

CONSTI

CONSTI PLC

CORPORATE SOCIAL RESPONSIBILITY REPORT

2022





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Table of Contents

1 INTRODUCTION 5

1.1 Consti Plc5

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

1.3 Cooperation with stakeholders6

1.4 Leadership and corporate social responsibility7

1.5 Reporting and communication on responsibility7

2 MEGATRENDS AND THE OPERATING ENVIRONMENT 8

2.1 Operating environment8

2.2 Megatrends9

3 CONSTI AND THE UN’S SUSTAINABILITY GOALS 13

4 CONSTI’S ESTIMATED ENVIRONMENTAL IMPACTS 15

5 ENVIRONMENTAL FRIENDLINESS 17

5.1 Minimising environmental risks 17

5.2 Developments in environmental friendliness in 2022 17

5.3 Expertise in climate impacts on properties 18

5.4 Sorting and recycling of waste 18

5.5 Energy-efficiency of Consti’s own operations 19

6 OCCUPATIONAL SAFETY AND WELL-BEING 21

6.1 Continuous improvement of occupational safety 21

6.2 The development of personnel and support for expertise 23

6.3 Equality and respect for human rights 27

7 SUPPLY CHAIN 28

7.1 Grey economy prevention 28

7.2 Cooperation with partners 29

7.3 Sustainable procurement 29

7.4 Corporate Governance 30

7.5 Tax footprint 31

8 CUSTOMER SATISFACTION 33

8.1 Developments in customer understanding in 2022 33

8.2 Cooperative projects 34

8.3 Supporting the customer’s climate goals 34

9 REPORTING ACCORDING TO THE EU TAXONOMY 36

10 INDICATORS OF RESPONSIBILITY 40

11 APPENDICES..... 42-43

Appendix 1: GRI table 42

Appendix 2: Safety principles 43

Appendix 3: Environmental principles 43

Appendix 4: Consti’s ethical guidelines 43



1 INTRODUCTION

1.1. CONSTI PLC

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 and investors as well as public sector operators in Finnish growth centres.

The company's market position is strong especially in the Helsinki metropolitan area and the Pirkanmaa, Turku and Oulu regions. In 2022, the Helsinki metropolitan area amounted to 75 % of the Group's net sales, which meant a 5 % increase from the previous year.

Consti's business operations are divided into four business areas: Housing Companies, Corporations, Public Sector and Building Technology. All business areas contain service operations that include service contracting and maintenance and upkeep services for contractual customers. Service operations amounted to 14 % of net sales.

The parent company of the Group is Consti Oyj. At the end of 2022, the Group contained the following subsidiaries fully owned by the parent company: Consti Korjausrakentaminen Oy, Consti Talotekniikka Oy and RA-Urakointi Oy. At the end of 2022, Consti had offices in Helsinki, Tampere, Turku, Oulu, Lahti, Jyväskylä and Hämeenlinna. Consti only operates in Finland.

For 2022, net sales of the Consti Group were some 305 million euros and the average number of employees was 971. 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 “the Customer's primary partner and a versatile expert 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 in line with this strategy is the complex of two office buildings which began construction in Helsinki's Ilmala neighbourhood in 2021. The main section of the project was completed in March 2023.

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 when it comes to building technology. This value chain thinking also includes the diversity of project types.

Improving profitability and improving production efficiency are focal points in the strategy. Consti strives to be the most desirable employer in its field, as well as a pioneer in social responsibility and sustainable development.

**CONSTI'S VISION IS TO BE
“THE CUSTOMER'S PRIMARY
PARTNER AND A VERSATILE
EXPERT OF CONSTRUCTION.”**

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

Consti's responsibility themes are based on such areas of responsible business operations that are important to Consti and its stakeholders, socially significant and on which Consti's operations can have an effect. The responsibility 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 and developing the expertise of personnel is one crucial method of ensuring an expert workforce.

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 trans-

parent. Grey economy prevention is also an aspect of supply chain management.

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

1.3. COOPERATION WITH STAKEHOLDERS

Consti's most important stakeholder groups are customers (housing companies, public sector developers, real estate investors and other companies), developer consultants, designers, property managers, subcontractors and suppliers. Another important stakeholder group is Consti's current and potential future staff, including construction students.

We engage in constant dialogue with stakeholder groups especially in customer meetings, joint projects, seminars, exhibitions and other events of the sector, as well as school visits and student events. We collect data and chart the opinions of stakeholders using various written surveys, such as our customer satisfaction survey and staff survey. During a renovation project, the users and owners of the premises are kept informed about progress using both electric channels as well as the notice boards and the like in the building. Consti's services and expertise are actively discussed on social media and in stakeholder publications, such as the newsletter sent regularly to customers and partners.

The primary goals of stakeholder cooperation are to chart the needs of our customers and partners, solidify cooperation with partners and long-term customers and publicise Consti's service offering and expertise as well as new solutions in the sector. Cooperation with schools and educational institutions aims to make Consti known as an employer and promotes awareness of renovation as a sector. In addition to everyday work-related communications, Consti's communication efforts within the work community also strive to identify important factors that affect the occupational well-being of staff and provide person-

nel with opportunities to influence the continuous development of the work community.

In Consti's current operating environment, the development of responsibility themes is not only affected by stakeholder expectations, but also international agreements and climate goals as well as legislation on both the EU and national levels.

1.4. 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 premises, 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 management group decides which responsibility themes of the strategy period are crucial for the company, and the themes are 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, planning the procedures to implement the responsibility themes in practice and monitoring 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, each of Consti's four responsibility themes has a designated person who coordinates the practical responsibility work in work groups, which consist of representatives from Consti's business areas. On the Consti Group level, the chair of the social responsibility steering group is responsible for the operation and coordination of these work groups and reporting on their work to the management group.

1.5. REPORTING AND COMMUNICATION ON RESPONSIBILITY

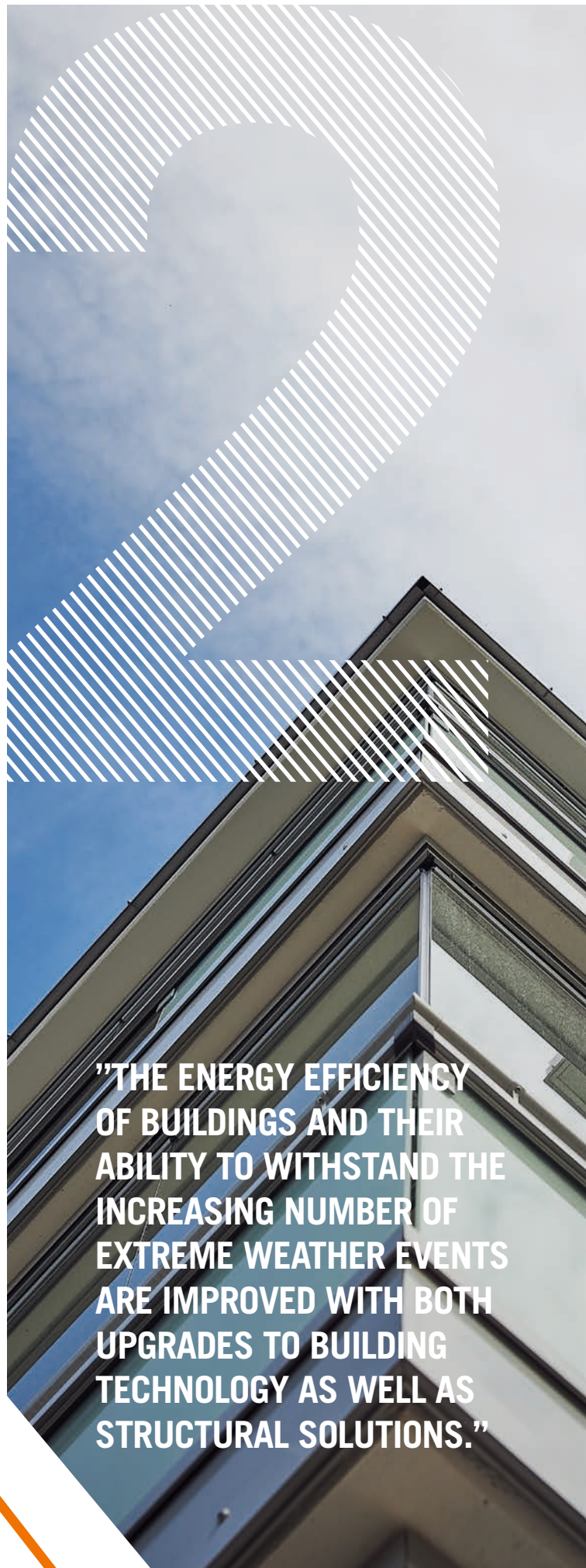
Consti has been publishing corporate social responsibility reports since 2014. This responsibility report presents the principles and goals of Consti's responsible business operations and offers information on everyday sustainability work. This report was created by Consti's communications team according to guidelines from the management group. The previous report was published on 29.4.2022.

Consti Oyj 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 latest new reporting requirement relates to the EU taxonomy. 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 2022 also contains the central matters related to corporate social responsibility.

Sustainability themes and the related goals form a part of the strategy, and the promotion of these themes is included in group and business area -specific communication plans.

