

Capillary Concrete Corporate Responsibility and Sustainability Statement

Corporate responsibility and sustainability (CR&S) is inherent in every aspect of Capillary Concrete's operations. Capillary Concrete is a special and patented drainage and irrigation material that has the potential to widely impact society in a very positive way with water conservation and recycling. As an example, Capillary Concrete is able to reduce the usage of sand on golf courses, which is a scarce natural resource, by its proven longevity and performance. Capillary Concrete's board has the ultimate responsibility for implementing the CR&S policy across the company and is committed to promoting sustainability in all areas of our business by:

- Minimizing the use of scarce natural resources such as sand and natural gravel in our product, reacting and adapting to climate change, minimizing the environmental impact in all aspects of our business operations.
- Optimizing our product and clients use of our product to effectively preserve and keep the sand clean that is used on top of all Capillary Concrete, including the construction and maintenance of edges.
- Developing new methods of improved water recycling and preservation through the use of Capillary Concrete in soil profiles.
- Measuring our energy use and carbon dioxide emissions and identifying and implementing savings wherever reasonably possible.
- Recycling office and project waste materials where practical and cost-effective.
- Minimizing business-related travel and promoting the use of public transportation and shared travel/commuting wherever practicable and cost-effective.
- