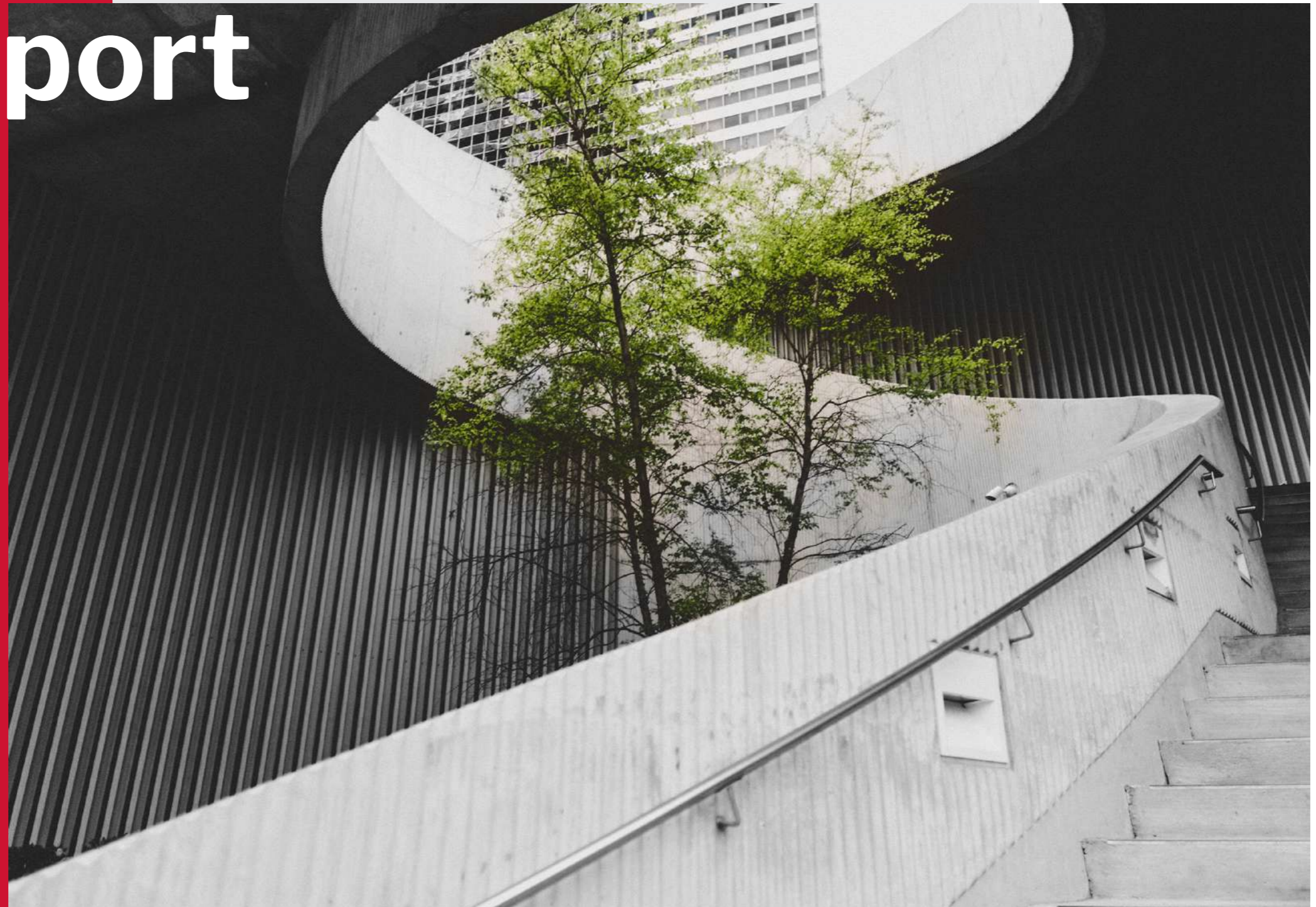
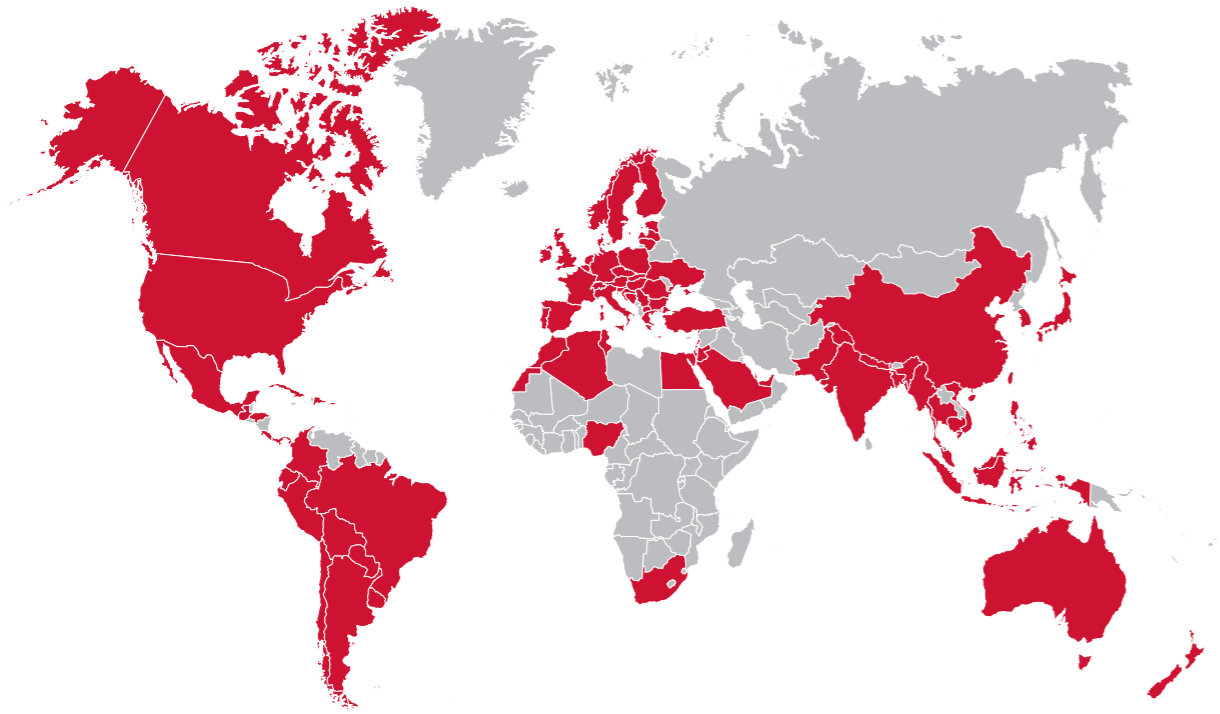