Communication and training are employed to improve staff awareness of sustainability and responsibility goals and the procedures agreed upon to achieve them. Consti Academy is Consti's training function, which is responsible for updating construction qualifications and developing the expertise of personnel. In addition to training days, we also organise informative lessons on such topics as the company's ethical values, occupational safety and environmental goals, e.g., waste sorting. Training is offered flexibly via an electric channel even on construction sites. Consti's intranet serves as a data bank for Consti people that contains a comprehensive offering of information on Consti's operations, processes and practices.

This report has not been verified externally.



"THE ENERGY EFFICIENCY OF BUILDINGS AND THEIR ABILITY TO WITHSTAND THE INCREASING NUMBER OF EXTREME WEATHER EVENTS ARE IMPROVED WITH BOTH UPGRADES TO BUILDING TECHNOLOGY AS WELL AS STRUCTURAL SOLUTIONS."

2 MEGATRENDS AND THE OPERATING ENVIRONMENT

2.1. OPERATING ENVIRONMENT

The long-term trend on the Finnish house building market has been the quite even split between new construction and renovation. Business fluctuations are major when it comes to new construction, but the growth rate of renovation has remained relatively stable over the last 20 years. This growth is expected to continue steadily for years to come, as renovation stems more from need and is less susceptible to economic fluctuations than new construction.

In 2022, however, the building of housing led to new construction growing significantly more than renovation. The construction of new apartments grew by an estimated 7–10 % in 2022, while other new construction grew by approximately 3 %. Renovation is estimated to have grown by some 0.8–1.5 % and its value is estimated at approximately 14 billion euros.

Nearly two thirds of renovation consists of the renovation of residential buildings, and an estimated half of these renovations are conducted professionally. The share of other building types was slightly over one third. In the renovation of residential buildings, building technology repairs become highlighted, amounting to some 40 % of the value of renovation. Repairs to building technology are expected to have stronger growth than other kinds of renovations in the coming years as well. This growth is maintained

by the large number of residential buildings that have reached their plumbing renovation age.

Growth in the building technology market is also driven by growing heating costs and the green transition. Until now, improvements to energy efficiency have been mostly conducted in conjunction with other renovations, but the recent sharp rise in the price of energy has made energy renovations profitable even as stand-alone projects. The energy efficiency of buildings and their ability to withstand the increasing number of extreme weather events are improved with both upgrades to building technology as well as structural solutions such as facade renovations.

In addition to building technology renovations, many housing companies also have an increasing need for facade renovations, which have often been overshadowed by plumbing renovations for financial reasons. Some one fifth of renovation is formed by maintenance and upkeep.

The age of Finnish building stock increases the need for repairs

Renovation is expected to continue its growth rate of approximately one percent in 2023 as well. This growth is expected to come from the renovations of both residential buildings and other building types. Both new construction and renovation remain heavily focused on growth centres.

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 technology, 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 companies 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 as well as 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 housing services 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 renovations. According to the Finnish Real Estate Federation's renovation barometer, repair needs will

be focusing even more on facades in the coming years.

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.

So, in addition to the age of the building stock, the need for renovation is further increased by several phenomena designated as megatrends, such as urbanisation, ageing populations and need for ecological rebuilding, as well as the challenges caused or emphasised by digitalisation and climate change on the use of buildings, for example.

2.2. MEGATRENDS

Megatrends depict long-term, major, slowly shifting and often interconnected phenomena that will not change on a moment's notice. The impacts of global megatrends on our society are estimated to be significant. When Consti began charting its responsibility themes for the strategy period 2021–2023, the Finnish Innovation Fund Sitra had just published its list of megatrends for 2020. Nearly all of the megatrends recognised at the time had an impact on Consti's operations, and this was clearest with the trends of climate warming, urbanisation, ageing population, digitalisation and changes to economic systems.

The megatrends updated by Sitra in early 2023 depict social change through five themes. These are: nature, humans, power, technology and economy. While these megatrends require Consti to procure new expertise, they also offer new and more extensive business opportunities.

The carrying capacity of nature and ecological reconstruction

Finland's goal is to reach carbon neutrality by 2035 and carbon negativity soon thereafter. The Finnish government is committed to the climate policies of both Finland and the European Union to limit the rise of average global temperature to 1.5 degrees Celsius. The 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 RT¹ 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 technology 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. Extreme weather phenomena and mild, rainy winters increase the need for water insulation and adequate capacity of storm drains and drain networks. Climate warming also increases the need for building technology systems and their upkeep. For example, more attention is paid to the optimal temperature of spaces and facilities than before.

The carbon footprint of the built environment can be reduced by several different measures, such as reducing energy consumption, favouring renewable energy sources and improving the efficiency of the reuse and recycling of materials. The rise of the circular economy can already be seen in renovation especially in the systematic further use of waste and demolition materials and products. It also brings new sustainable business opportunities to the sector.

Challenges to well-being – population ageing, diversification and urbanisation

Urbanisation is estimated to increase the need for more adaptable properties that can better anticipate future changes to spatial needs. These kinds of changes become more frequent as the industrial buildings in city centres are turned into apartments or offices. Densely built cities also create new opportunities for combining projects, as different housing companies have done by joining their renovation projects together, for example. Diversification of the population may also increase the need and interest in diverse living arrangements and shared facilities. The same facilities should suit both students and the elderly, for example.

Population ageing requires that apartments, various service buildings, business premises and travel routes are safe and accessible, and the significance of yards and balconies as opportunities for outdoor recreation will grow, for example.

At the same time, urbanisation reduces vitality in areas outside of growth centres and leads to the reduction of the value of properties and apartments in many places. This only makes profitable renovations even more challenging. 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 the difference in costs.

Population ageing also increases competition between companies over high-quality expert employees. By taking care of the well-being and occupational learning of its employees, Consti ensures adequate human resources also in the future. At the same time, the construction sector is able to offer employment to the diversifying population especially in growth centres.

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. Digitalisation has increased opportunities for remote work, which results in office premises being altered to be more adaptable or converted to entirely new uses. Online commerce is also a factor that changes spatial needs.

In the design and upkeep of the built environment, data collected on the daily lives of people can be utilised ever more extensively to improve people’s lives and survival under exceptional circumstances. This requires adequate data security.

New legislation related to construction already allows the utilisation of digital applications for such purposes as data collection, for example. On the company-level, this leads to easier monitoring and flow of information as well as possible improvements to the productivity of the work. In the best-case scenario both the productivity and quality of the work are improved. However, this requires that the expertise of employees is taken care of.

The foundations of the economy are cracking as global inequality and the ecological sustainability crisis deepen

Consti only operates in Finland, so Consti’s opportunities to affect global inequality are limited, whether we are talking about the results of geopolitical power struggles or increasingly frequent extreme weather phenomena. However, geopolitical tensions and climate goals are still visible in Consti’s everyday operations. The need for renewable energy and the related expertise is also growing in the renovation sector, and taking care of nature’s carrying capacity requires even more efficient use and recycling of materials both during construction and over the building’s useful life.

Renovation and building technology can also be used to alleviate the harms caused by extreme weather to buildings and their users.

The construction industry is also able to offer jobs to employees from various different backgrounds. Consti strives for an equal work community that respects diversity and gives all employees the opportunity to influence the content of their own work and the development of the work community.



MEGATRENDS IN BRIEF

SITRA'S MEGATRENDS	CONSTI'S RESPONSE TO THESE MEGATRENDS
Nature's carrying capacity is crumbling as we are living in the midst of an ecological sustainability crisis. There is an urgent need for ecological reconstruction, which means transitioning to a society that improves the state of nature and human well-being.	As a rule, renovation saves resources when compared to new construction. Structural solutions and updated building technology can also help us adapt to climate change.
Challenges to well-being are increasing as the population ages, becomes more diverse and concentrates on growth centres.	The ageing of population changes the requirements set for built environments. Population ageing also increases competition between companies over high-quality expert employees.
The fight for democracy is intensifying and societies are put to the test as crises accumulate. Geopolitical power games are back and trust in institutions is waning.	Consti must provide its employees with opportunities to influence their own work and the development of their work community. As global uncertainty grows and crises become more numerous, we must pay attention to the functionality and sustainability of our procurement chains.
The competition for digital power is accelerating as the ground rules of the digital world and the trends and resources required by new technology are being disputed. Technology and data are increasingly embedded in people's daily lives and data is increasingly collected and utilised.	In the design and upkeep of the built environment, this data on the daily lives of people can be utilised to improve people's lives and survival under exceptional circumstances. Construction legislation already allows the utilisation of digital applications for the purposes of data collection, for example. On the company-level, this leads to easier monitoring and flow of information as well as improvements to the productivity of the work. However, this requires that the expertise of employees is taken care of.
The foundations of the economy are beginning to crack as global inequality grows and the ecological sustainability crisis deepens. Increasing extreme weather conditions and the collapse of nature's services are eroding the functional conditions of the economy and wealth is being concentrated in the hands of an even smaller group than before.	Geopolitical tensions and climate goals increase the need for renewable energy and the related expertise also in the area of renovation. Consti only operates in Finland, so Consti's opportunities to affect global inequality are limited. However, renovation and building technology can be used to alleviate the harms caused by extreme weather to buildings and their users in Finland. The construction industry is also able to offer jobs to employees from various different backgrounds.



