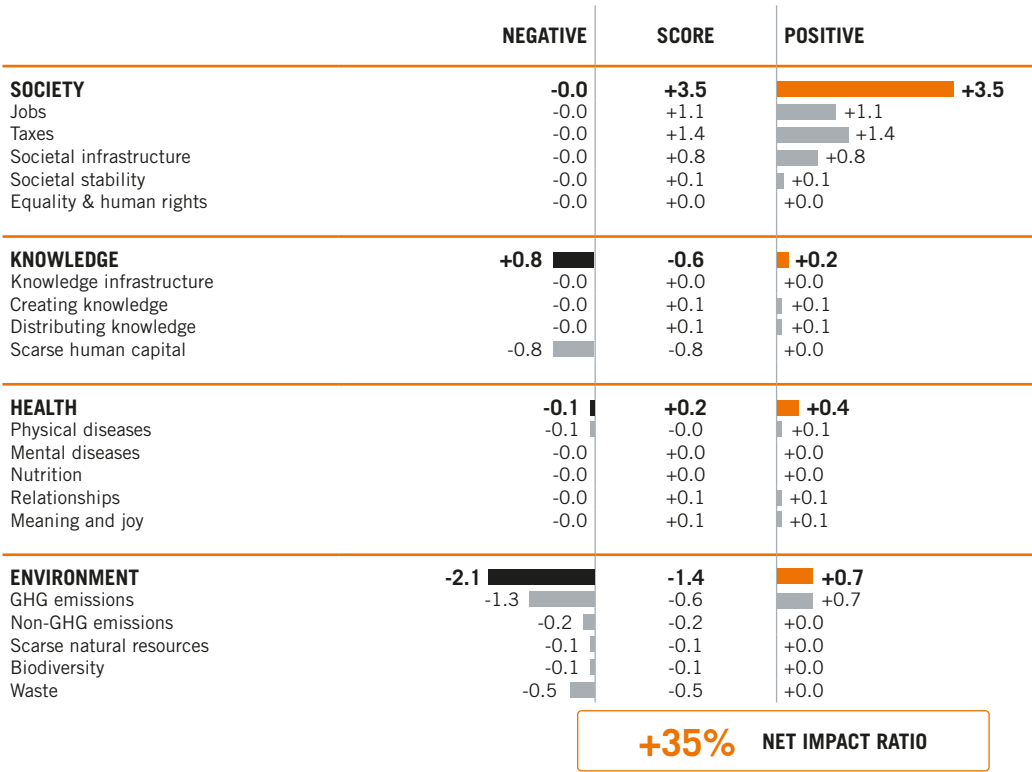
- Prevention of grey economy: measures to prevent bribery and corruption
- Transparent tendering
- Responsible employer that takes care of the occupational safety and well-being of its personnel and partners
- Transparent management in accordance with legislation and the requirements set for public companies



CONSTI'S NET IMPACT PROFILE

At the end of 2021, Consti commissioned a report on the net impacts of its operations, and according to this report Consti's impact on the social and ecological environments is strongly positive. The report was compiled by Upright Project, the developer of a method for calculating net impacts. This method reviews the impacts that a company's services have on the environment, people's health, society at large and on the accumulation of knowledge. According to the analysis, Consti's net impact ratio is +35%. When compared with the weighted average of companies

listed on the Helsinki stock exchange and included in the survey, Consti achieves a more positive effect than average with fewer resources. Consti can use the results of this analysis to develop its operations into an even more responsible direction. Furthermore, the analysis provides comparable and transparent data for investors, customers and other stakeholder groups. The report analysed Consti's operations for the period October 2020 – September 2021.



Like companies in general, Consti has a positive impact on society by offering jobs and paying taxes. Consti's operations have a significant positive impact especially on infrastructure. Thanks to Consti's operations we have safe and appropriate facilities and spaces for living, working, shopping and conducting business operations.

Consti creates knowledge on renovation and best construction practices on a daily basis. Part of the positive impact of Consti's operations on the creation of expertise and knowledge results from how the public buildings, such as schools, built and renovated by Consti enable the creation of new knowledge. However, Consti's net impact on knowledge creation is significantly smaller than its impact on infrastructure.

Consti's positive impact on people's health is formed by two factors: the renovation work itself and the constructed buildings. By renovating old buildings Consti makes them safer for their users (e.g., by removing dampness, asbestos and other potentially hazardous factors). Furthermore, Consti accumulates some positive impact through the use the buildings. Hospitals,

schools, sports venues and hotels, for example, all have a positive impact on people's health. A slight negative health impact results from injuries and health hazards related to construction work.

Both renovation and new construction create emissions and waste throughout the value chain. The environmental footprint of a building consists of the manufacture of its raw materials, logistics, the construction work itself and, finally, the use of the building. Consti is involved in all of this. Unlike many other construction companies, Consti balances the footprint of construction by reducing emissions through its renovation work. Renovation of old buildings means that fewer resources are needed for constructing new buildings, which reduces the environmental load. Renovation of buildings can also mean improvements in energy efficiency and thus a reduction of carbon dioxide emissions.



ENVIRONMENTAL FRIENDLINESS

A significant part of the environmental friendliness of Consti's operations is created via customer projects. Renovation nearly always also improves the energy efficiency of the building. The customer might also be aiming for life cycle efficiency. The requirements for the treatment and recycling of waste are getting more and more stringent, especially in the public sector.

Buildings make up nearly 40% of Finland's energy consumption. The energy efficiency of building stock is crucial in curbing energy consumption. In fact, according to the Confederation of Finnish Construction Industries RTI, most of the emission savings in the built environment result from renovation that reduces the energy consumption of buildings and changes the methods by which they are heated.

In renovation work, energy efficiency is improved especially with facade renovations and updates to building technology. Some 10% of heating energy can be saved simply by employing smart adjustments. Smart solutions that can be connected to building automation, such as heating, ventilation or lighting control, have the crucial ability of being able to manage peak loads flexibly. Usually this can be best realised in shopping centres. Automation has also been used to achieve energy savings of up to 20% in housing blocks without any compromises on living comfort.

In addition to the price of energy, the security of supply and the zero-emission aspect of energy have also become points of focus in recent times. New solutions to improve energy efficiency and utilise renewable energy are being constantly developed. Simultaneously, combinations of various building technology solutions are also on the rise. This has made building technology more unique and therefore more error prone and demanding. Building maintenance requires

more and more building- and device-specific expertise. Consti's goal is to be a building technology provider that participates in construction projects already in the planning phase: when building technology are already seen as a complete whole in the planning phase, it makes the upkeep of the systems easier and energy is saved.

Expertise in climate impacts on properties

The energy efficiency of a building is increased with building technology and automation, as well as structurally with facade renovations and insulation improvements. Facade renovations are often triggered by a technical failure, such as frost attacks on concrete elements or plastering, leaks or water damage and weaknesses in heat economy. Renovations nearly always include the bolstering of insulation and changing of windows into more energy efficient ones.

Climate change increases the amount of rain and air moisture in Finland, and adapting to these changes requires careful upkeep of facades especially. This is done by such means as regular element seaming. The moisture stress on facades can also be reduced in conjunction with roof renovations by increasing the number of eave gutters or by increasing the size of existing gutters. Balcony glazing reduces the weather stress on balcony structures and doors.

In addition to energy renovations, Consti is developing its maintenance services to better take the demands of climate change into account.



Insulation plastering leads to longer life and smaller heating bills

The Kaukovainio neighbourhood in Oulu is one of the city's oldest, and the first residential blocks were completed there at the end of the 1960s. A few years ago, three housing cooperatives in Kaukovainio – Ampuhaukantie 7, Nuolihaukantie 4 and Nuolihaukantie 6 – decided to invest in a facade renovation project that was more thorough than usual. Even though the renovation project was triggered by a structural need, the housing cooperatives ended up choosing insulation plastering to improve energy efficiency and lengthen the lifespan of the original facade at Consti's suggestion.

After the renovations, residents have been very pleased with both the look of the buildings as well as the improvements to living comfort. Even the coldest corner rooms now remain evenly warm.

After the renovation, energy consumption has been gradually reducing year after year. In the best case scenario, expertly made insulation plastering can pay itself back in energy savings. It also lengthens the lifespan of the facade.

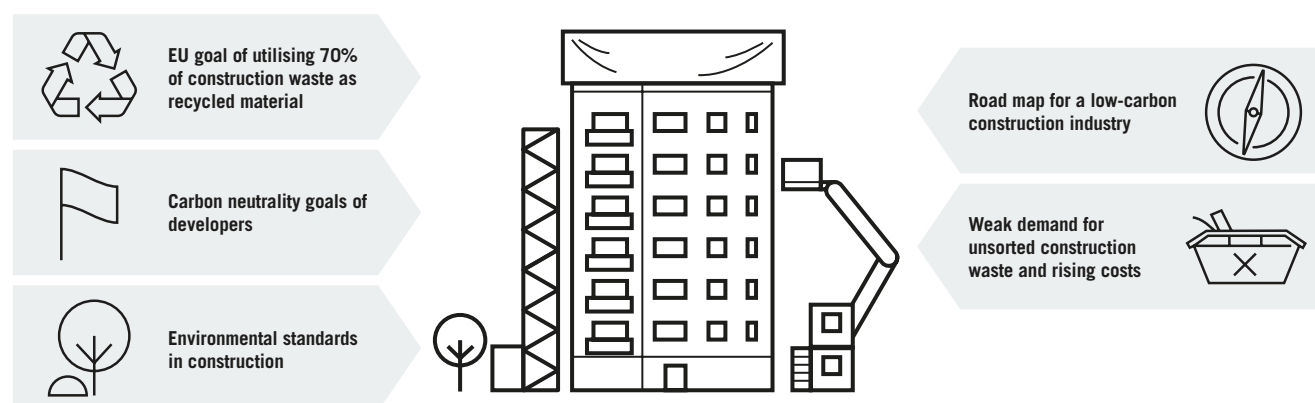
Sorting and recycling of waste

In Europe, construction spends more raw materials than any other industry. The goal of the new Waste Act that entered into effect in July 2021 is to improve the reuse and recycling of materials. According to the legislative package, at least 70% of construction and demolition waste by weight must be utilised in

some other way than as energy or fuel. This does not concern hazardous waste or soil or rock material removed from the bedrock or ground.