Sustainability Report



2022





Who we are?

ECOVIS ProventusLaw Kvainauskas, Andziulytė ir partneriai is a Lithuania-based law firm, part of ECOVIS International – a leading global consulting group with its origins in Germany operating in 90 countries worldwide. Ecovis's consulting focus and core competencies lie in tax consultation, accounting, auditing, and legal advice.

The particular strength of Ecovis is the combination of personal advice at a local level with the general expertise of an international and interdisciplinary network of professionals. Every Ecovis office can rely on qualified specialists in the back offices and the specific industrial or national know-how of all the Ecovis experts worldwide. This diversified expertise provides clients with effective support, especially in international transactions and investments – from preparation in the client's home country to support in the target country.



We strive to continuously improve and adapt to changing environmental, social, regulatory, and legal requirements.

Our goal is to provide our clients with the highest level of legal and other consultation services and to be one step ahead, opening up new opportunities for sustainable business and responsible business practices. This is why the first Ecovis ProventusLaw Sustainability Report is right before you.

The Sustainability Report is our commitment to this goal. It reflects our efforts to look further, to improve our performance, and to contribute to sustainable, ethical business development. It is not just a document but our commitment and a call to work together towards a common goal - a better and more sustainable today and future.

Inga Karulaitytė
ECOVIS ProventusLaw partner,
attorney-at-law

About this report

Sustainability has become a global priority, and all businesses, including legal services, must take responsibility for their environmental and social impact. Our law firm believes sustainability is a moral obligation and the key to strategic business success. This report presents our efforts and best practices in achieving our sustainability goals in three areas: reducing climate impacts, enhancing social well-being and ensuring sustainable governance.

“ This report is part of our journey towards sustainability, and we are setting ourselves further challenges that will help us grow and positively impact the environment and society.