3 CONSTI AND THE UN'S SUSTAINABILITY GOALS

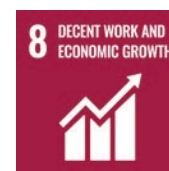
SUSTAINABLE DEVELOPMENT GOALS

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



Gender equality

- Equal treatment is 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



"RENOVATION NEARLY ALWAYS ALSO IMPROVES THE ENERGY EFFICIENCY OF THE BUILDING, ESPECIALLY THROUGH FACADE REPAIRS AND UPDATES TO BUILDING TECHNOLOGY."

4 CONSTI'S ESTIMATED ENVIRONMENTAL IMPACTS

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 and possible demolition of the building. Consti balances the footprint of the construction sector as renovations reduce emissions. Renovation of old buildings means that fewer resources are needed for the construction of new buildings.

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, especially through facade repairs and updates to building technology. 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.



POSITIVE ENVIRONMENTAL IMPACTS OF CONSTI'S OPERATIONS:

- Renovation extends the lifespan of existing buildings.
- Building technology improves energy efficiency, safety and comfort of use.
- Modifications of building use allow underused facilities to be used more efficiently.
- Renovation instead of demolition and new construction.
- Renovation of historical buildings with respect to their architecture.
- Helping properties withstand the extreme phenomena caused by climate change.

MOST SIGNIFICANT ENVIRONMENTAL RISKS AND HARMFUL IMPACTS OF CONSTI'S OPERATIONS:

- Possible release of harmful substances into the soil or waterway when handling demolition waste or fuel oil, for example.
- Noise, dust and smell nuisances and possible hazardous substances.
- Demolition waste and other waste resulting from renovation or construction activities if it cannot be efficiently recycled.
- Consumption of energy and water on construction sites.



"CONSTI'S GOAL IS TO BE A CARBON-NEUTRAL BY 2035. THE GOAL IS THAT 70 % OF THE ELECTRICITY USED BY OUR OFFICES IS RENEWABLE IN 2023."

5

ENVIRONMENTAL FRIENDLINESS

5.1. MINIMISING ENVIRONMENTAL RISKS

At Consti, environmental friendliness means, first and foremost, expertise in how climate change affects properties and being there to support the climate goals of customers. It also means careful consideration of environmental factors in the company's operations especially by improving energy use and the recycling of construction site waste.

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. International agreements are also taken into account in the company's operations, as are EU's reduction goals for energy consumption and greenhouse gases. Consti is committed to reducing its own emissions according to a green transition roadmap the company has prepared.

In addition to minimising energy consumption, minimising the harmful environmental impacts of construction sites means 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 has guidelines in place that aim to ensure adherence to environmental regulations in the company's 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.

5.2. DEVELOPMENTS IN ENVIRONMENTAL FRIENDLINESS IN 2022

In 2022, Consti defined its Environmental Principles that allow Consti to have an impact on its own operations, the built environment and climate change in an environmentally sustainable manner. The aim is to reduce the environmental load caused by Consti's operations.

During 2022 we prepared for the environmental certificate issued by the RALA Construction Quality Association, which was applied for at the end of the year. RALA certification is an ISO-based evaluation process for management systems developed for the Finnish construction industry that supports the development of operations to a sustainable level. Consti's enterprise resource planning system, which includes environmental issues, defines the resources, structures, methods and processes required by the management of environmental matters. At the moment, recycling of construction waste and energy efficiency are the most significant themes for Consti. Furthermore, the year saw the clarification of in-house responsibilities and the environmental expertise of staff was increased by training and awareness raising. At the end of the year, an external expert audited Consti's construction sites and management system. The goal was to receive RALA's environmental certificates for Consti Korjausrakentaminen Oy and Consti Talotekniikka Oy in early 2023. RALA environmental certificates were granted to Consti at the beginning of 2023.



HOUSING COOPERATIVE SÄÄSTÖKONTU WON THE FACADE RENOVATION OF THE YEAR 2021 COMPETITION. CONSTI SERVED AS THE CONTRACTOR OF THE RENOVATION PROJECT

The exterior surfaces of the building designed by architect Viljo Revell and completed in 1959 were completely overhauled in the comprehensive facade renovation project. In conjunction with the facade renovation, we renewed the frame system of plates, heat insulation, aluminium platings and wooden windows of the apartments. The measures and the decisions related to them were based on the housing cooperative's property strategy.

As was the goal, the housing cooperative's energy consumption has been significantly reduced. After the facade repairs and implementation of a heat recovery system, Säästökontu's district heating consumption is only 40–50 % of what it typically is in an apartment building from the same era in Espoo's Tapiola neighbourhood. According to the jury of the competition, Säästökontu's facade renovation project was successful and serves as an excellent trailblazer for other buildings in the neighbourhood.

The Facade Renovation of the Year competition is organized by the Confederation of Finnish Construction Industries RT, Kiinteistöalan hallitusammattilaiset AKHA RY and The Finnish Fair Corporation.

5.3. EXPERTISE IN CLIMATE IMPACTS ON PROPERTIES

Containing climate change requires that buildings are made more energy-efficient in accordance with the EU Energy Efficiency Directive, which can be promoted via such means as building technology and building automation as well as constructionally through facade renovations and improved insulation.

The energy efficiency of existing building stock is crucial in the curbing of energy consumption as new construction only grows the Finnish building stock by 1–2 % per year. In fact, according to the Confederation of Finnish Construction Industries RT, 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 the buildings are heated (Vähähiilinen rakennusteollisuus 2035 [Low-Carbon Construction 2035], 2020). Climate change increases the amount of rain and air moisture in Finland, and adapting to these changes requires careful upkeep of facades especially.

Renovation nearly always also improves the energy efficiency of the building. Public operators and real estate investors especially have ever more stringent requirements for energy consumption and the processing and recycling of waste during construction and renovation as well as over the useful life of the building.

In addition to energy renovations, Consti is developing its services to better take the demands of climate change into account. The Consti Optimi multienergy system was the most significant development project completed in 2022. It uses waste heat, solar heat and electricity as well as geoenery to heat and cool a building. With Consti Optimi we can achieve up to 50 % total energy savings and reduce the carbon footprint of the heating, cooling and air conditioning of an office building by up to 70 %, for example. The Finnish Association of HVAC Societies FINVAC Ry lauded Consti Optimi as the energy solution of the year.

Over the course of 2022 we also launched a service for building charging stations for electric cars and developed the energy efficient Vodavol facade structure for renovating prefabricated buildings from the 1970s together with other operators from the construction sector.

5.4. SORTING AND RECYCLING OF WASTE

The statutory objective is to achieve a recycling rate of 70 % for construction site waste. In 2022, Consti's recycling rate for construction site waste was 52–57 %, depending on the service provider. Efforts to support construction sites in improving the recycling rate continued in 2022 and will continue in 2023 as well.

All contractors and their employees involved in construction site activities participate in recycling and waste management at the site. Orientation held for construction site staff introduces them to the site plan complete with waste management plans and instructs and guides them in efficient waste sorting. The practical operations and adequacy of waste bins are monitored on a daily basis.

In addition to following binding guidelines and upcoming regulations, Consti also monitors developments in the utilisation of construction waste by being a member of Helsinki's circular economy cluster, for example.

Material usage is also made more efficient through good planning. 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.

5.5. ENERGY-EFFICIENCY OF CONSTI'S OWN OPERATIONS

Consti's goal is to be a carbon-neutral by 2035. The goal is that 70 % of the electricity used by our offices is renewable in 2023. Services that improve energy efficiency are highlighted in service development. Consti's partners must also commit to environmentally sustainable operations.

Consti has defined CO₂ reduction targets for its own operations in a manner that takes into account the consumption of company cars and utility vehicles, as well as the estimated electricity consumption of offices. The emission reduction goals are calculated on the basis of 2020's CO₂ emissions in proportion to net sales. The goal for the strategy period is to reduce the energy consumption and emissions of our own operations by 20 % from 2020 to 2023.

An overwhelming majority of Consti's energy consumption occurs on construction sites. The central goal for 2022 was to create methods for the systemic monitoring of energy consumption at construction sites. More accurate monitoring of the consumption of water and energy at construction sites began as planned in the latter half of the year. The goal is that statistical monitoring data on energy consumption will be gained from all construction sites where work begun after 1 November 2022 and most of the

sites already ongoing by then. Guidelines have been drafted for construction sites on improving energy efficiency. Construction sites may also utilise the Group's electricity agreement to acquire a certificate of origin on the use of green electricity, for example.

Utility vehicles will gradually switch over to renewable fuels. Company cars will also gradually be replaced with electric vehicles and their fossil fuels with renewables. Consti staff also has access to company bicycles.

The Energy Efficiency Act obliges large companies to conduct an energy review every four years. Consti's latest report concerns energy consumption in 2018, and the next energy review must be conducted by 26 March 2024.

Energy consumption and greenhouse gas emissions

The GHG Protocol (Greenhouse Gas Protocol) divides emissions into three categories: Scope 1 – Company's direct emissions; Scope 2 – Emissions from the production of purchased energy; and Scope 3 – Indirect emissions created in the value chain.

Consti calculates its energy consumption on a yearly basis, and these calculations are used as the basis for adjusting the reduction goals. These calculations take into account the fuel consumption and emissions of Consti's vehicles (Scope 1), the energy consumption and emissions of our offices (Scope 2) and the quality and quantity of waste and the emissions they create (Scope 3). If data is not available, consumption will be estimated. Monitoring of consumption at construction sites has been partially implemented in late 2022, and the monitoring will continue.

Our responsibility also extends to Consti's indirect emissions (Scope 3). Purchased goods such as services, products, materials and waste form the majority of indirect emissions in many companies. Consti is preparing a data collection process concerning Scope 3 emissions. Surveying and minimising indirect emissions offers opportunities to make practices more efficient together with other operators along the value chain.



"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."

6 OCCUPATIONAL SAFETY AND WELL-BEING

6.1. CONTINUOUS IMPROVEMENT OF OCCUPATIONAL SAFETY

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 to occupational safety, personnel in the sector also typically face risks related to the grey economy and use of illegal labour.

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.

The orientation of new employees is an integral part of both occupational safety and shared operation models. In 2022 we implemented a renewed orientation model that has received a lot of praise from new employees. In addition to general orientation and construction site -specific orientation, we also use the ePerehdyts online orientation method that is commonly used in the industry. The goal is that everyone with access to a construction site will have completed the orientation. In 2022, 59 % of construction site workers had completed the ePerehdyts online orientation (40 % in 2021).

Both Consti personnel and third parties are encouraged to report safety deficiencies. Anyone within the sphere of influence of a Consti construction site is able to make a safety observation according to the construction site's instructions. For 2022, the goal was that every member of staff makes at least one occupational safety observation per year. A total of 994 safety observations were made in 2022, which means everyone at Consti made 1.02 observations. The goal set for 2023 is that every staff member makes two observations.

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 goal is to reduce the accident frequency to under 5 by the end of the strategy period. However, development in 2022 was not favourable in this regard. In 2022, the accident frequency was 16.

Consti Oyj'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
- ▼ Accident frequency in 2022: 16

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. Consti provides occupational safety card training that focuses on dangerous situations that are typical for Consti and construction sites. Part of the training required for the occupational safety card is conducted 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. Occupational safety is also stressed in manager training. With our practice of



SAFETY IS A CENTRAL ISSUE AT EVERY CONSTI CONSTRUCTION SITE. IN RENOVATION, THE SPACES MIGHT REMAIN IN USE THROUGHOUT THE REPAIRS

On the construction site of Järvenpää's school, we had to be especially careful with safety as small school children were running around on the other side of the site fence. Roadworks were also in progress in the area at the same time. The new building was inaugurated in March and it was completed without accidents.

The new construction project was realised as a project management contract. As part of the smooth collaboration, the users of the premises were actively involved in the design process and they had their own representative in the construction stage. The orderer and the design crew also had the opportunity to virtually wander around the construction site after the frame was erected, and the users also got their chance in late autumn when the end result could be more readily understood.

holding accident discussions we strive to determine the reasons for the accident in more detail to prevent similar dangerous situations in the future.

Over the past year we renewed both construction site and job-specific risk assessments and implemented shared risk assessment tools. Furthermore, we drafted guidelines for lone working and electrical safety at construction sites. The online training on lone working is meant for all employees who work alone on renovation targets, for example, and their managers.

In renovation, the most prominent hazardous exposure agents are dust, fibres, noise and vibration. The protective measures are agent-specific, and personnel also protect themselves from health hazards by such means as using high-quality certified tools that are 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 monitor the safety of the construction site.

As a representative of renovation, Consti was involved in a sector-wide research project on quartz exposure and its management in construction that concluded at the end of 2022. Consti also participates in the Res Data project on safety management organised by the Institute of Occupational Health that began in 2022.

In 2022 there were no confirmed cases of occupational diseases at the company.

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 GP treatment level that is more comprehensive than the basic level required by legislation. 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 inter-

vention 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.

In 2022, the average sick day percentage was 7.1 (5.4).

Consti also promotes the well-being of its staff with exercise and culture vouchers and group exercise benefits. The goal is to strengthen solidarity among staff through a shared sports hobby.

During 2022 we prepared for the safety certificate issued by the RALA Construction Quality Association, which was applied for at the end of the year. RALA safety certificates were granted to Consti at the beginning of 2023.

6.2. THE DEVELOPMENT OF PERSONNEL AND SUPPORT FOR EXPERTISE

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, manager training and in staff events. In 2022 we followed the Consti Way and developed and standardised especially orientation and development discussions as well as the exit interview conducted at the termination of an employment relationship. 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.

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. In 2022 we expanded the training offered to construction site workers and increased the number of training events. The main emphasis has been on safety and safety management. Cooperation with educational institutions has been strengthened, which has led to an even wider implementation of apprenticeship training in the training of both new employees and current staff.

According to the staff survey conducted in the autumn of 2022, people at Consti are more satisfied than average with the fair treatment of staff and they would also recommend Consti as an employer. Satisfaction had improved the most regarding employer support



BECOMING A PROFESSIONAL THROUGH ON-THE-JOB TRAINING

At the end of 2022, there were three apprentices working in Consti's workshop in Vantaa. Two of them were studying for an entirely new profession and one had already worked for Consti for longer and was there to deepen their expertise.

"When you teach things to someone else, you also come to evaluate your own work, which helps everyone develop", says the head of the workshop **Mihail Lasarenko**.

The opportunities, needs and wishes related to on-the-job learning are always discussed together from the perspectives of the school, the student and the company. Doing real work prepares one for the practicalities of the job, and the modern methods in use at Consti's workshop have also benefited the students in many ways.

for professional development. Room for improvement was seen especially in employees' opportunities to influence the development of operations.

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.

A written employment contract is created for every employment relationship at Consti. In 2022 Consti employed 971 (969) persons on average. Some 60 (58) % of personnel were blue-collar and some 40 (42) % were white-collar employees. 188 new regular employees were hired over the course of 2022. Consti adheres to the collective agreements.

The turnover rate of regular staff was 16.0 % (17.4 %). For the ongoing three-year strategy period we have set the goal of lowering the turnover rate to under 12 %. To reduce the turnover rate, we devel-

oped our exit interviews in 2022 so that we could identify targets for improvement.

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.

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 57 key persons at the end of 2022, and a stock-option programme for key persons.

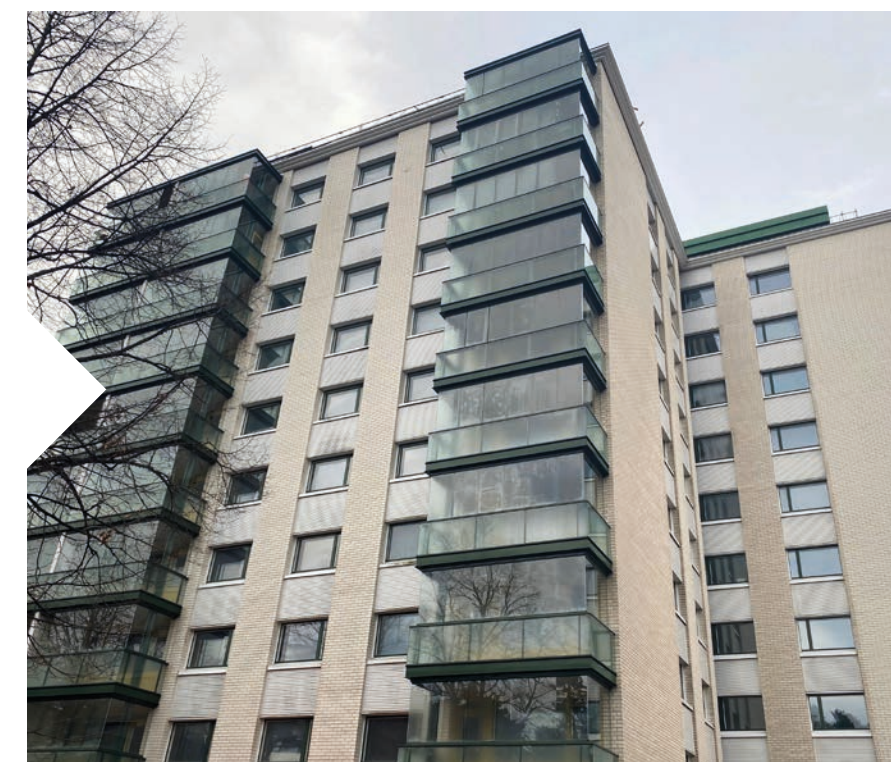
RENOVATING KOKKOKALLIONTIE 1 AND 3 USING TAKT PRODUCTION

Consti conducted comprehensive renovations on three rental apartment buildings completed in 1974 as a design and build contract. The yard and parking areas were also renovated. We also built a bicycle shelter, and building technology received a complete overhaul.

In the project the division and placement of living quarters of 156 apartments in the three apartment buildings were changed so that after the repairs and alterations the buildings had a total of 243 apartments.

The service, business and car shelter spaces on the ground floors were converted to shared facilities such as saunas and storages for sports equipment, etc.

The project was ordered by As Oy Helsingin Kokkokalliontie 3 and Elo Mutual Pension Insurance Company.



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 2022 were the comprehensive renovation of the Helsinki central rescue station for the City of Helsinki, comprehensive renovation of rental apartments in Kokkokalliontie 1 and 3 for As Oy Helsingin Kokkokalliontie 3 and Elo Mutual Pension Insurance Company and the extensive HPAC project at Vantaan Energia's waste-to-energy plant.

HELSINKI CENTRAL RESCUE STATION

The goal of the comprehensive renovation of the central rescue station of Helsinki, built in 1914, was to ensure around the clock operation reliability and offer the users healthy and functional premises.

