

APPROVED BY  
order No 1R-120  
on 3 August 2022  
By General Director  
of SE Lithuanian Airports

## STATE ENTERPRISE LITHUANIAN AIRPORTS SUSTAINABILITY POLICY

### 1. GENERAL PROVISIONS

- 1.1. The objective of the Sustainability Policy of the State Enterprise Lithuanian Airports (hereinafter referred to as the "Sustainability Policy"):
  - 1.1.1. to define the priorities and principles of socially responsible activities of the State Enterprise Lithuanian Airports (hereinafter referred to as the company), based on which the culture of responsible and sustainable business would be purposefully developed and shaped, involving all employees of the company;
  - 1.1.2. to strengthen the system of sustainable airports worldwide through cooperation, transparency, innovation and participation.
- 1.2. The Company's Sustainability Policy was developed on the basis of the Company's Sustainability Strategy, which was developed using and assessing the following documents and data: the United Nations Sustainable Development Agenda 2030, European Green Deal, EU Taxonomy, Social Responsibility Reports and publicly available information of selected foreign airports, Letter of Expectations of the Ministry of Transport and Communications of the Republic of Lithuania (2020), the Company's Environmental Strategy 2018-2028, Social Responsibility Report 2020, LTOU Strategic Action Plan 2021-2024, Good Governance Questionnaire for State-Owned Enterprises, Employee Engagement Surveys, Customer NPS surveys, Partner NPS surveys, qualitative interviews of the Company's employees, and community complaints;
- 1.3. This Sustainability Policy is intended for and applies to each party concerned.

### 2. TERMS AND ABBREVIATIONS USED

General terms and abbreviations used in this Sustainability Policy:

- 2.1. **Company** – State Enterprise Lithuanian Airports;
- 2.2. **Communications Department** – The department of the company responsible for initiating and coordinating sustainable activities within the company;
- 2.3. **Sustainability policy** – The Company's Sustainability Policy, which defines the priorities and principles for a socially responsible Company that contribute to a sustainable Company;
- 2.4. **Sustainability** – a compromise between the environmental, economic and social objectives of society, enabling the achievement of global well-being for present and future generations, within acceptable limits of environmental impact (in accordance with the National Strategy for Sustainable Development, approved by the Government of the Republic of Lithuania);
- 2.5. **Sustainable Development Goals** – An agreement reached in 2015 by all members of the United Nations on a common agenda for global development to 2030, based on 17 Sustainable Development Goals (SDGs), which encompass the pursuit of peace, prosperity and all-inclusive prosperity for humanity and the planet, now and in the future, and which call for partnerships to achieve the goals;
- 2.6. **Parties concerned** – The following groups are involved in the development and implementation of the Sustainability Strategy because their activities may have an impact on the Company's operations:

- 2.6.1. **Shareholder** – the Ministry of Transport and Communications of the Republic of Lithuania, which is a shareholder of the Company, exercising the rights and obligations of the owner of the Company;
- 2.6.2. **Partners** – These include retailers, providers of catering, car rental, transport, ground handling and other passenger services, airlines, land lease partners, regulators, municipalities and route sponsors;
- 2.6.3. **Employees** – All employees working in the Company;
- 2.6.4. **Community** – a party concerned that is not homogeneous and has different experiences, incomes, interests and views;
- 2.6.5. **Clients**– natural or legal persons who have used or are planning to use the services provided by the Company.
- 2.7. **Materiality assessment/ materiality matrix** – a visual tool to help companies identify their opportunities, reduce risks, improve stakeholder engagement and ensure sustainability is integrated into business strategy. The LTOU materiality map is based on the Global Reporting Initiative (GRI) standard.