The new bookkeeping and reporting obligations related to the Waste Act help to track waste streams, improve the quality of waste statistics and monitor the progress of recycling and utilisation goals.

Drivers behind increasing the sorting of construction site waste:



In 2021, Consti's most essential method for improving the utilisation of construction waste was finding out the overall amount of waste nationally and its recycling rate. According to the new Waste Act, waste must be sorted at the place where it is created, which in Consti's case is at the construction sites. In 2021, Consti invited tenders from waste management companies, which reduced the number of partners to only two from the beginning of 2022. This makes for more comprehensive and accurate monitoring of waste amounts and costs. The operators have reporting channels through which the success of waste sorting can be monitored on a construction site-specific basis, enabling rapid improvement of methods when needed. The system also records the transportation documents created for waste transportations.

To improve the sorting of waste, Consti commissioned training materials for construction sites and in 2022 the company will continue to support the sites in waste management both by training personnel and providing them with information.

In 2021 some 51 (49)% of construction site waste produced by Consti Korjausrakentaminen Oy in the Hel-

sinki region ended up being utilised elsewhere as raw materials. The same number for Consti Talotekniikka Oy was approximately 33 (29)%. The figures do not include the waste created in the demolition work conducted by subcontractors. Establishing how this waste can be monitored will continue in 2022.

Efficient material use is also fostered with thorough planning, reduction of waste and promotion of recycling. Especially in installation work where the installed equipment and materials are often valuable, waste is reduced by ordering products in small batches at the right times, which means that they will not be left to spoil on the construction site and surpluses are noticed immediately. Consti strives to utilise possible surplus material at other targets where possible.

Energy-efficiency of Consti's own operations

An overwhelming majority of Consti's energy consumption occurs on construction sites. The central goal for 2021 was to create methods for the systemic

monitoring of energy consumption at construction sites. In 2022 the matter will be promoted further at all business areas and units with a uniform lettering procedure for offer calculation that takes into account the consumption of heating, electricity, water, gas and fuel at construction sites. This makes the monitoring of consumption more accurate. It is also possible for Consti construction sites to utilise the Group's electricity agreement to acquire a certificate of origin on the use of green electricity, for example.

In 2021, a pilot carbon footprint measurement was conducted and the amount of energy and water consumed by Consti locations was evaluated. More accurate monitoring of the consumption of water and energy at construction sites will begin in the latter half of 2022. In 2021, the fuel consumption of company cars and utility vehicles and the amounts of fuel oil consumed and waste created at construction sites were also surveyed. The aim is to minimise construction site traffic by developing logistics as part of the flow-based takt production method, for example.

The Energy Efficiency Act obliges large companies to conduct an energy review every four years. The latest Consti report is from 2018.

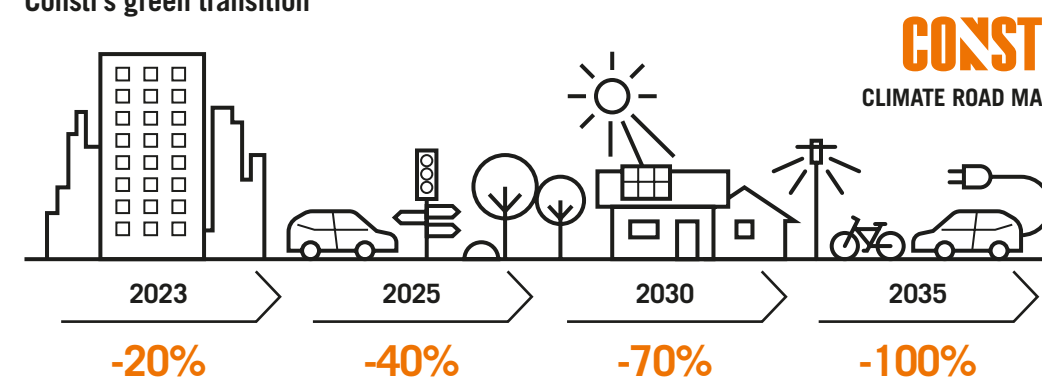
Environmental risks

The most significant environmental risks in Consti's operations are formed by possible discharges of substances that are harmful to the environment. These discharges may result from the improper treatment of demolition waste or negligence in its disposal, for example. Construction activity may also result in noise, ground vibration and dust that affect the immediate surroundings of the site. Minimising the harmful environmental impacts of construction sites means especially minimising the amount of noise, dust and waste resulting from construction site traffic, demolition work and the construction work itself, as well as treating hazardous substances carefully and appropriately.

Consti adheres to all legislation, regulations, permit conditions and other official decrees regarding the environment, construction and materials used in construction and their storage, recycling and disposal. Consti has guidelines in place to ensure adherence to environmental regulations in its operations and the minimisation of harmful environmental impacts. In target-specific environmental plans we identify the environmental risks of the target and plan preventive measures and prepare to combat harmful impacts. Effective communication is also a method for reducing these impacts.

In 2021, Consti was not informed of any complaints about adverse environmental impacts or the realization of environmental risks.

Consti's green transition



Consti has defined CO₂ reduction targets for its own operations. The emission reductions have been calculated from the CO₂ emissions of 2020* set in proportion to the net sales of 2020. The calculation also takes into account the consumption of company cars and utility vehicles, as well as the estimated energy consumption of Consti offices. The reductions will be realised gradually by switching to electric company cars and replacing fossil fuels with renewables. Utility vehicles will also gradually switch over to renewable

fuels. Regarding the electricity use of offices, the goal is to already reach a point by 2023 where 70% of electricity comes from renewable sources.

Consti will also continue to monitor the consumption and emissions of construction sites and define emission reduction goals for site operations.

*) Meaning scope 1 and scope 2 emissions. The calculation takes into account the consumption of company cars and utility vehicles as well as the estimated energy consumption of offices.



OCCUPATIONAL SAFETY AND WELL-BEING

The employer's responsibility for the health and safety of the working environment is especially important in the construction industry where the risks of accidents and occupational diseases are high. In addition to risks related occupational safety, personnel in the sector also typically face risks related to the grey economy and use of illegal labour. In 2021 the industry continued to emphasise preparation for the health risks posed by the COVID-19 pandemic. The standardisation of practices also continued.

Continuous improvement of occupational safety

In 2021 the construction industry emphasised preparation for the health risks posed by the COVID-19 pandemic. Consti has guidelines in place on the Group level to protect personnel from the coronavirus and to prevent its spread. The company's COVID-19 measures adhered to official decrees and recommendations. There were no widespread infection chains on construction sites in 2021. The pandemic did increase the number of sick days, however, as personnel have been encouraged to stay at home at a low threshold especially with flu-like symptoms. In 2021, the average sick day percentage was 5.4 (4.9) while before the pandemic it was 3.3 in 2019.

Group-level safety operations at Consti are coordinated by our Safety Group, which consists of the Group's HR Manager, Personnel Safety Manager and industrial safety delegates. Each Business Area Director takes turns chairing this Safety Group.

Supervising safety at the construction site is one of the crucial daily tasks of supervisors. Safety manage-

ment at construction sites begins with a site-specific risk analysis and a separate safety plan is created for each construction site. If needed, separate safety plans are also created for critical work stages. Cleanliness and safety are monitored with weekly TR surveys.

The orientation of new employees is an integral part of both occupational safety and becoming familiar with shared operation models. Consti has orientation instructions and materials for all employee groups. The materials take local and unit-specific methods into account while disseminating the same orientation content to all Consti units. The orientation of new employees is the responsibility of their supervisors and they have written instructions for this work. Consti also organises general orientation days 3-4 times a year. In 2021 Consti prepared to introduce a new online-based tool for construction site orientation. In addition to Consti's general orientation and construction site -specific orientation, Consti also uses the ePerehdytys online orientation method that is commonly used in the industry. The goal is that all of Consti's personnel and everyone working at the construction sites have completed this orientation. In 2021, 40% of personnel and construction site workers had completed the ePerehdytys online orientation.

Both Consti personnel and third parties are encouraged to report safety deficiencies. Anyone within the sphere of influence of the construction site is able to report safety observations. The goal is that every member of staff makes at least one occupational safety observation per year until the end of the strategic period. In 2021, the reporting and processing of observations was standardised and the process was made more known among personnel. This resulted in significantly more observations being made in the



Personnel are encouraged to observe and report safety deficiencies at all work sites. The complex of two office buildings being built in Helsinki's Ilmala neighbourhood is the first new construction target that adheres to Consti's new strategy. The construction site is piloting new safety practices, and special attention is being paid to matters such as traffic arrangements, for example.

latter half of the year, even though the goal was not yet reached.

Consti monitors accident frequency on a monthly basis. The accident frequency describes the relation between accidents and working hours. The frequency is calculated as accidents per one million working hours. As per practices of the construction industry, an accident is included in the accident frequency if it resulted in at least one sick leave day in addition to the day of the accident. Consti's accident frequency has been at a good level for the industry in recent years and the goal is to push the number of accidents below 5 by the end of the strategy period. However, development in 2021 was not favourable in this regard.

Consti Plc's accident frequency on an annual level:

- ▼ Accident frequency in 2015: **26**
- ▼ Accident frequency in 2016: **22**
- ▼ Accident frequency in 2017: **20**
- ▼ Accident frequency in 2018: **19**
- ▼ Accident frequency in 2019: **11**
- ▼ Accident frequency in 2020: **13**
- ▼ Accident frequency in 2021: **15**

In recent years the development of occupational safety has focused especially on high altitude work and the use of hoisting equipment, as well as on protection against hazardous exposure agents. We have striven to improve occupational safety by such means as introducing a practice called accident discussion, where the purpose is to discover the reasons that led to the accident in more detail so that similar situations can be avoided in the future. Over the current year we have increased the emphasis on occupational safety in the training of supervisors, among other places.

Consti provides occupational safety card training that focuses on dangerous situations that are typical for Consti and construction sites. Everyone who works at our construction sites must undergo this occupational safety card training. The training required for the occupational safety card is conducted among other things at the construction industry's shared Turvapuisto, an occupational safety park where Consti has its own safety area. All Consti employees, including summer employees, visit the park for training.

In renovation, the most prominent hazardous exposure agents are dust, fibres, noise and vibration. Quartz dust is a carcinogenic agent and special attention is

paid to its prevention. Protection instructions are followed in the handling hazardous exposure agents. In addition personnel also protect themselves from health hazards by such means as using high-quality certified tools appropriate for each task and by taking all the risks into account in the construction site -specific safety plans. Weekly maintenance inspections or TR measurements are conducted to ensure adequately low dust levels. Consti represents renovation industry in the industry-wide research project Quartz Exposure and Mitigation in Construction. We are also participating in a bisphenol study related to safety in the sleeving of drain pipes.

In 2021 there were no confirmed cases of occupational diseases at the company.

At Consti, the concept of safety extends beyond employees and also includes the users of the renovation targets as the buildings often remain in use at least partially throughout the renovations. This increased the need for carefulness in coronavirus protection.

Fruitful cooperation with occupational health care and pension insurance companies is important in noticing and preventing problems related to employees' capacity to work. Employees' capacity to work is also fostered by the development of supervisory duties and taking appropriate care of all tools and equipment. The effectiveness of the measures intended to promote capacity to work is monitored by steering groups formed between Consti, occupational health care providers and pension insurance companies.

Occupational health care services are activities based on the Occupational Health Care Act that help to prevent work-related illnesses and accidents and maintain and promote employee health, safety of the working environment and appropriate operation of the work community. Consti's occupational health care service agreement defines a treatment level that is more comprehensive than the basic level that legislation requires. The same occupational health care services are offered to both permanent and fixed-term personnel.

In recent years, supervisor training has focused not only on shared operation models, but also on maintaining employees' capacity to work and early intervention in cases where it is observed that an employee's capacity to work has diminished. Consti employs an early support model for which we have created written instructions that have been distributed to the entire staff.

Consti also promotes the well-being of its personnel with exercise and culture vouchers and by supporting the operations of Consti Urheil Ry, a sports associa-

tion founded by Consti staff. The goal is to strengthen solidarity among staff through a shared sports hobby.

The development of personnel and support for expertise

Acquiring the best talent is a crucial part of how Consti means to reach its growth targets. We want to take care of the operating conditions and comfort of our motivated expert staff. In addition to education and experience in the industry, Consti appreciates developed cooperation skills, punctuality and the ability to take the initiative. A Consti employee keeps their promises.

The essence of Consti is crystallised in the Consti Way operation model, and these methods based on Consti's values are introduced to employees during their orientation and in staff events. In 2021 we described all processes of the HR department, from recruitment and orientation to the termination of employment relationships and HR's exit interview, according to the Consti Way. 2021 also saw the creation of instructions for construction site documentation. Standardised methods of operation facilitate the work of supervisors, improve the efficiency of functions and ensure that the requisites are in place for a safe and equal work environment.

In the beginning of 2021, a new communication channel shared by everyone was implemented to offer both personnel and construction site workers more opportunities to follow Group-level communication and allow them to participate in communication within their business area on their own personal phones.

A more effective way of conducting staff surveys has also been looked into. The next survey will be conducted in 2022.

To support the expertise and development of personnel, Consti has defined a qualification track that ensures adequate basic expertise on a job task -specific basis. Critical training needs were defined in 2021, and accordingly we have focused our development on the safety management training of construction site supervisors and user training for standardised systems. Personnel development is also supported by development discussions, which supervisors have been instructed to hold at least once a year. The development discussion practice concerns all salaried employees. Construction site workers are offered a shortened version of the development discussion, which is voluntary.

To commit personnel to the company and encourage excellent work performance, Consti uses a performance bonus system for management and salaried employees. The system has been set up for three occupational groups: fixed white-collar employees, construction site white-collar employees and project and installation managers and other comparable managers who are accountable for business results. The incentive scheme is based on both qualitative and financial goals. The incentive scheme is also complemented by a long-term stock-based incentive programme, which included 58 key persons by the end of 2021, and a stock-option programme for key persons.



Success is also rewarded on the construction sites. Best sites are rewarded in an annual competition between the sites using the following criteria: quality, safety, customer feedback, staying on schedule and finances. An employee may also receive a personal bonus for best customer feedback.

The best construction sites of 2021 were the ventilation machine room built for VR-Yhtymä Oy, the basic renovation site of Pelimannintie 15 commissioned by Helsinki Housing Production and the conversion of the Myllypuro hospital into assisted living apartments.



VENTILATION MACHINE ROOM IN THE ATTIC OF THE MAIN RAILWAY STATION

The attic of the former ticket booth hall of Helsinki's main railway station received a completely new ventilation machine room, complete with the related shafts stemming from the attic to the roof of the basement. The property remained in regular use throughout the project. The building has tremendous cultural and historical value and as such it is protected according to the Act on the Protection of the Built Heritage. Both the Finnish Heritage Agency and the Helsinki City Museum were actively involved in the project. The project was 3D modelled and the model was used for production management. The project was commissioned by VR-Yhtymä Oy and conducted by Consti's Corporations business area.

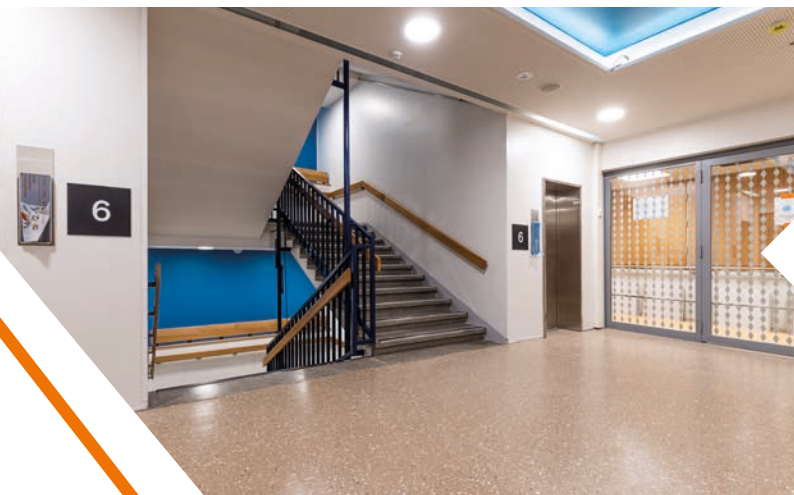
THE SECOND STAGE OF COMPREHENSIVE RENOVATION AT PELIMANNINTIE FINISHED AHEAD OF SCHEDULE

Four apartment buildings and a club house were renovated and updated to modern standards from basement to roof. The target comprising of 150 apartments in Helsinki's Kannelmäki neighbourhood was completed almost a year ahead of schedule. The lessons learned in the first stage of the project, which involved the renovation of three similar apartment buildings, were put to exemplary use in the second stage and cooperation with the orderer flowed smoothly. The project was commissioned by Helsinki Housing Production on behalf of Helsingin kaupungin asunnot Oy, and it was realised by Consti's Housing Companies business area.



AN OLD HOSPITAL ON MYLLYMATKANTIE WAS TRANSFORMED INTO APARTMENTS FOR ASSISTED LIVING

The old Myllypuro hospital building in East Helsinki was renovated and transformed into modern apartments suitable for assisted group living. The project included a lot of additional and alteration work, as well as surprising hazardous substance work. The large and demanding project garnered special praise for the thorough documentation of the different work stages. The project was commissioned by Helsinki Housing Production on behalf of Helsingin kaupungin asunnot Oy, and it was realised by Consti's Public Sector business area.



Equality and respect for human rights

It is Consti's principle to only enter into non-fixed term employment contracts. Some 97 (97)% of employees were employed on a permanent basis at the end of the year, excluding trainees. The goal is to keep the share of fixed-term employment relationships under five percent. Once again, Consti offered summer jobs or traineeships to one hundred students of the construction field over the course of the year, and we strive to offer permanent positions to those summer employees and trainees who perform well.

Grounds for fixed-term contracts include:

- ▼ substitutions
- ▼ seasonal nature of the job
- ▼ project nature of the work tasks
- ▼ summer employment
- ▼ traineeships
- ▼ employee requesting a fixed-term contract

A written employment contract is created for every employment relationship at Consti. In 2021 Consti employed 969 (971) persons on average. Some 58% of personnel were blue-collar and some 42% were white-collar employees. 158 new regular employees were hired over the course of 2021.

The turnover rate of regular staff was 17.4 (12.9)%. The increase in turnover rate results from the excellent employment situation in the sector and the tightened competition over expert workers. For the ongoing three year strategy period we have set the goal of lowering the turnover rate to under 12%.

Risks related to human rights in the construction industry generally include at least forced labour, use of employees who do not have work permits, which means salaries are paid under the table without any social security, use of child labour, lacking occupational safety as well as harassment, racism and other inappropriate behaviour.

Human rights risks identified by Consti in its own operations are inappropriate behaviour and the use of illegal labour. Consti adheres to the labour legislation and collective agreements in effect in Finland. All employment contracts are made in writing. Consti requires that all of its subcontractors are members of Vastuu Group's Reliable Partner service.

Regarding its own foreign employees, Consti has in

place an operation model that ensures that each person's residence and/or work permits as well as tax-related matters are taken care of and all the required official notifications are made to the authorities. The tax numbers of all employees have been submitted to the construction industry's public tax number register maintained by the Finnish Tax Administration, and access control at construction sites is handled with the Valtti smart ID card. The chip and bar codes of the Valtti card contain the card holder's information and all employees of Consti and its subcontractors are required to have one. In 2021 it was decided that a work permit granted by Finnish authorities is required of all non-EU citizens at Consti's construction sites.

Equal treatment is included in Consti's ethical guidelines. Discrimination or inappropriate behaviour are not tolerated at Consti. Consti has also drafted the statutory equality and equitable treatment plans. The equality plan is part of Consti's HR strategy, and the realisation of equality is monitored with staff surveys, among others means. Employee recruitment is always based on the expertise required by the position. Our regular staff also includes many experts who have moved to Finland from abroad.

Consti's equality and diversity goal is to increase the share of women among personnel and ensure a balanced age structure. The share of women among personnel was 12 (11)% at the end of 2021. The average share of women in the construction industry in Finland is some 9%. Of the persons hired by the Group over the year, 13% were women, and the age range of new personnel was 18–60 years.

If a problem situation related to equality, human rights or inappropriate behaviour arises, the employee may turn to an industrial safety delegate, industrial safety officer or shop steward for advice. As usual in Finland, employees who are members of unions may also contact their unions. Inappropriate treatment is not acceptable at Consti and we have instructions for both preventing it and solving observed situations. Reports can also be submitted anonymously through a so-called whistleblowing channel implemented in 2021.

SUPPLY CHAIN

Changes to economic structures is one of the current megatrends. These changes have increased the number subcontracting chains for both goods and services, increasing the networking between different operators and making their roles more flexible. As the networked method of operations becomes more common, transparency of the supply chain and the mastering of large entities become highlighted.

The prevention of grey economy and the supervision of the legality of operations are highlighted in the construction industry's acquisitions and supply chain management. Central requirements include adherence to labour and tax legislation. Responsibility in material acquisitions is also a central part of the management of acquisitions and supply chains and it requires, for example, the tracing of the origins and production conditions of the materials. Consti strives to favour the Finnish option in material acquisitions.

Grey economy prevention

Bribery and dealing in receipts are forms that corruption often takes in the construction industry. The uniqueness and temporary nature of building projects and the large sums of money involved may entice some to engage in financial malpractice. Simultaneously, supervision is made challenging by the large number of different work stages, agreements and subcontractors involved in the projects.

At Consti we do not approve of corruption, bribery or attempts at such actions in any way, shape or form. The prevention of bribery and corruption has been written into Consti's ethical guidelines, which is introduced to employees during their staff orientation and also brought up in other contexts. Personnel and partners are encouraged to intervene in possible malpractices immediately.

Consti's way of doing business means that all acqui-

sitions, deliveries, work tasks and services that are significant for an individual project or our business operations as a whole are put out to tender openly and honestly. The company also has internal guidelines on competition law and its application. We aim to cooperate on a long-term basis with our great partners who are committed to excellence. Acquisitions always require written agreements. We are also striving to fight the grey economy with separate decision-making and acceptance procedures.

There were no official decisions or legal actions relating to breaches of competition law, cartels or abuse of a dominant position at Consti in 2021.

Consti adheres to the Act on the Contractor's Obligations and Liability when Work is Contracted Out and is part of Vastuu Group Oy's Reliable Partner programme. Consti requires that its subcontractors are also members of the Reliable Partner service or that they deliver other equivalent documents in accordance with the aforementioned Act. Consti uses standardised contractual terms which commit the operators in the subcontracting chain to ensuring that they meet their social obligations. This applies especially to obligations concerning salary equality, salary payment, working conditions, employee rights and healthcare. The Valti smart ID card is used for access control at construction sites. The tax numbers of all employees have been submitted to the construction industry's tax number register maintained by the Finnish Tax Administration. As the main contractor and orderer, Consti submits contract information for each construction site to the Tax Administration.

Access control methods and methods defined in the aforementioned Contractor Act help us combat both the grey economy and human rights violations by preventing the use of employees without work permits. In 2021 Consti updated its instructions regarding the contractor's obligation and increased training related to the Contractor Act. In addition, it was decided not

to hire a person who does not have EU- / EEA citizenship or the right to work granted by the Finnish state.

In 2021, no problems were observed at Consti regarding adherence to ethical guidelines and there was no need for measures against bribery or corruption.

Consti does not aim to influence political parties and it gave no financial support to political parties in 2021.

Collaboration with partners

Among other things, networking means that more and more often subcontractors are collaborators with whom Consti can work to improve quality, operating practices and the services offered to customers. Committing subcontractors and other partners to Consti's ethical guidelines and quality goals was defined as a development target in partner collaboration. Consti's ethical guidelines were updated in 2021, and these updated guidelines were included in subcontracting agreements in the autumn of 2021. The goal is that 20% of our subcontractors have committed to the ethical guidelines by the end of 2021 and 100% by 2023 at the latest. Additionally, Consti strives to organise quality seminars for the partners and the goal is that around half of our partners would have participated in them in 2023.

In 2021 Consti created a new subcontractor partnership model for cooperation with selected subcontractors. The goal of this model is to ensure that Consti only works with reputable, tried and true subcontractors who operate responsibly and are committed to our shared goals. At the heart of this model is the joint development of operation methods and services in a mutually beneficial manner. Committing to the partnership programme also means committing to the ethical guidelines Consti has created for its partners. The same requirement has already been included in Consti's general delivery terms concerning suppliers, which were drafted in the autumn of 2021.

Consti strives to influence the development of the entire sector by operating in the industry's cooperation networks and actively participating in various joint development projects. In 2021, these joint projects emphasised cooperative models and lean methods. Alliance models and cooperative projects aim to improve construction quality and the industry's operating culture, as well as clarify responsibilities and help manage the risks involved in demanding renovation projects. Partner selection emphasises quality criteria and the negotiations between the client and the renovator. In 2021, cooperative models were

Product development with partners

As an example of cooperation in the construction sector, take the service concept developed in cooperation by Consti, Hilti, Paroc and Afry (formerly Vahanen) especially for repairing the concrete sandwich elements found in apartment buildings from the 1970s. It is based on Hilti's fasteners, Paroc's insulation, Vahanen's designs and project management and Consti's installation work. Parts of the concept, called Vodavol, are also available as smaller packages. For example, a construction designer may download ready-made structure types and details for their material bank.

The Vodavol system is a completely integrated and tested concept that reduces the time spent on design and installation when compared to traditional facade renovations. The new wall structure also improves the energy efficiency of the property.



Terminal 2 was renewed using the alliance model

The alliance project conducted at Terminal 2 of Helsinki Airport won the Construction Site of the Year contest held by the construction industry magazine Rakennuslehti. The extensively knowledgeable jury praised the site's success in mutual cooperation, which was key to achieving all the other goals of the demanding project. Consti was part of the project's building technology alliance and completed all the heating, water, ventilation and sprinkler work at the construction target. The renovation of the terminal was part of Helsinki Airport's development programme and it took nearly seven years to finish. The renovation work was completed in December 2021.



in use in such projects as the new construction of Järvenpää's school and sports property and the alliance to expand and alter Terminal 2 at the Helsinki airport. Consti is also involved in the three-year RAIN2 project led by Construction Finland that aims to promote cooperation in construction.

In 2021, Consti's representatives were active in the Confederation of Finnish Construction Industries RT and its shared safety group as well as the Finnish Association of HVAC Technical Contractors, among other associations, and this cooperation continues in 2022.

In addition to traineeships, cooperation with educational establishments in the construction sector also involves training cooperation and joint development projects. Each year, Consti conducts development projects on cooperation with construction students or offers them places to complete their theses. Recently these development projects have often focused on development needs identified in production. In 2021, Consti was involved in such projects as developing methods for the sorting of construction site waste together with students from the Metropolia University of Applied Sciences and the thesis of a student who graduated as a master builder from the Turku University of Applied Sciences titled *Hazardous Substances: A Safety Guide for Employees*.

Corporate governance

Consti's management and leadership is based on the Companies Act and Securities Market Act, the articles of association of Consti Plc and the rules and guidelines of Nasdaq Helsinki Oy. In insider matters Consti adheres to the EU's Market Abuse Regulation and the statutes issued on the basis of this regulation. Consti also adheres to the corporate governance practices of Finnish listed companies.

Consti adheres to the EU's General Data Protection Regulation and is committed to processing personal data carefully and in accordance with applicable laws and regulations and in a manner that respects and protects the individual's right to privacy. In 2021 there were no reported instances of breaches of customers' privacy protection or loss of customer data at Consti.