In the renovation the rescue station's water and sewer system were renewed and CIPP lined, and indoor air quality was improved by methods such as measuring, adjusting and cleaning the ventilation system.

There are premises with security classifications in the building, and further special characteristics of the project included that the rescue station remained partially in use throughout. The project was divided into seven stages to allow the upkeep of building technology at all times during the project. Special attention was paid to safety, quality assurance and ensuring the user could continue to operate.

Some 460 solar panels were placed on the roof of the building, covering most of the roof area.

The project was ordered by the City of Helsinki.





EXPANSION OF VANTAAN ENERGIA'S WASTE-TO-ENERGY PLANT ALLOWS US TO ABANDON COAL

Vantaan Energia's new waste-to-energy plant creates district heating from the non-recyclable waste created in commerce and industry. The district heating produced by the plant heats approximately 30 % of the properties in Vantaa. The new expansion to the plant allows us to abandon coal.

The scale of this fixed-price HPAC contract was more massive than Consti's usual building service installa-

tions. The contract included the above-ground fire water network as well as the HPAC work of the electricity and process building situated next to the boiler building, the most major of which was the cooling system of the automation and electricity facilities.

To catch all the smells, 384 filter cells were fitted inside the chemical filter of the AC machine placed in the waste bunker for the duration of the project. The material used in the AC equipment and channels of the waste bunker had to be acid resistant.

The project was ordered by Vantaan Energia Oy.

6.3. EQUALITY AND RESPECT FOR HUMAN RIGHTS

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.

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. An equality plan is integrated into Consti's HR strategy. 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. According to the staff survey conducted in the autumn of 2022, fair and equal treatment of staff is one of Consti's strengths.

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. Inappropriate treatment is not acceptable and we have instructions for both preventing it and solving observed situations. Reports can also be submitted anonymously and electronically through a so-called whistleblowing channel.

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 some 13 (12) % at the end of 2022. The average share of women in the construction industry in Finland is some 9 %. Of the persons hired by the Group over the year, 15 % were women and the age range of new personnel varied between 18 and over 60 years.

"EQUAL TREATMENT IS INCLUDED IN CONSTI'S ETHICAL GUIDELINES. DISCRIMINATION OR INAPPROPRIATE BEHAVIOUR ARE NOT TOLERATED AT CONSTI."

7 SUPPLY CHAIN

7.1. GREY ECONOMY PREVENTION

As the networked method of operations becomes more common, transparency of the supply chain and the mastering of large entities become ever more significant.

When it comes to procurement in the construction sector, the focus is on the prevention of grey economy and adherence to legislation, especially labour legislation. In procurement and supply chain management it is also important to be aware of how responsible the material acquisitions are. Consti strives to favour the Finnish option in material acquisitions.

Bribery and dealing in receipts are forms that corruption often takes in the construction field. 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 orientation and also brought up in other contexts. Personnel and partners are encouraged to intervene in possible malpractices immediately. Suspected malpractice can also be reported anonymously through a so-called whistleblowing channel.

Consti's way of doing business means that all procurements, 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 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. Procurements always require written agreements. We are also striving to fight the grey economy with 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 2022.

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. 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. Persons who do not have a work permit granted by an EU member state cannot be hired as employees. In 2021 Consti updated its instructions regarding the contractor's obligations and increased training related to the Contractor Act, which was continued in 2022.

When it comes to identifying and preventing risks related to human rights, so far Consti has mainly focused on its own construction sites and ensuring the rights and equal treatment of persons who work on these sites. Charting the risks related to human rights more extensively in the supply chain has been identified as a development target, and procedures for this are being looked into.

In 2022, 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 2022.

7.2. COOPERATION WITH PARTNERS

In addition to Consti's own operations, functionality of the subcontractor chain is a crucial part of responsible operations. Consti must be able to trust that its partners are responsible already at the tendering stage. A subcontracting network that is committed to responsible operation is also seen as a possible competitive advantage.

Committing subcontractors and other partners to Consti's ethical guidelines and quality goals was defined as a development target with regard to partner collaboration. Ethical guidelines are part of Consti's general terms of delivery and contract.

In accordance with Consti Group's strategy, profitability is to be improved in the value chain through expansion and by developing such areas as procurement and partner cooperation. In order to improve quality and collaboration, a new subcontracting partnership model was defined in 2021. The implementation of this model began in 2022 and it is being developed further constantly. 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. It all comes down to the development of methods and services and improving quality together in a manner that benefits both parties. For partners, committing to the partnership programme also means committing to Consti's ethical guidelines.

7.3. SUSTAINABLE PROCUREMENT

Consti is committed to the continuous development of its corporate social responsibility. Only companies that commit to responsible operations are chosen as contracting partners and suppliers of goods and services.

Sustainable procurement fulfils the three central themes of sustainable development: ecological, social and economic sustainability. Central goals include improving energy and material efficiency and prevention of climate change by promoting low-carbon operations and carbon neutrality. In procurement this means improving material and energy efficiency, for example, as well as reducing the amount of waste, emissions and use of hazardous materials through



THE MOVABLE PROPERTY OF A BUSINESS SPACE GAINED NEW LIFE IN LIPPULAIVA'S UKRAINA HELP CENTER

The reuse of materials is a megatrend that also has its place in renovation.

Consti has realised over a dozen renovations of business premises in the Lippulaiva shopping centre in Espoonlahti owned by Citycon. These renovations have adhered strictly to the principles of circular economy, meaning that existing material has been utilised so that not everything has to be bought brand new.

In Lippulaiva, Consti's projects include the Ukraina Help Center set up as a charity to help Ukrainians. Consti assembled the shelves and other movables of the Help Center using materials left over from a demolished clothing store in the Myyrmanni shopping centre.

Ukraina Help Center is a space maintained voluntarily by the Ukrainian Association in Finland where people can make material donations to Ukrainians fleeing war. The Help Center also offers various services such as language schooling.

acquisitions. Human rights and the basic rights of working life are always respected in the production of goods and services.

Consti's one-year contracts related to subcontracting are made on the Group level. We organise monitoring meetings with our one-year partners where one of the themes is responsibility. Procurement is also done on a project-specific basis.

7.4. CORPORATE GOVERNANCE

Consti's management and leadership is based on the Companies Act and Securities Market Act, the articles of association of Consti Oyj 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 2022 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 the international financial reporting standard (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.

7.5. TAX FOOTPRINT

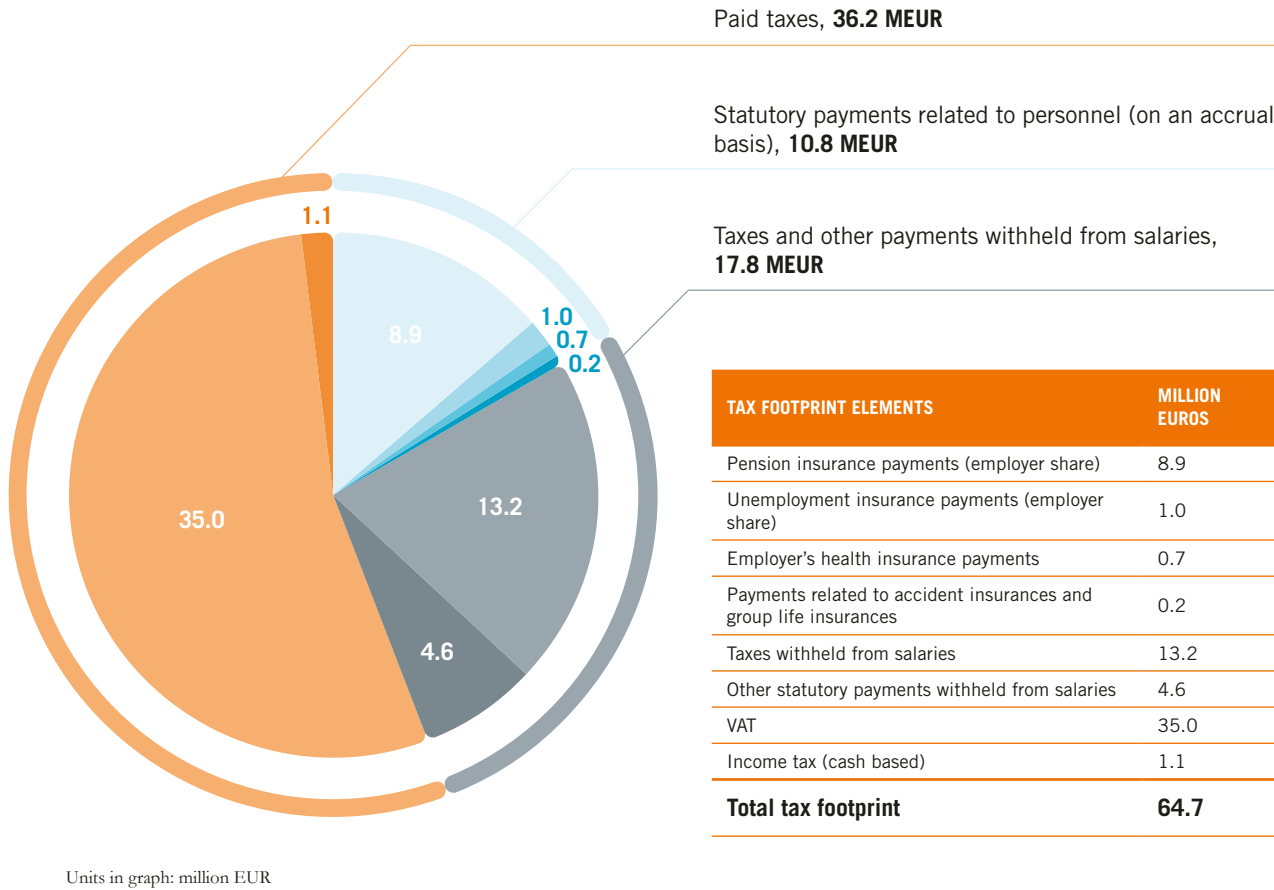
In 2022, Consti Oyj's total tax footprint was 64.7 (55.5) million euros. Of this sum, 10.8 (10.2) million euros were tax-like payments related to staff and 17.8 (17.0) million euros related to income tax and other payments withheld from salaries. The share of community income tax was 1.1 (1.1) million euros.