### 3. SUSTAINABILITY GUIDELINES

- 3.1. The Company develops its Sustainability Strategy in accordance with the Company's vision, mission, values and strategic objectives;
- 3.2. The Sustainability Strategy is structured around three strategic strands of sustainability (environmental, social and economic) and, through its strategic activities, seeks to make a direct contribution to the Sustainable Development Goals;
- 3.3. The company is committed to the 10 principles of the Global Compact in the areas of human rights, workers' rights, the environment and anti-corruption:
  - 3.3.1. The Company supports and respects the protection of international human rights;
  - 3.3.2. The Company does not contribute to human rights abuses;
  - 3.3.3. The Company supports and recognises freedom of association and the right to collective bargaining;
  - 3.3.4. The Company does not tolerate any form of compulsory or forced labour;
  - 3.3.5. The Company does not use child labour;
  - 3.3.6. The Company does not tolerate discrimination in relation to employment and occupation;
  - 3.3.7. The Company supports a preventive approach to environmental challenges;
  - 3.3.8. The Company takes more environmental initiatives;
  - 3.3.9. The Company promotes the development and dissemination of environmentally friendly technologies;
  - 3.3.10. The Company combats all forms of corruption, including bribery and kickbacks.
- 3.4. The Company contributes to the European Green Deal and the Paris Agreement by committing to reduce its net CO2 emissions to zero by 2030;
- 3.5. The Company undertakes to follow the Airport Carbon Accreditation (ACA), Airport Council International's CO2 assessment programme, and to pass all the steps in order to reduce its impact on climate change to zero:
  - 3.5.1. Level 1 - Mapping - annual calculation of emissions;
  - 3.5.2. Level 2 - Reduction - applying measures and reducing CO2 emissions;
  - 3.5.3. Level 3 - Optimisation - Involving third parties (partners, stakeholders) in the CO2 assessment and reduction process;
  - 3.5.4. Level 4 - Neutrality - zero emissions from operations that can be controlled by the airport through an offset mechanism.
- 3.6. Stakeholders have been involved in the development of the Sustainability Strategy process and policies, not only to ensure that the direction of the Strategy is more comprehensive, but also to maintain good relations with stakeholders and to avoid potential risks in the future when implementing the Strategy. Stakeholder engagement is a good practice in the development of

sustainability activities and is recommended in the guidelines of recognised international sustainability standards such as the Global Reporting Initiative, the AA1000 Stakeholder Engagement Standard and other international institutions.

#### **4. MEASURES TO IMPLEMENT THE SUSTAINABILITY GUIDELINES**

- 4.1. The Company periodically reviews the Company's strategy and sets out the tactical actions and initiatives that underpin the implementation of the Company's Sustainability Strategy;
- 4.2. The Company periodically reviews and adjusts the Materiality Matrix, which identifies and prioritises the Sustainability Focus Areas. The map is publicly available at <https://www.ltou.lt/lt/apie-lietuvos-oro-uostus/darnumas>;
- 4.3. The aim is to familiarise all employees of the Company with the Company's Sustainability Policy, thereby encouraging Employee involvement in the development and implementation of the Sustainability Strategy;
- 4.4. The Company communicates and reports on its sustainability activities and their impact in a transparent and effective way:
- 4.5. By publicly submitting its annual Sustainability Report, available at <https://www.ltou.lt/en/corporate/sustainability/social-responsibility-reports>.
  - 4.5.1. by periodically communicating publicly on the Company's social networks or disseminating press releases about individual Sustainability work or initiatives;
  - 4.5.2. In the social networks of company employees;
  - 4.5.3. In the company's internal channels;
  - 4.5.4. other means of communication not listed but available.
- 4.6. As part of its efforts to implement the Sustainability Strategy, the Company joins sustainability initiatives and organisations that promote partnerships to achieve the Sustainable Development Goals.
- 4.7. Reports of potential Sustainability Violations may be submitted to the Company through its internal whistleblowing channel by email: [pranesk@ltou.lt](mailto:pranesk@ltou.lt). Other reporting channels are available here: <https://www.ltou.lt/en/corporate/corruption-prevention>.
- 4.8. All enquiries related to Sustainability issues can be sent to [darnumas@ltout.lt](mailto:darnumas@ltout.lt).

#### **5. FINAL PROVISIONS**

- 5.1. The Policy is approved and amended by order of the Company's Chief Executive Officer;
- 5.2. The Communication Department formulates the Sustainability Policy, is responsible for initiating measures and coordinating their implementation and monitoring;
- 5.3. Suggestions for updates to the Sustainability Policy are submitted to the Company's CEO by the Communications Department;
- 5.4. Any employee who sees a need to adjust the Sustainability Policy shall contact the Communications Department and explain the issue;
- 5.5. All existing and newly recruited employees are required to familiarise themselves with the Sustainability Policy and to apply the principles of sustainability in their work;
- 5.6. The provisions of the Sustainability Policy shall apply to the extent that they do not conflict with the laws of the Republic of Lithuania or other legal acts;
- 5.7. The Sustainability Policy is publicly available on the Company's website <https://www.ltou.lt/en/corporate/sustainability>.