Consti drafts its financial reports in accordance with international financial reporting standards (IFRS), the Securities Market Act, the Accounting Act and the instructions and statements issued by the Finnish Accounting Standards Board. The instructions, practices, areas of responsibility and principles of internal supervision and risk management involved in the company's financial reporting process are designed to ensure that the financial reporting produced by the company is reliable and that the company's financial statement is drafted in accordance with current laws and regulations and the company's principles. Guidelines concerning the publication of financial information and external communication are included in the communication regulation issued by the company's board. The main principles of the communication regulation can be viewed on Consti's website.

Tax footprint

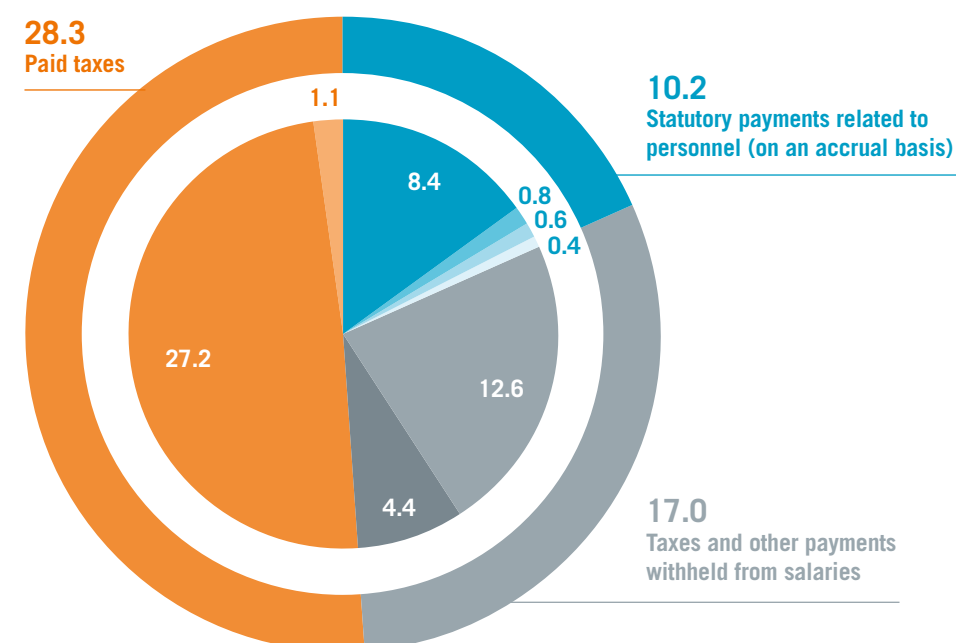
In 2021, Consti Plc's total tax footprint was 55.5 (59.9) million euros. Of this sum, 10.2 (10.0) million euros were tax-like payments related to staff and 17.0 (16.2) million euros related to income tax and other payments withheld from salaries. The share of community income tax was 1.1 (0.6) million euros.

Of the tax-like payments related to staff, employer's contribution amounted to 8.4 (7.8) million euros, employer's unemployment insurance contribution

amounted to 0.8 (0.8) million euros, employer's social security contribution amounted to 0.6 (0.8) million euros while the remaining 0.4 (0.6) million euros consisted of group life insurance and accident insurance expenses.

Furthermore, Consti paid a total of 27.2 (33.1) million euros in value added tax.

Consti's tax footprint in 2021 was 55.5 million euros



| TAX FOOTPRINT ELEMENTS | MILLION EUROS | MILLION EUROS | ADDITIONAL INFORMATION |
|---|---------------|---------------|---|
| Pension insurance payments (employer share) | 8.4 | | |
| Unemployment insurance payments (employer share) | 0.8 | | |
| Employer's health insurance payments | 0.6 | | |
| Payments related to accident insurances and group life insurances | 0.4 | 10.2 | Statutory payments related to personnel (on an accrual basis) |
| Taxes withheld from salaries | 12.6 | 17.0 | Taxes and other payments withheld from salaries |
| Other statutory payments withheld from salaries | 4.4 | 28.3 | Paid taxes |
| VAT | 27.2 | | |
| Income tax (cash based) | 1.1 | | |
| Total tax footprint | 55.5 | 55.5 | |



"NEARLY ALL HOUSING COOPERATIVES STATED THAT THEY WOULD COLLABORATE WITH A CONSTRUCTOR IN THE PLANNING PHASE OF THE RENOVATION PROJECT."

CUSTOMER SATISFACTION

Customer understanding

Consti boasts diverse expertise in different areas of renovation and building technology, including modifications of building use. Based on customer interviews, in addition to technical expertise, Consti's customers appreciate openness in reporting and communication, personal service and the contractor's expertise in offering and realising environmentally friendly solutions.

When compared to new construction, renovation requires special expertise in working in people's homes. Offices and business premises also often remain in at least partial use throughout the renovation project. To meet the individual needs of customers, designated customer service engineers have been assigned for projects such as pipeline renovations. Furthermore, Consti offers housing cooperatives a folder for residents containing instructions regarding the renovation and access to the OmaConsti service portal for electronic communication and furniture selection.

More efficient utilisation of the existing customer feedback system was identified as one development target with regard to Consti's customer satisfaction. The projects for which a formal customer survey would be conducted were defined in 2021, and instructions were created for sending the surveys and processing the feedback. The number of conducted customer surveys grew to 1 258 while last year this number was 545. The response rate rose to 30% when it was 25% the previous year.

The opinions of customers are also charted in the development of services. In the year 2021, separate customer surveys were conducted on development projects on such subjects as takt production, electric car charging points and bathroom renovations.

Quality is a central factor of customer satisfaction, and it consists of the technical quality of the work as

well as the quality of the process. All business areas of the Consti Group have quality certificates and RALA qualifications issued by the RALA Construction Quality Association. Furthermore, the sleeving of drain pipes is conducted using certified methods and materials. Consti's acquisition guidelines and supplier agreements require that only generally accepted and CE marked and/or certified products that are suited for the target building are used. Consti's goal is to increase its knowledge of the environmental certificates used by customers in addition to knowledge it has of certificates related to renovation. In 2021 the possibility of implementing RALA's environmental certificate was investigated.

Consti Talotekniikka was issued a national corporate security certificate that demonstrates that our operations fulfil the state administration's requirements even in projects with a security classification.

Consti also aims to improve construction quality and the clarification of responsibilities with new methods and realisation models that Consti actively participates in. The shared goals, responsibilities and incentives of all parties involved in a project are defined in a cooperation agreement. Consti also wishes to increase cooperation with customers and partners in the development of its services. The subcontractor partnership program defined in 2021 is part of these efforts.

"HOUSING COOPERATIVES BELIEVE THE NEED FOR INSTALLING ELECTRIC CAR CHARGING SYSTEMS WILL INCREASE."

Improvements to transparency, schedule monitoring and delivery reliability are sought especially through takt production. This production method was utilised in several apartment and hotel renovations in 2021.

Cooperative projects – open discussion of costs

Cooperative projects where interaction between the client, users, designers and subcontractors is crucial have also become more common at Consti. Cooperative operation develops the design and construction processes and thinking across the entire construction sector into a more open and cooperation-friendly direction.

Customers expect to receive clear suggestions on operation models also with regard to matters relating to occupational safety and the environment already in

the bidding phase. Naturally, they expect responsibility issues to be in order throughout the project. In the bidding for the Järvenpää school project and the Ilmalanrinne office building project, for example, the contractor's corporate responsibility was highlighted especially with regard to quality points.

In the comprehensive renovation and attic extension project of three apartment buildings at Kokkokallio and Helsinki Mother and Child Home Association renovation and new construction project we came together with the customers to look for the best possible solutions with regard to costs and functionality. Open discussion about the budget and the costs of construction begin to facilitate the process already at the bidding stage.

The plumbing renovation of the housing cooperative at Puotilantie 4 was also realised in close cooperation with the different parties. The housing cooperative,

designers and Consti finished the renovation plans and conducted the surveys together, which gave the housing cooperative a binding price for the whole project. When the risks could be priced beforehand, there were no surprises in the realisation phase.

In the alteration project of the commercial spaces of Helsinki Airport's Terminal 2, for which Consti conducted the building technology work, the customer was involved in the process throughout the planning and construction stages. This was another step forward towards a culture of doing things together.

Cooperation steers us towards responsible operation in various ways. When the design and construction processes flow more efficiently, costs and waste are reduced. An end result that has been planned together serves the users better. Viewing life-cycle costs in a way that takes the different starting points of the various operators into account creates a solid foundation for developing the property further once construction is complete. When working together, it is also easier to find solutions for increasing energy efficiency and adapting to climate change.

Supporting the customer's climate goals

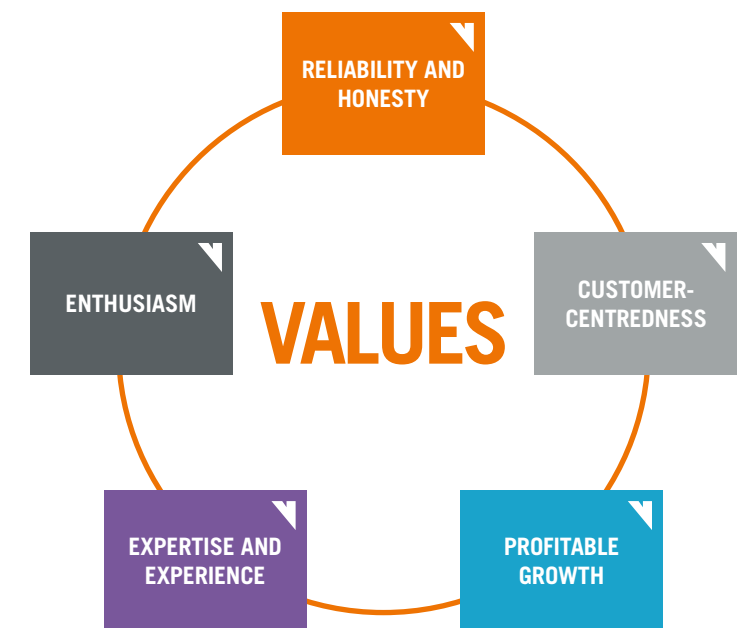
With regard to renovation, the climate goals of customers highlight the energy efficiency of the facilities. Customers are also focusing more and more on emission-free renovation. Many large tenement operators and real estate investors have made public their goals to make the properties they own emission-free with regard to energy consumption.

