

STARK GROUP POLICIES

SUSTAINABILITY POLICY

Version 2.0 – July 2023



Introduction

We strive to source our products responsibly, drive efficient and safe operations, and to enable our customers to make informed decisions regarding sustainable alternatives. This is how we aim to be the preferred partner for construction and a positive link in the sustainable construction industry value chain.

There is an increasing need and interest to find long-term solutions to global challenges including climate change, the increasing consumption and disposal of resources and the depletion of nature and biodiversity. Sustainable construction can reduce the impact of environmental degradation and climate change while also ensuring that our homes and communities are future fit. As a leading building materials supplier, we have an opportunity to deliver sustainable solutions and perceive this as an opportunity to accelerate the sustainable transformation.

STARK Group is a signatory to the United Nations Global Compact and supports the Ten Principles. Sustainability is an integrated part of our strategy, culture and day-to-day operations, and we are committed to engaging in collaborative projects which advance amongst others, the Sustainable Development Goals.

Scope

The principles set out in this policy apply to all STARK Group activities.

This STARK Group sustainability policy is an integrated part of the Group Sustainability Framework that ensures relevant policies and programs are in place to boost social, economic, and environmental sustainability. The framework addresses our top risks and opportunities to meet stakeholder expectations.

All STARK Group employees are responsible for following these principles and integrating sustainability in all activities and processes in order to promote high employee engagement, as well as driving social, economic and environmental sustainability, to support our growth.



Requirements

STARK Group sustainability principles

1. We act sustainably

We strive to integrate environmental and social sustainability into all our activities and across our value chain in line with the ten principles of the UN Global Compact. We support transparency by reporting on sustainability annually, disclosing progress within environmental, social and governance issues.

2. We offer a market leading assortment of products and services

We offer a wide assortment of products to fulfil energy efficiency requirements and eco-labelled products and services to meet the growing customer focus, public procurement, and sustainable construction requirements. We focus on increasing reusability, recyclability, and the proportion of secondary materials in products.

3. We offer market leading sustainability advice

We aim to be the preferred partner for sustainable construction and renovation, and we continuously upskill salespeople with relevant product knowledge within energy efficiency and sustainable alternatives. Our Sustainability Ambassador Programme aims to support our customers in making informed decisions regarding sustainability.

4. We ensure correct and efficient product documentation

We aim to deliver best-in-class product documentation to support our customers' increasing demand for environmental information regarding chemical content and product impact throughout its lifecycle. In addition, we support our customers in fulfilling sustainable procurement requests, new and emerging building regulations, and certification requirements.

5. We are at the cutting edge of sustainability in the industry

We are active in sustainability networks and open to collaborating in partnerships that drive and promote sustainability and circularity – in order to continue being our customers' and suppliers' preferred partner.

6. We strive for continuous improvements within sustainability

We strive to continuously develop and implement relevant guidelines to streamline the way we work with sustainability, both internally, and with our suppliers and contractors.

We strive for continuous improvement, and as sustainability is an area where new knowledge, legislation and technology is developing rapidly, we believe this is of vital importance.



Key sustainability issues across our value chain



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Environment and Climate

We are determined to support the decarbonization of the construction industry and we are committed to reducing our carbon emissions in line with the Paris agreement and to be Net Zero by 2050 at the latest.

Ecosystem degradation and biodiversity loss

STARK Group is committed to support sustainable forestry and biodiverse ecosystems. By continuously increasing the percentage of FSC and PEFC certified timber in our assortments, we encourage and strengthen sustainable forest management.

Diversity, Equity and Inclusion

We support the value of equal opportunity and strive not to discriminate on gender, ethnicity, race, age, religion, sexuality or other factors throughout our value chain.



Health and Safety

Health and safety is a key priority for STARK Group, whether it involves our employees, customers or the communities in which our companies operate. We aim to create a safe and accident-free workplace and are committed to continuous improvement in health and safety performance throughout our value chain.

Human Rights

We are committed, across our supply chain, to respect and comply with international labour standards as defined by core conventions of the International Labour Organisation (ILO), the United Nations Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

Bribery, corruption and anti-competitive practices

Decency is key to the way we conduct business. We have zero tolerance towards fraud, bribery, corruption and anti-competitive behavior. Clear control processes and a confidential whistleblower system are set up to monitor and mitigate negative impacts.



Roles & responsibilities

Roles & responsibilities	Accountable
Policy approval	ExCom
Policy owner	CHRO

Deviations

All deviations must be approved by the policy owner. Such requests must be made in writing to the policy owner. In the event of any discrepancies between the English version of this policy and a translated version, the English version will be binding.



Whistle blower system

We encourage all stakeholders to speak up about any misconduct such as business crime or human rights violations. All information is kept strictly confidential, and all concerns can be raised without fear of retaliation: <u>STARK Group - Speak Up</u> (whistleblowernetwork.net).

Contact

For more information, please contact the BU Sustainability manager or Group Sustainability.

Policy Revision History

Review cycle: Annually Q3 It may be amended at any time with the approval of ExCom.

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