Of the tax-like payments related to staff, employer's pension plan contribution amounted to 8.9 (8.5) million euros, employer's unemployment insurance

contribution amounted to 1.0 (0.8) million euros, employer's health insurance contribution amounted to 0.7 (0.6) million euros while 0.2 (0.4) million euros consisted of group life insurance and accident insurance expenses.

Furthermore, Consti paid a total of 35.0 (27.2) million euros in value added tax. Consti only operates in Finland and pays all of its taxes in Finland.

CONSTI'S TAX FOOTPRINT IN 2022 WAS 64.7 MILLION EUROS



8

CUSTOMER SATISFACTION

8.1. DEVELOPMENTS IN CUSTOMER UNDERSTANDING IN 2022

Consti boasts diverse expertise in different areas of renovation and building technology, including alterations of purpose. 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.

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.

More efficient utilisation of the existing customer feedback system was identified as one development target with regard to Consti's customer satisfaction. However, as a result of a system change, fewer customer surveys were conducted than in the previous year: 665 surveys compared to 1 258 in the previous year. The response rate rose from 30 % to 36 %.

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 drainpipes is conducted using certified methods and materials. Consti's procurement 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. In 2022 we also prepared for RALA's environmental and safety certificates, which were applied for at the end of the year.

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's goal is to increase its knowledge of the environmental certificates used by customers in addition to the knowledge it has of certificates related to renovation.

Consti was involved in the three-year RAIN2 project led by Lean Construction Institute Finland Association that promoted cooperation in the construction sector and concluded in the spring of 2022 and is currently participating in the subsequent RAIN3 project that aims to promote lean principles by leveraging changes in the construction sector, including the green transition and the need to improve productivity. Furthermore, the company aims to improve construction quality and clarify responsibilities with new cooperative realisation models that Consti actively participates in.

"CONSTI STRIVES TO INFLUENCE THE DEVELOPMENT OF THE ENTIRE CONSTRUCTION SECTOR BY ACTIVELY PARTICIPATING IN COOPERATION NETWORKS AND VARIOUS JOINT DEVELOPMENT PROJECTS."

"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."



ACCORDING TO CUSTOMER FEEDBACK, THE WINNER OF PLUMBING RENOVATION OF THE YEAR AWARD, THE PIPELINE RENOVATION OF ASUNTO OY PUOTILANTIE 8 WAS ALSO A SUCCESS

When designing the renovation project of Puotilantie 8, which consisted of six buildings and 112 apartments, the core idea was to become the best and most attractive housing cooperative in the area. Equality, functionality and energy efficiency were among the stated crucial strategic values.

A good and functional dialogue existed on the construction site between the orderer, the design crew and the supervision team. The great team spirit also shone through in the results. The project was a success both technically and economically, and the work was signed over without fault. The jury of the competition organised by AKHA, an association for management professionals in the property sector, also lauded the project's communications.

8.2. COOPERATIVE PROJECTS

Cooperative projects and alliance models aim to improve the operating culture in the construction sector to be more open, cooperation friendly and better able to manage the risks involved in demanding renovations. In cooperative projects, interaction between the client, users, designers and subcontractors is crucial. The shared goals, responsibilities and incentives of all parties involved in a project are defined in a cooperation agreement.

Consti also aims to improve cooperation with customers and partners in the development of services through the subcontractor partnership programme initiated in 2022 and other such means. 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.

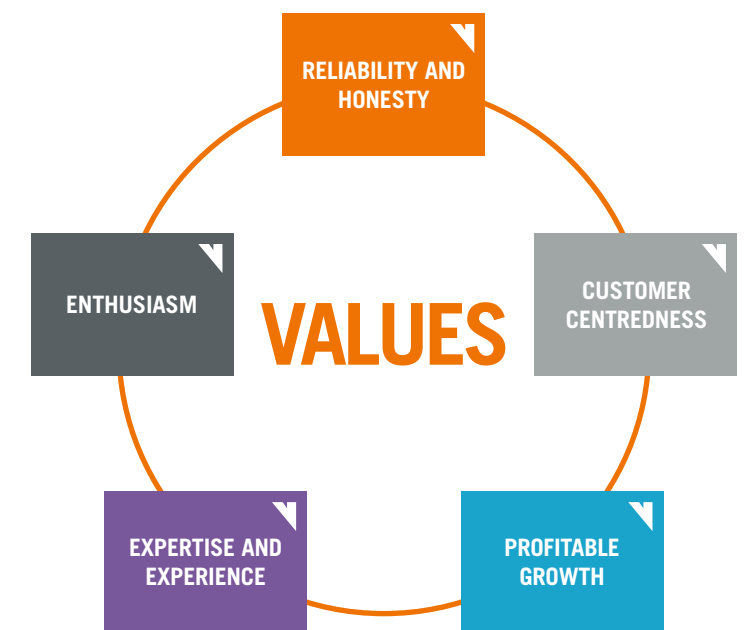
8.3. SUPPORTING THE CUSTOMER'S CLIMATE GOALS

With regard to renovation, the energy efficiency of facilities is highlighted in the climate goals of customers. Consti improves the energy efficiency of buildings especially through facade renovations and updates to building technology.

Consti's productised services are based on the renovation contractor getting involved in the project at an earlier stage than usual and collaborating closely with the different operators. When cooperation with designers, the customer and the users of the property already begins in the design stage, it allows us to optimise the use of space and adaptability of the facilities. When a contractor who is knowledgeable of the costs of construction and the properties of structures is already brought on in the design stage, comparing the different renovation options also from the perspective of energy efficiency becomes easier.

In 2022 Consti developed the building technology system Consti Optimi as an environmentally friendly service. The system utilises solar heat and electricity,

geoenergy and waste heat for the heating and cooling of the building. With the simulation-based Consti Optimi we can achieve up to 50 % total energy savings and significantly reduce the carbon footprint of the heating, cooling and air conditioning of the building. We have also launched the Consti Nerokas service for fixed-price plumbing renovations and the Eco Consti service for the construction of charging stations for electronic cars that is aimed at housing companies. Together with other operators in the sector we also launched the Vodavol facade renovation solution for repairing the prefabricated concrete sandwich structures of apartment buildings. The demands of climate change are also considered more thoroughly in maintenance services as well. When seeking to achieve benefits through building technology, for example, regular maintenance of the systems is crucial.



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.

EXTENSIVE HOSPITAL PROJECTS ARE TO BE REALISED WITH THE ALLIANCE MODEL

The development stages of Laakso Joint Hospital and the new ward building of Jorvi Hospital are realised using the alliance model. In both projects Consti Talotekniikka will be mainly responsible for HPAC and sprinkler work. This development stage includes the organisation and resource allocation for the project as well as planning and budgeting of the development stage and defining its content and extent together with the alliance, as well as developing and innovating the design and realisation solutions and defining the cost target.

The aim is to utilise the experience gained in the Jorvi alliance in the LYS alliance, i.e., the Laakso Joint Hospital project, which is also being developed simultaneously.



9

REPORTING ACCORDING TO THE EU TAXONOMY

The EU taxonomy is the European Union's classification system for environmentally sustainable activities. It aims to standardise the sustainability reporting of companies and direct investments into sustainable activities. At the moment, the EU's Taxonomy Regulation on reporting concerns those companies, including listed companies, which are obligated to report on other information besides financial information according to the NFR directive (Non-Financial

Reporting Directive). These companies must report how much of their net sales, capital expenditure and operating costs consist of activities included in the classification system (taxonomy eligibility) and to what extent their economic functions are environmentally sustainable according to the classification system (taxonomy alignment).

For economic activity to be taxonomy compliant, it must fulfil the taxonomy's requirements for mitigating and adapting to climate change. At the moment the regulation contains detailed criteria for nine main categories and their subcategories that are seen to be able to both mitigate climate change and help adapt to it. Construction is one of these main categories.

The activities must also not cause significant harm to other environmental goals laid out in the taxonomy. These other goals include the sustainable use and protection of water resources and marine resources, the transition to circular economy, preventing and reducing the spoiling of the environment and protecting and restoring biodiversity and ecosystems. The European Commission has defined sector-specific evalua-

tion criteria for whether a specific economic activity causes significant harm to other environmental goals.

Furthermore, the economic activity must also adhere to the ethical principles of the UN, OECD and ILO concerning work and human rights.