This non-mandatory report presents Ecovis ProventusLaw's activities in 2022. The report addresses our stakeholders: customers, employees, business and social partners and the public. In this report, we provide non-financial responsible business information. Since this report is not mandatory, we do not take any responsibility if the report does not comply with the CSRD, GRI, ESRS or other standards.

This report is part of our journey towards sustainability, and we are setting ourselves further challenges that will help us grow and positively impact the environment and society. We aim to provide efficient and quality legal services to our clients and be one step ahead in sustainability, embracing our change and contributing to a better society.

Sustainability Report

03

ABOUT THIS REPORT

04

OUR PRACTICE AREAS

05

MATERIALITY ASSESSMENT

07

CLIMATE CHANGE MITIGATION



12

STRATEGIC GOALS FOR 2025

13

SOCIAL IMPACT

19

SUSTAINABLE GOVERNANCE



Our practice areas



		Banking and Finance	Insurance	Fintech	
	Dispute Resolution		Employment	Real estate	ESG
Mergers and Acquisitions	Corporate	Tax law	IT/IP, Technology Contracts	GDPR	E-commerce
	AML/CTF	Internal Audit		International Sanctions	Crypto Regulation

Our materiality assessment

In response to the growing importance of sustainability, ECOVIS ProventusLaw carried out a materiality assessment to identify and prioritise the main sustainability concerns expressed by the stakeholders. We developed a questionnaire and surveyed the following stakeholders: our own employees, our 10 largest customers, our 10 largest suppliers. The insights gathered played a key role in shaping our goals. The following areas have emerged as **the most important** to our stakeholders and therefore form the basis of our sustainability goals.

Strategic goals for 2025:

Waste sorting

Diversity, equal opportunities and inclusion at work

Protecting human rights

Cybersecurity and data privacy

100%
waste sorting.

We aim to reduce the environmental impact by implementing a waste sorting strategy, ensuring the responsible disposal and recycling of materials.

Ensuring diversity, equal opportunities and inclusion at work for everyone.

We are committed to creating an environment where people from diverse backgrounds feel valued and empowered by ensuring that all members of our team have equal opportunities for professional development.

Ensuring human rights.

ECOVIS ProventusLaw will seek to prevent human rights violations and contribute to protecting human rights. We are committed to the highest ethical standards within our organisation. Therefore, we intend to develop a human rights policy by 2024.

Further strengthen cyber security and data privacy.

We will continue to implement the most advanced measures to protect our client's confidentiality, ensuring that our systems and practices meet the highest security standards in the legal field.

In our day-to-day operations,
we comply with the following

United Nations Sustainable Development Goals:



We are doing our best to reduce the environmental impact of our business by reducing our consumption of energy, paper and other resources, and promoting the digitisation of documents.

Ecovis ProventusLaw employees continuously acquire knowledge through both mandatory and additional training. Employees are encouraged to improve their skills through training and seminars.

We ensure equal rights in decision-making and career opportunities for every firm employee, regardless of gender. We are guided by the highest ethical standards in our work with our clients, which are not based on gender, race, religion, etc.

We are committed to the goal of decent work and growth, which is committed to sustainable, inclusive and balanced economic growth, productive employment and decent work.

We aim to reduce the environmental impact by implementing a waste sorting strategy, ensuring the responsible disposal and recycling of materials.



CLIMATE CHANGE MITIGATION

Greenhouse gas emissions report

This report primarily addresses the direct emissions which come from our used mobile sources - vehicles that use fuels (scope 1), and indirect emissions resulting from the company's consumption of electricity, water, heating (scope 2), Other GHG emissions that occur outside the firm but are related to our activities: paper, taxi services (Scope 3).



Our direct environmental impact – used cars



Petrol cars
0,045 t (60,18 l)
of petrol burned

petrol cars emitted
0,147 GHG,t CO₂
equivalent GHG emissions.



Diesel cars
0,842 t (1002,81 l)
of diesel burned

diesel cars emitted
2,643 GHG,t CO₂
equivalent GHG emissions.

Other indirect environmental impact – taxi services (Scope 3)



Employees drove
2,259.33 km by taxi.

Approximate
diesel consumption
146.69 litres (0.11 t)

Diesel cars are assumed to
have emitted
0.35 GHG, t. CO₂
equivalent GHG emissions.