Energy efficiency is especially improved with facade repairs, increasing insulation and updating building technology through heating and ventilation renovations, for example. In order to achieve benefits through building technology, regular maintenance and optimal use of the systems is crucial. In fact, Consti strives to increase its expertise and service offering also in the area of maintenance.

In 2021, a new Eco Consti service concept was created for the Consti Kodikas (Consti Homely) product family, which offers the customer the option to have electric car charging stations, or reservations for them, installed. When the charging system is installed in conjunction with some other renovation project, the disturbance caused by the installation is as short-lived as possible. When a yard is dug up for a plumbing

renovation, for example, wiring the charging poles can be done effortlessly at the same time.

The aforementioned Vodavol system developed for the repair of concrete sandwich elements in apartment buildings from the 1970s is also a solution that helps with climate change and energy efficiency. Marketing of the Vodavol concept is to begin in the spring of 2022.



As per Consti's customer promise, Consti employees listen to people, do what they say they will do and finish the job properly on the first go. At Consti we adhere to a customer-centred approach and appreciate reliability, honesty, expertise, experience and eagerness to pick up different work tasks.

"CUSTOMERS' ENVIRONMENTAL GOALS EMPHASIZE ENERGY EFFICIENCY AND ZERO EMISSIONS IN THEIR PROPERTIES."

References:

Confederation of Finnish Construction Industries RT Vähähiilinen rakennusteollisuus 2035 [Low-carbon construction 2035], 2020.
Confederation of Finnish Construction Industries RT Economic survey, October 2021.
Rakennetun omaisuuden tila [State of the Built Environment], 2019 and 2021.

Apartment renovations with takt production

Most of the right-of-occupancy apartments of Asuntosäätiö were built in the 1990s. The living comfort of these homes is now being improved with a comprehensive renovation programme. Kitchens, wet rooms and surfaces are to be renewed, while staircases are to be updated and yards made more pleasant and accessible. Consti has been repairing right-of-occupancy apartments all over Finland. The renovations are completed with modified takt production, meaning that a certain number of apartments are always being worked on according to a very precise schedule for the various work stages. The apartment-specific completion time is three weeks, and the residents do not have to move out for the duration of the renovations.





INDICATORS OF RESPONSIBILITY 2021

Indicators have been chosen to describe the development of Consti's central responsibility themes, some of which are monitored at the management group on an annual basis and some on a monthly basis. Development procedures are also entered into annual operating plans in conjunction with the annual summary. The indicators that have been monitored the longest have data from as far back as 2015. The indicators for newer themes began to accumulate data in 2021.

| RESPONSIBILITY THEME | MEASURED ASPECT | GOAL | INDICATOR | MEASUREMENT FREQUENCY | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---|--|--|-----------------------|---------------------------|------|------|------|------|------|------|
| E - Environmental friendliness | Realised and observed environmental risks | Zero realised risks | Pcs / y. | 1 y. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Complaints regarding environmental impacts | Zero complaints | Pcs / y. | 1 y. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Ecological solutions for housing cooperatives | Conceptualising eco packages for housing cooperatives: the Consti Eco electric car charging system is ready for market | Realised/not realised | 1 y. | Realised | | | | | | |
| | Own energy consumption | Creation of methods for the systemic monitoring of energy consumption at construction sites | Realised/not realised | 1 y. | Partially realised | | | | | | |
| | Own energy consumption | Indicators and reduction goals for our own energy consumption (office premises) | Realised/not realised | 1 y. | Partially realised | | | | | | |
| | Carbon footprint | Calculating the carbon footprint of our own operations | Realised/not realised | 1 y. | Realised | | | | | | |
| | Construction site waste | Standardised monitoring system and reduction goals for construction site waste | Realised/not realised | 1 y. | Realised | | | | | | |
| | Number of accidents | Pushing the accident frequency* as low as possible Under 5 for the strategy period | Accident frequency* | 1 mo. | 15 | 13 | 11 | 19 | 20 | 22 | 26 |
| | Number of sickness absences | Fewer sickness absences** than before | Sickness absence**, % | 1 mo. | 5.4 | 4.9 | 3.3 | 3.0 | 2.8 | 2.8 | 3.9 |
| | Number of occupational diseases | Zero or at least fewer occupational diseases | Pcs / y. | 1 y. | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| S - Occupational safety and well-being | Personnel turnover rate | Turnover rate does not exceed that of last year*** Under 12% for the strategy period | Exit turnover rate***, % | 1 mo. | 17.4 | 12.9 | 17.4 | 20.7 | 15.4 | 19.9 | 15.2 |
| | Labour disputes | Zero labour disputes | Pcs / y. | 1 y. | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| | Fixed-term employment contracts | Share of fixed-term employment contracts Under 5% | % | 1 y. | 3.2 | 3.2 | 4.1 | 3.3 | 4.2 | 9.0 | 8.7 |
| | Occupational safety observations | Number of submitted observations | Pcs/person/year | 1 y. | 0.3 pcs | | | | | | |
| | ePerehdyts online orientation | 100% of employees have completed ePerehdyts orientation | Share of employees who have completed the orientation, % | 1 y. | 40% | | | | | | |
| | Sanctions incurred as a result of industrial safety inspections | Zero sanctions | Pcs / y. | 1 y. | 0 | | | | | | |
| | A more balanced age and gender distribution | The share of women among personnel is larger than in the previous year | % | 1 y. | 12% | 11% | 11% | 12% | 11% | 11% | 11% |
| | Events in breach of ethical guidelines | Zero events that breach our ethical guidelines | Pcs / y. | 1 y. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Ethical guidelines for personnel | Update of the guidelines | Realised/not realised | 1 y. | Realised | | | | | | |
| | Ethical guidelines for subcontractors | Guidelines for subcontractors | Realised/not realised | 1 y. | Realised | | | | | | |
| G - Supply chain | Subcontractors' commitment to ethical guidelines | 20% of subcontractors are committed | % | 1 y. | Realised | | | | | | |
| | Systematising the use of the customer feedback system | Customer satisfaction surveys for all projects worth at least 500 000 euros or for customers who commission a significant amount of smaller targets on an annual level, and taking the resulting development suggestions into account in our operations. | Realised/not realised | 1 y. | Realised | | | | | | |
| | Expertise in climate impacts on properties | Development of maintenance services so that they take the effects of climate change into account | Realised/not realised | 1 y. | Partially realised | | | | | | |
| | Supporting the customer's environmental goals | Services or projects (collaborative projects) that involve customers | Realised/not realised/pcs | 1 y. | Some 10 pcs were realised | | | | | | |

* Number of accidents per one million working hours.