Consti's taxonomy-eligible net sales

Construction and the use of buildings have a significant impact on climate change. Consti offers services in renovation and building technology, as well as select services in new construction. In renovation, the starting point is always to improve the energy efficiency of the building through both structures and building technology. In its reporting for the year 2021, Consti estimated that its entire net sales of 288.8 million euros consisted of taxonomy eligible economic activities. After a re-evaluation conducted in 2022, we estimate the share of taxonomy eligible activities to be some 84 % of our net sales. The change from the previous year is explained by the fact that for the accounting period of 2022 Consti has not included

NET SALES FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ELIGIBLE AND ALIGNED ECONOMIC ACTIVITIES	Codes	Absolute Net sales	Proportion of Net sales	SUBSTANTIAL CONTRIBUTION CRITERIA						DO NO SIGNIFICANT HARM (DNSH) CRITERIA						Minimum safeguards	Taxonomy-aligned portion of Net sales, year N	Taxonomy-aligned portion of Net sales, year N-1	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES		€ million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	12.0	3.9 %	100 %	0 %	0 %	0 %	0 %	0 %		Y	N/A	N/A	Y	N/A	Y	3.9 %	N/A	E	N/A
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	1.4	0.5 %	100 %	0 %	0 %	0 %	0 %	0 %		Y	N/A	N/A	N/A	N/A	Y	0.5 %	N/A	E	N/A
"Net sales of environmentally sustainable activities (taxonomy-aligned) (A.1)"		13.4	4.4 %	100 %	0 %	0 %	0 %	0 %	0 %		Y	N/A	N/A	Y	N/A	Y	4.4 %	N/A	E	N/A
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Construction of new buildings	7.1	36.5	11.9 %																	
Renovation of existing buildings	7.2	206.6	67.7 %																	
Net sales of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		243.1	79.6 %																	
TOTAL (A.1 + A.2)		256.5	84.0 %																	
B. TAXONOMY-NON ELIGIBLE ECONOMIC ACTIVITIES																				
Net sales of Taxonomy-non-eligible activities (B)		48.7	16.0 %																	
TOTAL (A+B)		305.2	100.0 %																	

the system installations and services provided by the Building Technology business area to customers outside of the Group under the categories 7.1 “Construction of new buildings” and 7.2 “Renovation of existing buildings”.

Consti's taxonomy-aligned net sales

Over the year 2022 Consti has reviewed the taxonomy alignment of its economic activities based on the taxonomy regulation. Consti has noted the announcement published by the European Commission in December 2022 concerning how the EU's Taxonomy Regulation is to be interpreted regarding the sharing of information. Furthermore, in preparation for taxonomy reporting, we have consulted the report published by a group of specialists from Green Building Council Finland Oy in November 2022 on how to interpret the DNSH (Do No Significant Harm) criteria 2, 4 and 6 of the EU taxonomy.

According to Consti's interpretation, 4.4 % of its net sales are taxonomy-aligned based on the categories 7.3 “Installation, maintenance and repair of energy efficiency equipment” and 7.5 “Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings”.

Category 7.3 “Installation, maintenance and repair of energy efficiency equipment” includes such activities as adding insulation to parts of the external envelope of an existing building, replacing old windows and doors with more energy efficient ones, energy efficient lighting and installing, replacing, maintaining and repairing (under certain conditions) plumbing fixtures and devices in water heating systems. The defined DNSH criterion for category 7.3 “Installation, maintenance and repair of energy efficiency equipment” is adapting to climate change, where identifying, evaluating and preparing for climate risks and preventing and reducing the spoiling of the environment are crucial. Consti estimates that its economic activities are taxonomy compliant in these respects.

Category 7.5 “Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings” includes such activities as the installation, maintenance and repair of zoned thermostats, smart thermostat systems and sensing equipment, building automation and control systems, building energy management systems, lighting control systems and energy management systems. The DNSH criteria defined for category 7.5 “Installation, maintenance and repair of instruments and devices for measuring, regulation

and controlling energy performance of buildings” is adapting to climate change, where identifying, evaluating and preparing for climate risks is crucial. Consti estimates that its economic activities are taxonomy compliant in this respect.

When evaluating taxonomy alignment, we also looked into the alignment of such activities that are included in the activity categories 7.1 “Construction of new buildings” and 7.2 “Renovation of existing buildings”. A significant share of Consti's economic operations is related to these activities, but for the moment the data required to meet the requirements of the taxonomy is not accurate enough at the company. On this basis, Consti's operations in the categories “Construction of new buildings” and “Renovation of existing buildings” are not taxonomy compliant.

Consti has evaluated its minimum safeguards concerning taxation, fair competition, human rights and the prevention of bribery and corruption. Consti estimates that the company fulfils the criteria of the minimum safeguards.

Taxonomy eligible capital expenditure and operating costs

Consti estimates that its operating costs, as defined in the Taxonomy Regulation, were approximately one million euros in the accounting period 2022. Thus, these costs are not essential for Consti's business model. In Consti's operation model the needs for investment are small as the company's capacity is primarily formed by labour force. Investments and product development needs form only a small share of the company's net sales.

The Consti Group's investments into immaterial and material goods amounted to 1.5 million euros for January – December 2022. Primarily these investments consisted of machine and equipment acquisitions. Investments into leased property (IFRS 16) amounted to 1.3 million euros for January – December 2022 and were mainly connected to renewed leasing contracts of utility vehicles and the processing of the permanent leases of offices and warehouses in accordance

with the IFRS 16 standard. Thus, the total capital expenditure of the accounting period was 2.8 million euros.

To offer its customers a solution to improve their energy efficiency, Consti launched the Consti Optimi multienergy system in September that allows properties to reduce their energy consumption by up to 50 %. The system also significantly reduces carbon dioxide emissions. For the accounting period 2022, the system's activated development costs were 129 thousand euros. Consti's interpretation is that the activated development costs of the Consti Optimi multienergy system are considered taxonomy compliant capital expenditure according to category 7.6 “Installation, maintenance and repair of renewable energy technologies”. Consti estimates that otherwise the capital expenditure of the accounting period 2022 was not taxonomy eligible.



CAPITAL EXPENDITURE FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ELIGIBLE AND ALIGNED ECONOMIC ACTIVITIES	Codes	Absolute CapEx	Proportion of CapEx	SUBSTANTIAL CONTRIBUTION CRITERIA						DO NO SIGNIFICANT HARM (DNSH) CRITERIA							Taxonomy-aligned portion of CapEx, year N	Taxonomy-aligned portion of CapEx, year N-1	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES		€ million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Installation, maintenance and repair of renewable energy technologies	7.6	0.1	4.6 %	100 %	0 %	0 %	0 %	0 %	0 %		Y	N/A	N/A	N/A	N/A	Y	4.6 %	N/A	E	N/A
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.1	4.6 %	100 %	0 %	0 %	0 %	0 %	0 %		Y	N/A	N/A	N/A	N/A	Y	4.6 %	N/A	E	N/A
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0 %																	
TOTAL (A.1 + A.2)		0.1	4.6 %																	
B. TAXONOMY-NON ELIGIBLE ECONOMIC ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		2.7	95.4 %																	
TOTAL (A+B)		2.8	100.0 %																	

10 INDICATORS OF RESPONSIBILITY

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.

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

CENTRAL THEMES	GOALS FOR THE STRATEGY PERIOD (2021–2023)	GOALS 2023	INDICATORS
ENVIRONMENTAL FRIENDLINESS	<ul style="list-style-type: none"> Expertise in climate impacts on properties Energy efficiency in our own operations Sorting and recycling of waste 	<ul style="list-style-type: none"> Ecological solutions for customers 	<ul style="list-style-type: none"> Realised/not realised
		<ul style="list-style-type: none"> Services that support the environmental goals of customers 	<ul style="list-style-type: none"> RALA environmental certificate directs the action Realised/not realised
		<ul style="list-style-type: none"> Reducing the energy consumption and emissions resulting from our own operations by 20% from 2020 	<ul style="list-style-type: none"> Consti's environmental program is completed Realised/not realised
		<ul style="list-style-type: none"> Increasing the utilisation rate of construction site waste (the goal is 70% in the Helsinki area) 	<ul style="list-style-type: none"> Calculating consumption and CO₂ emissions of own operations for 2022 Realised/not realised
OCCUPATIONAL SAFETY AND WELL-BEING	<ul style="list-style-type: none"> Development of personnel and support for expertise Equality and human rights Continuous improvement of occupational safety 	<ul style="list-style-type: none"> Monitoring and controlling the energy consumption of construction sites 	<ul style="list-style-type: none"> Realised/not realised
		<ul style="list-style-type: none"> Increasing the utilisation rate of construction site waste 	<ul style="list-style-type: none"> Distribution of waste and recycling rate, %
		<ul style="list-style-type: none"> Electronic training platform in use 	<ul style="list-style-type: none"> Realised/not realised
		<ul style="list-style-type: none"> Personnel exit turnover rate under 12 % 	<ul style="list-style-type: none"> Personnel exit turnover rate, %
		<ul style="list-style-type: none"> Fixed-term employment contracts under 5 % 	<ul style="list-style-type: none"> Fixed-term employment, % of total personnel
		<ul style="list-style-type: none"> Offering Consti personnel and the personnel of our partners a safe and equal work environment that encourages the development of expertise 	<ul style="list-style-type: none"> 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, %
		<ul style="list-style-type: none"> Being one of the most desirable workplaces in the industry 	<ul style="list-style-type: none"> Personnel recommendation rate average over 3,5 Personnel recommendation rate average (scale 1-5)
		<ul style="list-style-type: none"> Reduction of occupational accidents and sickness absences 	<ul style="list-style-type: none"> Sickness absence and occupational accidents 0 pcs, accident frequency under 5 Sickness absence, %, number of occupational diseases (pcs) and accident frequency
		<ul style="list-style-type: none"> Completed ePerehdytys-orientation 100% of Consti's worksite access permit holders 	<ul style="list-style-type: none"> Share of employees who complete ePerehdytys-orientation %
		<ul style="list-style-type: none"> 2 pcs occupational safety observation/person/year 	<ul style="list-style-type: none"> Number of occupational safety observation, pcs /person/year
SUPPLY CHAIN	<ul style="list-style-type: none"> Grey economy prevention Development of partner collaboration 	<ul style="list-style-type: none"> Reducing grey economy in the construction industry together with other operators in the field 	<ul style="list-style-type: none"> Zero events that breach our ethical guidelines Events that breach ethical guidelines (pcs)
		<ul style="list-style-type: none"> Reducing the risks of grey economy in our own operations 	<ul style="list-style-type: none"> Increase in the number of subcontractor partnership Number of subcontractor partners, (pcs)
		<ul style="list-style-type: none"> Developing partner collaboration to improve quality, service level and efficiency 	<ul style="list-style-type: none"> 100% of subcontractors are committed to Consti's ethical guidelines in 2023 Share of suppliers committed to ethical guidelines,%
		<ul style="list-style-type: none"> Functional whistleblower processes 	<ul style="list-style-type: none"> Realised/not realised
CUSTOMER SATISFACTION	<ul style="list-style-type: none"> Customer understanding Supporting the customer's climate goals 	<ul style="list-style-type: none"> Best customer experience in the industry 	<ul style="list-style-type: none"> More efficient use of the customer feedback channel Number of customer feedback, (pcs)
		<ul style="list-style-type: none"> Taking customer feedback into account in improving operations. 	<ul style="list-style-type: none"> Realised/not realised
		<ul style="list-style-type: none"> Trailblazer status in climate-change-proof renovation 	<ul style="list-style-type: none"> Emphasis on collaborative projects and development projects. At least 10 pcs realised collaborative or development projects Number of collaborative or development projects, (pcs)