Emissions for which the firm is responsible, but emissions occur outside the firm and are controlled by other parties

Taxi services are valued by calculating fuel consumption per distance travelled and considering the emissions from burning fuel. As there is no data on the type of vehicles used, the fuel consumption is estimated on the following assumptions:

- the taxis use **diesel fuel**,
- the engine displacement is **2,0 litres**
- the average annual fuel consumption **per 100 km is 6,50 litres.**



Our indirect environmental impact

(Scope 2)

Greenhouse gas emissions (CO₂)



Our electricity consumption

2022
25 236 kWh



Our heating consumption

2022
24 210 kWh



Our water consumption

2022
50 m³

During the paper life cycle, GHG emissions arise from the production, transport and disposal phases. The calculation assumes that the paper is produced in the European Union and applies a **GHG emission factor of 0.27 t CO₂ eq/t** according to the Confederation of European Paper Industries (CEPI) activity report.

Emissions for which the firm is responsible, but emissions occur outside the firm and are controlled by other parties

Other indirect environmental impact

(Scope 3)



Paper consumption

222,5 kg (0,223 t) of paper used

Our paper consumption left a 0,06 tonnes of CO₂ GHG emissions.



Greenhouse gas emissions (CO₂e)



Our diesel cars emitted
2,643 CO₂ GHG
emissions



Our petrol cars emitted
0,147 CO₂ GHG
emissions

Emissions for which the firm is responsible, but emissions occur outside the firm and are controlled by other parties



Using taxis produced
0.35 tonnes
of CO₂ GHG emissions



Our electricity consumption left a CO₂ GHG emissions footprint of
6.84 tonnes



Our heating consumption left
4.12 tonnes
of CO₂ GHG emissions



Our water consumption left a
0,01 tonnes
of CO₂ GHG emissions



Our paper consumption left a
0,06 tonnes
of CO₂ GHG emissions

Our good practice

////////////////////////////////////

We are working towards Sustainable Development Goal 13 on environmental sustainability, by setting ourselves goals and building a solid foundation for future action to make ECOVIS ProventusLaw sustainable.

1

Avoiding the use of disposable items

At Ecovis ProventusLaw, we are committed to reducing our environmental impact by encouraging non-disposable kitchen utensils. We provide our employees with reusable dishes and a convenient dishwasher to promote a sustainable lifestyle. We are taking small steps towards a greener and more responsible future by reducing our dependence on disposable utensils.

2

Sustainable Item Maintenance

Sustainability is about what we use and how we take care of our items. We promote responsible consumption by emphasising proper maintenance and repair rather than replacement. Instead of encouraging the throwing away of broken items, appliances or electronics, we prefer to repair them. This approach saves resources and extends our belongings' life, encouraging a more sustainable and environmentally friendly approach.

3

Efficient Lighting Use

During working hours, we actively promote responsible energy use. We therefore encourage our employees to use lighting responsibly and to switch on lights only when necessary and only in the spaces in which they are working.

4

We are improving our waste sorting system

By the end of 2023 install sorting systems on every floor to make it even more convenient and easier for employees to sort.

5

We have replaced the plastic drink bottles in our office with depositary glass bottles.

6

Paper Reduction Initiatives

We are working to further reduce the number of paper documents. Employees are encouraged to cut paper use, use computers in meetings, and eliminate printed documents.

Our goals



Continue to collect and analyse information on energy and other resources consumption and environmental impacts



We will evaluate the possibility of choosing a green energy supplier



To improve the waste sorting system and encourage employees to sort more



SOCIAL IMPACT

Social impact

Social sustainability in business is not just rhetoric but our commitment to take responsibility for ECOVIS ProventusLaw's impact on society. This broad impact includes our valuable employees, customers, and stakeholders close to our operations. As part of our commitment to social sustainability, we are committed to 3 Sustainable Development Goals:

Goal

3

**good health
and well-being**

Goal

4

**quality
education**

Goal

5

**gender
equality**



Our good practice

We are deeply committed to fostering productivity while upholding our dedication to social sustainability, in alignment with the United Nations' 3rd and 5th Sustainable Development Goals. To ensure we live up to these commitments, we have taken several necessary steps, including developing and implementing our 'Ecovis Handbook.' This comprehensive guide encompasses the following critical areas:

Equal employment opportunity.