** The sickness absence percentage includes all absences resulting from sick leave and accidents.

*** The exit turnover rate contains employment relationships terminated for whatever reason except retirement.

CONSTI'S CORPORATE RESPONSIBILITY TARGETS AND INDICATORS
FOR THE STRATEGY PERIOD 2021-2023

| CENTRAL THEMES | GOALS FOR THE STRATEGY PERIOD (2021–2023) | GOALS 2022 | INDICATORS | |
|---------------------------------------|---|--|---|---|
| ENVIRONMENTAL FRIENDLINESS | | ■ Ecological solutions for customers | ■ Realised/not realised | |
| | ■ Expertise in climate impacts on properties | ■ Services that support the environmental goals of customers | ■ Implementation of the RALA environmental certificate | ■ Realised/not realised |
| | ■ Energy efficiency in our own operations | ■ Reducing the energy consumption and emissions resulting from our own operations by 20% from 2020 | ■ Consti's climate road map is complete | ■ Realised/not realised |
| | ■ Sorting in demolition work and recycling of materials | ■ Increasing the utilisation rate of construction site waste (the goal is 70% in the Helsinki area) | ■ Clarification of the process for data collection on the consumption resulting from our own operations and CO2 emission calculation for 2021 | ■ Realised/not realised |
| | | | ■ Creation of methods for the systemic monitoring of energy consumption at construction sites | ■ Realised/not realised |
| | | ■ Unified monitoring system and reduction goals for construction site waste | ■ Distribution of waste and recycling rate, % | |
| OCCUPATIONAL SAFETY AND WELL-BEING | | ■ Electronic training platform in use | ■ Realised/not realised | |
| | | ■ Personnel exit turnover rate under 12% | ■ Personnel exit turnover rate, % | |
| | ■ Development of personnel and support for expertise | ■ Offering Consti personnel and the personnel of our partners a safe and equal work environment that encourages the development of expertise | ■ Fixed-term employment contracts under 5% | ■ Fixed-term employment, % of total personnel |
| | ■ Equality and respect for human rights | ■ Being one of the most desirable workplaces in the industry | ■ Balanced age distribution and more balanced gender distribution. The share of women among personnel is larger than in the previous year. | ■ Women's share of personnel, % |
| | ■ Continuous improvement of occupational safety | ■ Reduction of occupational accidents and sickness absences | ■ Personnel recommendation rate average over 3,5 | ■ Personnel recommendation rate average (scale 1-5) |
| | | | ■ Sickness absence and occupational accidents 0 pcs, accident frequency under 5 | ■ Sickness absence, %, number of occupational diseases (pcs) and accident frequency |
| | | | ■ Completed ePerehdytys-orientation 100% of Consti's worksite access permit holders | ■ Share of employees who complete ePerehdytys-orientation % |
| | | | ■ 1 pcs occupational safety observation/person/year | ■ Number of occupational safety observation, pcs /person/year |
| | | | ■ Personnel survey response rate of at least 80% | ■ Personnel survey responded, % |
| | | | | |
| | | | | |
| | | | | |
| SUPPLY CHAIN | ■ Reducing grey economy in the construction industry together with other operators in the field | ■ Zero events that breach our ethical guidelines | ■ Events that breach ethical guidelines (pcs) | |
| | ■ Grey economy prevention | ■ Increase in the number of subcontractor partnership | ■ Number of subcontractor partners, (pcs) | |
| | ■ Collaboration with partners | ■ 100% of subcontractors are committed to Consti's ethical guidelines in 2023. | ■ Share of suppliers committed to ethical guidelines,% | |
| | | ■ Functional whistleblower processes | ■ Realised/not realised | |
| | | ■ Developing partner collaboration to improve quality, service level and efficiency | | |
| CUSTOMER SATISFACTION | | ■ More efficient use of the customer feedback channel | ■ Number of customer feedback, (pcs) | |
| | ■ Customer satisfaction | ■ Best customer experience in the industry | ■ Taking customer feedback into account in improving operations. At least 1 pcs development projects. | ■ Realised/not realised |
| | ■ Supporting the customer's environmental goals | ■ Trailblazer status in climate-change-proof renovation | ■ Customer collaboration in service development projects | ■ Number of service development projects, (pcs) |
| | | | ■ Emphasis on collaborative projects and development projects. At least 10 pcs realised collaborative or development projects | ■ Number of collaborative or development projects, (pcs) |
| | | | ■ Launch of a building technology system that saves energy and CO ₂ emissions | ■ Realised/not realised |
| | | | | |

APPENDICES

APPENDIX 1 ETHICAL GUIDELINES FOR PERSONNEL

Consti Plc and its subsidiaries (hereinafter “Consti”) are responsibly operating construction companies. Consti strives for high ethical standards in all of its operations. Responsible and ethically sustainable mode of operation is integral to Consti’s risk management and creates the foundation for sustainable long-term development.

All of Consti’s operations must adhere to existing legislation and Consti’s guidelines on corporate governance. These ethical guidelines are based on the Corporate Governance guidelines currently in effect at Consti.

The following section contains concrete perspectives related to Consti’s operations and guidelines for ethical action.

1 PREVENTION OF BRIBERY AND CORRUPTION

Under any conditions, Consti or its staff may not give or receive gifts, payments, or other benefits or compensations that go beyond regular hospitality and could be assumed to influence business decisions.

With regard to the prevention of bribery and corruption, Consti must conduct all of its operations in accordance with existing legislation and its own **anti-corruption guidelines**, which are part of Consti’s Corporate Governance guidelines.

2 BUSINESS TRIPS, REPRESENTATION AND ENTERTAINMENT

Staff members may only participate in the business trips of partners if they are work-related. These trips are to be agreed upon beforehand with the supervisor and the possible ambiguities must also be discussed. The trip must have an itinerary that is presented to the supervisor.

Giving or receiving regular business gifts and hospitality in conjunction with business operations is permitted, provided that they are offered transparently and are proportionate to the recipient’s position and status.

Gifts and hospitality must be offered and received sincerely and in Consti’s name. Their value must not exceed 150 euros. If the value of a gift exceeds 150 euros, the gift giver or recipient must ask for written approval from their supervisor.

With regard to business trips, representation and entertainment, **anti-corruption guidelines** in effect at the time must be adhered to.

3 EMPLOYEE DISCOUNTS

The employee discounts of Consti’s suppliers may only be used by Consti personnel for personal purchases by agreement between Consti and the supplier. Agreed upon practices, such as resale bans, are to be adhered to when taking advantage of these discounts. The use of the discounts must not result in the formation of any kind of reciprocal commitments.

With regard to employee discounts, **anti-corruption guidelines** in effect at the time must be adhered to.

4 CHARITY

Consti primarily supports organisations that promote the well-being of children and youths. Aid is not given to political parties, groups or individual politicians.

The provision of aid must adhere to **anti-corruption guidelines** in effect at the time.

5 COMPETITION LEGISLATION

Consti adheres to fair and open competition. Actions that go against the letter or spirit of competition legislation are prohibited. Such actions include illegal price fixing, market sharing and unethical trading. Competition legislation is also adhered to when operating in the industry's cooperative organisations.

Consti's operations must adhere to Consti's **competition guidelines**, which are part of the company's Corporate Governance guidelines.

6 EQUAL TREATMENT

Personnel are treated equally regardless of their sex, age, sexual orientation, religious conviction or origin.

The same principle also applies to customers and other stakeholder groups.

7 PARTNERSHIPS AND ACQUISITIONS

Stakeholder cooperation adheres to the principles of honest and open operations. Consti only chooses the best operators in the field as its contractual partners and cooperates with them in the development of operation models. Consti also strives to achieve a deeper business relationship with its partners in order to ensure the best possible price level, service level and availability.

When there is no partnership or seasonal contract in place, all significant acquisitions, deliveries, work tasks and services are put out to tender openly and honestly among an adequate number of operators. Acquisitions always require written agreements.

8 CONFLICTS OF INTEREST

Consti employees will not act in a way that results in a situation where their own personal or financial interests are in conflict with those of Consti, Consti's customers or Consti's staff.

When conducting their responsibilities and making business decisions (such as approving invoices or entering into agreements), Consti employees must only consider the interest of Consti regardless of their possible personal interest in the matter, or the possible interest of their immediate circle or some other stakeholder group. Consti employees have no right to participate in making decisions that concern their own personal interest or the interest of their immediate circle or other such stakeholder group. This ban concerns such actions as approving invoices and entering into agreements.

Consti employees must avoid situations and conditions that might result in a conflict of interest. If such a situation were to arise, employees must notify their supervisor and business area director of the matter immediately.

Regarding conflicts of interest, personnel must adhere to **anti-corruption guidelines** in effect at the time.

9 CONFIDENTIALITY OBLIGATION

Personnel of Consti companies commit to keeping secret and not making use of the trade and business secrets of their employer, its employees or its clients during or after their employment relationship in accordance with their non-disclosure agreement.

10 REPORTING CHANNEL

If a person employed by Consti observes actions or behaviour that are in breach of these guidelines, the person must report the matter to their supervisor or the supervisor of their supervisor. This report may also be submitted according to the instructions concerning the whistleblowing channel.

11 COMING INTO FORCE

These ethical guidelines have been approved by Consti's management group on 14.06.2021.

APPENDIX 2 ETHICAL GUIDELINES FOR PARTNERS

1 GENERAL INFORMATION

Consti Plc and its subsidiaries (hereinafter "Consti") are responsibly operating construction companies. Consti strives for high ethical standards in all of its operations, and expects its contracting parties to operate according to the same principles.

These ethical guidelines concern all of Consti's contracting parties, partners, subcontractors, subsuppliers and representatives (hereinafter "the Partner"). These ethical guidelines complement existing laws and regulations and they are a part of the terms applicable to the agreement between Consti and the Partner.

1.1 ADHERENCE TO LAW

Consti adheres to legislation, official decrees and ethical business principles in all of its operations. Consti requires that the Partner adheres to all legislation and official decrees applicable to its operations, as well as to these ethical guidelines.

1.2 COMMITMENT TO ETHICAL GUIDELINES

The Partner and its possible group companies, subcontractors and subsuppliers must commit to following these ethical guidelines in all of their operations. The Partner is obligated to actively ensure and supervise that the subcontractors of its subcontractors fulfil all requirements to ensure that the ethical guidelines are adhered to throughout the supply chain.

1.3 SUPERVISION OF ADHERENCE

Consti supervises adherence to these ethical guidelines. The Partner is obligated to provide information regarding adherence to these guidelines on Consti's request. Consti has the right to conduct needed inspections at the locations and offices of the Partner and its group companies to ensure that the guidelines are being followed.

If the Partner breaches or neglects its obligations regarding these ethical guidelines, it must immediately correct its behaviour or intervene in the behaviour of its group company, subcontractor, subsupplier or partner, and notify Consti of the breaches as well as the related corrective measures it has taken without delay.

If corrective measures are not taken in the agreed upon or otherwise reasonable period of time, and the breaches or acts of negligence in question are significant, Consti has the right to ultimately terminate the agreement with the Partner according to the termination procedures defined in the agreement.

2 ETHICAL OPERATIONS

2.1 PREVENTION OF BRIBERY AND CORRUPTION

Consti does not approve of corruption or bribery in any way, shape or form. The Partner commits to not engaging in bribery or other criminal or unethical acts in its business operations with Consti or any other party.

The Partner commits to not engaging in money laundering or equivalent criminal activities. The Partner's organisation must have instructions in writing on the prevention of bribery and corruption.

2.2 CONFLICTS OF INTEREST

If the Partner knows or suspects a possible conflict of interest exists that could affect Consti's business decisions, the Partner must notify Consti of the matter immediately.

An example of a conflict of interest would be a situation where the the personal interests of Consti's or the Partner's employees or the interests of the social or other stakeholder groups of the employees could potentially affect the partnership or agreements made with the Partner.