10 INDICATORS OF RESPONSIBILITY

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RESPONSIBILITY THEME	MEASURED ASPECT	GOAL	INDICATOR	MEASUREMENT FREQUENCY	2022	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	0
	Complaints regarding environmental impacts	Zero complaints	Pcs / y.	1 y.	0	0	0	0	0	0	0	0
	Ecological solutions for housing companies	Conceptualising eco packages for housing companies: the Eco Consti electric car charging system is ready for market	Realised/not realised	1 y.	Realised	Realised						
	Own energy consumption	Creation of methods for the systemic monitoring of energy consumption at construction sites	Realised/not realised	1 y.	Partially realised	Partially realised						
	Own energy consumption	Indicators and reduction goals for our own energy consumption (office premises)	Realised/not realised	1 y.	Partially realised	Partially realised						
	Carbon footprint	Calculating the carbon footprint of our own operations	Realised/not realised	1 y.	Realised	Realised						
	Construction site waste	Standardised monitoring system and reduction goals for construction site waste	Realised/not realised	1 y.	Realised	Realised						
S - Occupational safety and well-being	Number of accidents	Pushing the accident frequency* as low as possible Under 5 for the strategy period	Accident frequency*	1 mo.	16	15	13	11	19	20	22	26
	Number of sickness absences	Fewer sickness absences** than before	Sickness absence**, %	1 mo.	7.1	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	0	1	2
	Personnel turnover rate	Turnover rate does not exceed that of last year*** Under 12% for the strategy period	Exit turnover rate***, %	1 mo.	16	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	0	1	0
	Fixed-term employment contracts	Share of fixed-term employment contracts Under 5%	%	1 y.	3.1	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.	1.02	0.3						
	ePerehdytys online orientation	100% of employees have completed ePerehdytys orientation	Share of employees who have completed the orientation, %	1 y.	59 %	40%						
	Sanctions incurred as a result of industrial safety inspections	Zero sanctions	Pcs / y.	1 y.	0	0						
	A more balanced age and gender distribution	The share of women among personnel is larger than in the previous year	%	1 y.	13	12	11	11	12	11	11	11
G - Supply chain	Events in breach of ethical guidelines	Zero events that breach our ethical guidelines	Pcs / y.	1 y.	0	0	0	0	0	0	0	0
	Ethical guidelines for personnel	Update of the guidelines	Realised/not realised	1 y.	Realised	Realised						
	Ethical guidelines for subcontractors	Guidelines for subcontractors	Realised/not realised	1 y.	Realised	Realised						
	Subcontractors' commitment to ethical guidelines	20% of subcontractors are committed	%	1 y.	Realised	Realised						
C- Customer satisfaction	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	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	Partially realised						
	Supporting the customer's environmental goals	Services or projects (collaborative projects) that involve customers	Realised/not realised/pcs	1 y.	21							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.

11 APPENDICES

11 APPENDICES

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APPENDIX 1 GRI TABLE

GRI INDEX	CODE	GRI STANDARDS DISCLOSURE	LOCATION *	COMMENTS
Organisational profile				
Organisational profile	2-1	Organisational details	p. 5	
	2-2	Entities included in the organization's sustainability reporting	p. 7	
	2-3	Reporting period, frequency and contact point	p. 7 and back cover	
	2-4	Restatements of information	-	No restatements in 2022
	2-5	External assurance	p. 7	The report has not been externally assured.
	2-6	Activities, value chain and other business relationships	p. 5-6	
	2-7	Employees	AR s. 17	
Governance				
Governance	2-9	Governance structure and composition	p. 5	
	2-10	Nomination and selection of highest governance body	CG p. 1	
	2-11	Chair of the highest governance body		The Chairman of the Board of Directors is not a senior executive in the organisation.
	2-13	Delegation of responsibility for managing impacts	p. 7	
	2-14	Role of the highest governance body in sustainability reporting	p. 7	
	2-19	Remuneration policy	p. 24, AR p. 18, 72-73	
	2-20	Process to determine remuneration	AR p. 18, 72-73	
	2-22	Statement on sustainable development strategy	AR p. 7	Ceo review.
	2-26	Mechanisms for seeking advice and raising concerns	p. 27-29	
	2-27	Compliance with laws and regulations	p. 17, 27-30	
	2-29	Approach to stakeholder engagement	p. 6	
Strategy, policies and practices				
Strategy, policies and practices	2-30	Collective bargaining agreements	p. 24	All Consti personnel.
	3-1	Process to determine material topics	p. 3	
	3-2	List of material topics	p. 6	
GRI Economic topics				
Economic performance	201-1	Direct economic value generated and distributed	AR p. 30-59	
	201-3	Defined benefit plan obligations and other retirement plans	AR p. 36	
Anticorruption	205-2	Communication and training about anti-corruption policies and procedures	p. 28	
	205-3	Confirmed incidents of corruption and actions taken	p. 28-29	
Anticompetitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 29	
Tax	207-1	Approach to tax	p. 30-31, AR p. 36	
GRI Environmental topics				
Waste	306-1	Waste generation and significant waste-related impacts	p. 18-19	
	306-3	Waste generated	p. 18-19	

* Location in this report or in the annual report (AR) or corporate governance statement (CG)

More information:

<https://investor.consti.fi/en/corporate-governance>

<https://investor.consti.fi/~media/Files/C/Consti-IR/consti-annual-report-2022.pdf>



GRI INDEX	CODE	GRI STANDARDS DISCLOSURE	LOCATION *	COMMENTS
GRI Social topics				
Employment	401-1	New employee hires and employee turnover	p. 24	
	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
Labor/ Managemet Relations	402-1	Minimum notice periods regarding operational changes		
Occupational health and safety	403-1	Occupational health and safety management system	-	All Consti personnel.
	403-2	Hazard identification, risk assessment, and incident investigation	p. 22	
	403-3	Occupational health services	p. 22	
	403-4	Worker participation, consultation, and communication on occupational health and safety	p. 21-23	
	403-5	Worker training on occupational health and safety	p. 21-23	
	403-6	Promotion of worker health	p. 21-23	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 21-23	
	403-8	Workers covered by an occupational health and safety management systems	p. 21-23	All Consti personnel.
	403-9	Work-related injuries	p. 21	
	403-10	Work-related cases of illness	p. 22	
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	p. 7, p. 23	
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	p. 27	
Customer Privacy	418-1	Complaints concerning breaches of customer privacy and losses of customer data	p. 30	

* Location in this report or in the annual report (AR) or corporate governance statement (CG)

APPENDIX 2: SAFETY PRINCIPLES

Read about Consti's safety principles from:

www.consti.fi/consti/yhteistyokumppaneille

APPENDIX 3: ENVIRONMENTAL PRINCIPLES

Read about Consti's environmental principles from:

<https://www.consti.fi/consti/yhteistyokumppaneille>

APPENDIX 4: CONSTI'S ETHICAL GUIDELINES

Read about Consti's ethical guidelines from:

<https://www.consti.fi/consti/yhteistyokumppaneille>



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**FURTHER INFORMATION ON CORPORATE
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CONSTI

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**CONSTI PLC
CORPORATE SOCIAL RESPONSIBILITY REPORT**

2022