Our Law Firm does not tolerate discrimination against protected characteristics (gender, age, sexual orientation, race, nationality, ethnicity, religion, disability, etc.). We want all specialists to treat others with respect and professionalism.

Antiharassment, antidiscrimination and antiretaliation.

Our Law firm prohibits harassment of any kind, including sexual harassment, and takes appropriate and immediate action in response to complaints or knowledge of violations.

Complain procedure.

Our Law Firm has established the Complain procedure for complaining of harassment, discrimination or retaliation.

Health and safety.

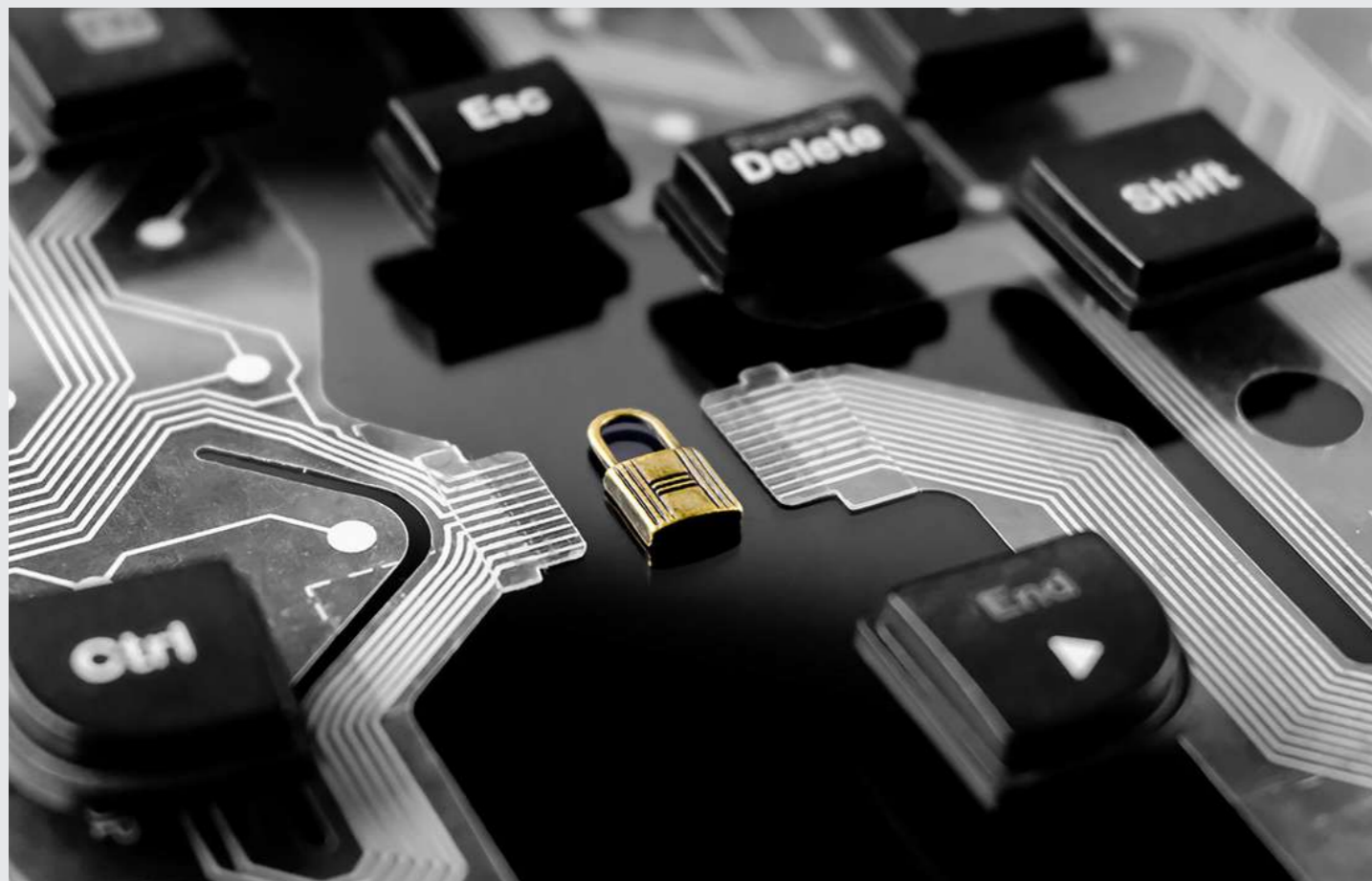
Ecovis is committed to providing the most healthy and safe working conditions possible, professionals are expected to take care of workplace safety, including proper working methods, reporting potential risks and reducing the impact of known risks.