2.3 PROMOTION OF COMPETITION

Consti adheres to fair and open competition. Actions that go against the letter or spirit of competition legislation are prohibited. Such prohibited actions include illegal price fixing, market sharing and unethical trading.

The Partner commits to competing according to these principles as well as adhering to competition legislation in effect at the time.

3 HUMAN RIGHTS AND THE EQUAL TREATMENT OF EMPLOYEES

3.1 THE RIGHT TO ORGANIZE AND A BAN ON DISCRIMINATION

The Partner is obligated to respect the legal rights of its employees, including their right to organize and participate in collective bargaining.

The Partner must treat its personnel equally, regardless of their sex, age or origin. The Partner commits to adhering to the basic values of human rights, such as equality and non-discrimination, and the employer does not discriminate against employees on the basis of such factors as sexual orientation, nationality, race, sex, age or religion. The Partner must have zero tolerance for any kind of harassment, bullying, threats or other inappropriate behaviour towards employees.

3.2 CHILD AND FORCED LABOUR AND THE RIGHTS OF YOUNG EMPLOYEES

The Partner may not use child labour in any form and it may not breach any laws or decrees on the use of child labour, or the guidelines and norms issued about the matter by the United Nations. The Partner does not hire or otherwise indirectly employ persons who are younger than the minimum working age defined in legislation.

The minimum working age is always at least 15 years. Persons under 18 years of age may not work at nights, do dangerous work tasks or conduct any other work that might be detrimental to their development.

The Partner commits to prohibiting all kinds of forced labour and ensuring that its employees have the right to terminate their employment within a justifiable period of notice and in accordance with applicable laws and collective labour agreements. Furthermore, the Partner does not have the right to demand that its employees hand over money or personal documents to be stored by the employer.

3.3 SALARY AND WORKING HOURS

The Partner commits to adhering to applicable working time legislation and paying its employees a reasonable and just salary, which is always at least the minimum salary according to applicable laws or collective labour agreements and regulations concerning overtime work and statutory benefits.

The Partner commits to ensuring that its employees and the employees of its subcontractors understand

the terms and conditions of their employment contract.

3.4 HEALTH, SECURITY AND INDUSTRIAL SAFETY

The Partner commits to adhering to laws and regulations on industrial safety and offers its employees safe and healthy working conditions that always fulfil the requirements of legislation in effect at the time. The Partner must promote occupational safety and prevent accidents and disasters by such means as providing its employees with adequate training, tools and equipment.

The Partner's employees are not allowed to work on Consti construction sites under the influence of alcohol, drugs or any other intoxicants. When needed, Consti has the right to supervise the sobriety of employees with random tests within the boundaries of legislation.

4 ENVIRONMENT

The Partner commits to ensuring that its operations are not in violation of laws, decrees or generally accepted EU norms regarding environmental protection. The Partner must work systematically and proactively to fulfil its environmental responsibilities and to minimise the harmful environmental impacts of its operations.

The Partner commits to promoting the efficient use of resources, such as energy and materials, in its operations and to reducing the use and number of substances with detrimental climate impacts.

The Partner must pay attention to the treatment of waste created by its operations and to using recycled materials in its products. The Partner is obligated to adhere to the instructions, rules and regulations on the treatment of waste and the use of recycled materials.

The Partner must survey the environmental stresses caused by its operations and develop its methods in a more sustainable direction.

5 COMING INTO FORCE

These ethical guidelines for partners have been approved by Consti's management group on 14.06.2021.



APPENDIX 3 - GRI TABLE

| GRI index | Reference number | Index content | Place in this report and/or annual report | Additional information |
|-----------------------------|------------------|---|---|---|
| GRI 100 | | | | |
| GRI 102 General Disclosures | 102-1 | Name of the organization | p. 5 | |
| | 102-2 | Activities, brands, product, and services | p. 5 | |
| | 102-3 | Location headquarters | p. 5 | |
| | 102-4 | Location on operations | p. 5 | |
| | 102-5 | Ownership and legal | p. 5 ja AR. p. 93 | |
| | 102-6 | Market areas, business areas | p. 5 | |
| | 102-7 | Scale of the organization | p. 5 | |
| | 102-8 | Information on employees and other workers | p. 21-25 | |
| | 102-10 | Significant changes to the organization and its supply chain | | No significant changes in 2021 |
| | 102-13 | Membership of associations | p. 30 | |
| | 102-14 | Statement from senior decision-maker | AR p. 7 | |
| | 102-15 | Key impact, risks, and opportunities | AR p. 8-11, 19 | |
| | 102-16 | Values, principles, standards, and norms of behavior | p. 35, AR p. 8 | |
| | 102-17 | Mechanisms for advice and concerns about ethics | p. 25, 27 | |
| | 102-18 | Governance structure | p. 7 | |
| | 102-20 | Executive-level responsibility for economic, environmental, and social topics | p. 7 | |
| Stakeholders engagement | 102-40 | List of stakeholder groups | p. 6 | |
| | 102-41 | Collective bargaining agreements | p. 25 | All Consti personnel |
| | 102-42 | Identifying and selecting stakeholders | | Defined by the Group's management group and executive management in 2020 |
| Reporting practice | 102-43 | Approach to stakeholders engagement | p. 6 | |
| | 102-45 | Entities included in the consolidated financial statement | AR p. 14 | |
| | 102-46 | Defining report content and topic boundaries | p. 3 | |
| | 102-47 | List of material topics | p. 6 | |
| | 102-48 | Restatements of information | | No significant changes |
| | 102-49 | Changes in reporting | | No significant changes |
| | 102-50 | Reporting period | p. 1 | |
| | 102-51 | Date of most recent report | p. 7 | |
| | 102-52 | Reporting cycle | p. 7 | |
| | 102-53 | Contact point for questions regarding the report | Back cover | |
| | 102-54 | Reporting coverage in accordance with the GRI Standards | p. 7, 44 | The report has been prepared with reference to the GRI standard (reference level) |
| | 102-55 | GRI content index | p. 44 | |
| | 102-56 | External assurance | | This report has not been externally verified |

AR=annual report

| GRI index | Reference number | Index content | Place in this report and/or annual report | Additional information |
|--|------------------|---|---|--|
| GRI 200 | | | | |
| GRI 201 Economic Performance | 201-1 | Direct economic value generated and distributes | p. 5, AR p. 24, 28 | |
| | 201-3 | Defined benefit plan obligations and other retirement plans | AR p. 34 | |
| GRI 205 Anti-corruption | 205-2 | Communication and training about anti-corruption policies and procedures | p. 27 | |
| | 205-3 | Confirmed incidents of corruption and actions taken | p. 28 | |
| GRI 206 Anti-competitive behavior | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | p. 27, 37 | |
| GRI 207 Tax | 207-1 | Approach to tax | p. 31 | |
| GRI 300 | | | | |
| GRI 306 Waste | 306-1 | Waste generation and significant waste-related impacts | p. 18 | |
| | 306-3 | Waste generated | p. 18 | |
| GRI 307 Environmental Compliance | 307-1 | Non-compliance with environmental laws and regulations | p. 19, 37 | |
| GRI 400 | | | | |
| GRI 401 Employment | 401-1 | New employee hires and employee turnover | p. 25 | |
| | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | p. 22 | All employees have the same benefits regardless of the type of employment. |
| | 401-3 | Parental leave | | Statutory. |
| GRI 402 Labor/Management Relations | 402-1 | Minimum notice periods regarding operational changes | | Practices based on legislation. |
| GRI 403 Occupational Health and Safety | 403-1 | Occupational health and safety management system | p. 22 | All Consti personnel. |
| | 403-2 | Hazard identification, risk assessment, and incident investigations | p. 22 | |
| | 403-3 | Occupational health services | p. 22 | |
| | 403-4 | Worker participation, consultation, and communication on occupational health and safety | p. 21-22 | |
| | 403-5 | Worker training on occupational health and safety | p. 22 | |
| | 403-6 | Promotion of occupational health | p. 22 | |
| | 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | p. 21-22 | |
| | 403-8 | Workers covered by an occupational health and safety management systems | p. 22 | |
| | 403-9 | Work-related injuries | p. 21-22 | |
| | 403-10 | Work-related cases of illness | p. 21 | |
| GRI 404 Training and Education | 404-2 | Programs for updating employee skills and transition assistance programs | p. 23 | |
| | 404-3 | Percentage of employees receiving regular performance and career development reviews | p. 23 | |
| GRI 406 Non-discrimination | 406-1 | Incidents of discrimination and corrective actions taken | p. 25 | |
| GRI 418 Customer Privacy | 418-1 | Complaints concerning breaches of customer privacy and losses of customer data | p. 30 | |
| GRI 419 Socioeconomic Compliance | 419-1 | Non-compliance with laws and regulations in the social and economic area | p. 37 | |

AR=annual report

"THE ALLIANCE PROJECT CONDUCTED AT TERMINAL 2 OF HELSINKI AIRPORT WON THE CONSTRUCTION SITE OF THE YEAR CONTEST HELD BY THE CONSTRUCTION INDUSTRY MAGAZINE RAKENNUSLEHTI."

Closer to the customer

WWW.CONSTI.FI

**FURTHER INFORMATION ON CORPORATE
SOCIAL RESPONSIBILITY**

esa.korkeela@consti.fi
minna.vierula@consti.fi

CONSTI

CONSTI PLC

Valimotie 16, 5. floor
00380 Helsinki
Tel. 010 288 6000

CONSTI PLC
CORPORATE SOCIAL RESPONSIBILITY REPORT

2021