Our good practice

Expert know how to share

Cybersecurity incidents can have a considerable impact not only on business processes themselves but also on the sustainability and reputation of a company. That's why, in 2022, we organised an online training course on 'cybersecurity incidents in companies and how to avoid them' with guest speakers and experts. During the online training, we revealed how to manage data security risks, why data loss can also lead to reputational damage, and how to properly work the data loss process.

Speaker Danguolė Morkūnienė, Deputy Director of the State Data Protection Inspectorate, revealed what can be noticed when investigating reports of personal data breaches.



Our partner and attorney-at-law, Loreta Andziulytė, who heads the Data Protection Group and is a Certified Personal Data Protection Expert (CIPP/E) of the International Association of Information Protection Professionals (IAPP), shared practical examples of breaches in Lithuanian and other EU companies, the most common mistakes made in Lithuania and other EU countries, as well as the most frequent ones and the lessons to be learned from them.

Kęstutis Gečas, founder and owner of Hero Group, a group of communication and marketing agencies, shared information about Data Loss Risk and Reputation, how to manage a communications crisis and amortise reputational damage.

Education

Continuous learning is a critical factor in achieving sustainable development and social sustainability, as it gives people broader knowledge and a better ability to contribute to economic growth and social well-being. This is why Ecovis ProventusLaw employees continuously acquire knowledge through both mandatory and additional training. Employees are encouraged to improve their skills through training and seminars.

“ We support our employees in attending training courses, seminars, and conferences.



Our employees participated in the following Lithuanian Bar Association training in 2022:

	„Types and content of employment contracts, supplementary agreements and local legislation“	„Employment Disputes 2021 - what lessons to learn?“
„Property relations between cohabitants/ partners“	„Ethics and responsibility. What matters to every attorney“	„2021 Supreme Court practice on civil procedures“
„Building customer relationships. Why is it a competitive advantage?“	„Mediation and other alternative dispute resolution methods“	„Creating competitive advantage for an attorney: marketing, sales, planning“
„Negotiation skills for attorneys“	„Prevention of money laundering and terrorist financing and compliance with sanctions for attorneys“	„E-commerce: legal issues“
„Innovations in GDPR“	„Problems of imposing liability on participants and members of management bodies of a legal person“	„Tax aspects of the organization of the activities of attorneys“
„Hate crime and hate speech: social and legal assessment“	„Negotiation skills for attorneys“	„The marriage contract and its impact on the matrimonial property regime“

Education

Unpaid courses in 2022 included:

Training organised by the State Data Protection Inspectorate „Protection of personal data in the context of employment relationships.“

„Personal data protection and anti-money laundering: opportunities and challenges“ organised by Ecovis, LDAPA and Fintech Hub LT.

„Money20/20 Europe® 2023“, organised by Ascential Events (Europe) Limited.

„Planned changes in EU regulation relevant to data protection officers“ organised by LDAPA.

Data Protection Conference “The data economy: balancing privacy, innovation and regulation.”

Our employees actively participate in AML Centre of Excellence training, in 2022 our employees attended the following events:



	„Tax planning, tax avoidance and tax evasion - when and how: practical tips examples, identification options and tax implications“	„VAT Fraud“
„Identification of ultimate beneficial owners“	„Ongoing client business relationships and overview of the monitoring of operations/transactions“	„Recent crime typologies in AML“
„Money Laundering / Terrorist Financing risk assessment of the overall financial institution activity (EWRA)“	„Proper customer screening“	„Assessment of Internal Control over Money Laundering/Terrorist Financing Prevention“
„Remote customer identification“	„Crypto“	„Compliance set up“
„Sanctions“	„Gambling and Betting“	and other



Paid courses in 2022 included the following: two employees started ACAMS training (finished in 2023), one employee participated in the IAPP conference in Brussels.

In addition, we encourage training that is not directly related to employees' profession. For example, in 2022 we organised an “MS Word. Professional Word Processing” training course, which helped employees improve their Word skills.

The list described above is only a tiny part of our team's training in 2022. When writing this report, we did not have a training log that captures all our training activities and professional development initiatives. Recognising the importance of keeping a detailed training record, we are committed to introducing a training log in 2023.

Well-being initiatives

We focus on the well-being of our employees because we understand that a healthy and happy team is the key to our success. As part of our commitment to the health and safety of our employees, we provide health insurance every year. In 2022 it was "Ergo" insurance.

This health insurance coverage is more than just a policy; it's a testament to our dedication to nurturing a supportive and secure work environment. It encompasses various health-related benefits, ensuring that our team members can access high-quality medical services when needed.



Our goals



Goal 1

Encourage employees to participate in wellness programmes and continue to provide health insurance to every employee.

Goal 2

Continue to monitor women and men gender pay and gender equality matters.

Goal 3

Continue to encourage our staff to attend training courses, seminars and conferences to ensure life learning.



SUSTAINABLE GOVERNANCE

What sustainable governance means to us

Strong corporate governance is vital because it promotes trust, transparency and responsible decisions. At ECOVIS ProventusLaw, corporate governance is not just a periodic consideration - it is deeply integrated into our day-to-day operations since we continuously help our clients implement governance models that align with advanced standards and best practices.

Sustainable governance



Membership of the following Lithuanian and international organisations in 2022



Lithuanian Private Equity and Venture Capital Association



Lithuanian Association of Data Protection Officers



Fintech hub LT



German-Baltic Chamber of Commerce

Deutsch-Baltische Handelskammer in Estland, Lettland, Litauen
Vokietijos ir Baltijos šalių prekybos rūmai Estijoje, Latvijoje, Lietuvoje

Sustainable economic growth

To ensure ECOVIS ProventusLaw's sustainable governance, we are committed to Sustainable Development Goal No. 8, which promotes sustainable, inclusive and balanced economic growth, productive employment and decent work. Our main objective is to build a sustainable business that meets the highest ethical standards. This means we strive for fair business practices, transparency, and responsible compliance with the law.



We actively inform our clients and the public through our website and social networks, sharing knowledge about our activities and achievements.



Anti-corruption

Our Law Firm has a zero-tolerance approach to bribery and corruption.

We do not, and will not, pay bribes or offer improper inducements to anyone for any purpose. Nor do we accept bribes, improper inducements, or anything that could be perceived as such. We expect the same from our lawyers and other specialists. Bribery and corruption in our Law Firm are not accepted in any form.

The principles of anti-corruption:

1

All forms of bribery and corruption, including facilitation payments, are strictly prohibited.

2

Gifts or entertainment must always be proportionate and reasonable; must have a legitimate purpose; and must not create a conflict of interest or the perception thereof.

3

Questionable behaviour should be challenged, and (suspected) improper payments or activities should be reported via the whistleblower channels.



Our Law Firm also has a zero-tolerance approach when it comes to fraud. All of our lawyers and specialists must not engage in fraudulent activities and must ensure that any fraudulent activity suspected in our Law Firm is appropriately reported. Our company has set up a channel to report such cases. (No reports were received during the reporting period).

Our code of conduct

The success of our Law Firm is dependent on the trust and confidence we earn from our lawyers and specialists. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching our goals solely through honourable conduct.

ECOVIS ProventusLaw is committed to creating an environment where specialists are treated with dignity and respect because it brings out the full potential of our specialists, which, in turn, contributes directly to our business success.

We are committed to providing a workplace free of discrimination of all types and from abusive, offensive or harassing behaviour. Any lawyers and specialists who feel harassed or discriminated against should report the incident. For this, we created a **complain procedure**.



All specialists are also expected to support an inclusive workplace by adhering to the following conduct standards:

- Treat others with dignity and respect at all times.
- Address and report inappropriate behaviour and comments that are discriminatory, harassing, abusive, offensive or unwelcome.
- Foster teamwork and specialist participation, encouraging the representation of specialists' different perspectives.
- Seek out insights from specialists with different experiences, perspectives and backgrounds.



- Avoid slang or idioms that might not translate across cultures.
- Support flexible work arrangements for co-workers with different needs, abilities and or obligations.
- Confront the decisions or behaviours of others that are based on conscious or unconscious biases.
- Be open-minded and listen when given constructive feedback regarding others' perceptions of your conduct.

Anti-money laundering and counter-terrorist financing

Our Law Firm is obliged under the Republic of Lithuania Law on the Prevention of Money Laundering and Counter-Terrorist Financing for certain services we render. Therefore, the Law Firm has established the AML Procedure, which is followed before starting a business relationship for the following purposes:



- ✓ Purchase or sale of real estate or companies.
- ✓ Management of clients' funds, securities or other assets.
- ✓ Bank or securities account opening or management services.
- ✓ Provide services regarding contributions necessary for establishing, operating or managing legal entities and other organisations.
- ✓ Provide company incorporation services, including trust companies and related services (change of shareholders, change of control, etc.).

Whistleblowing

We encourage and protect specialists who speak up when they encounter behaviour in the workplace that is unethical, illegal or goes against the values of our Law Firm. If one observes what is believed to be wrongful conduct, one has the right and the duty to report it without fear of retaliation.

Examples of wrongful conduct include, but are not limited to:

Accounting, internal accounting controls or auditing matters	Money laundering or terrorist financing, international sanctions compliance	Use of Law Firm's resources, funds or property for personal gain	Breaching customer confidentiality or privacy
Theft	Fraud	Bribery or corruption	Mishandling of the law firm's resources resulted in serious losses

We encourage all reports of suspected wrongful conduct to be made willingly and without fear of retaliation. Specialists can use our whistleblower channels, e.g., via e-mail, to raise their concerns anonymously and without fear of reprisal. It alerts management to allegations of crimes or other suspected misconduct and helps ensure appropriate and adequate action is taken to address the situation. (we did not receive any reports during the reporting period).

We take the utmost care to protect the identity of whistleblowers and the confidentiality of such a report within the limits defined by applicable laws and regulations.

Data protection

Sustainable business and strict data protection standards are inseparable and directly linked to a company's reputation, responsibility and trust. Every sustainable business must handle personal data correctly ensure data security and provide transparent information on data processing processes. That's why we apply the following principles to our activities the highest privacy standards and comply with the General Data Protection Regulation (GDPR).



The principles that are strictly followed to comply with the need to protect Personal Data are as follows:

Principle of legality, fairness and transparency, which means that Personal Data concerning a person is processed in a lawful, honest and transparent way.

Purpose limitation principle, which means that Personal Data is collected for specified, clearly defined and legitimate purposes and shall not be further processed in a way that is incompatible with those purposes.

Data minimization principle, which means that Personal Data must be adequate, appropriate and is only necessary for the purposes for which it is processed.

Accuracy principle which means that Personal Data must be accurate and, if necessary, updated. All reasonable steps must be taken to ensure that Personal Data which is not accurate to the purposes for which it is processed shall be immediately erased or corrected.

Storage limitation principle, which means that Personal Data shall be kept in such a way that your identity can be determined for no longer than is necessary for the purposes for which Personal Data is processed.

Integrity and confidentiality principle which means that Personal Data shall be managed by applying appropriate technical or organizational measures in a way, which would ensure the proper security of Personal Data, including protection against unauthorized or unlawful processing or accidental loss, destruction or damage.

Our supply chain



We emphasise the reliability and sustainability of our supply chain, and we take the following steps to verify our suppliers:

Supplier identification:

first, we identify potential suppliers who can provide us with goods or services. This includes finding new suppliers and verifying them. After identification, we screen them to understand their reliability, reputation, and compliance with our requirements.

Data verification:

We check the data we collect to ensure that suppliers are reliable and meet our standards.

We do not enter into relationships with companies or individuals on the sanctions list or operating in one of the excluded sectors:

Production or trade in weapons and munitions

Production or trade in tobacco

Pornography and/or prostitution

Military/Police equipment or infrastructure

Production or trade in alcoholic beverages

Gambling, casinos and equivalent enterprises

Racist and/or anti-democratic media, etc.

Our goals



Continue to ensure transparency and responsible compliance with the law.



To continue screening our supply chain to make sure it is aligned with our values.



To become a Lithuanian Responsible Business Association (LAVA) member by 2023.

Sustainability Report

January – December, 2022



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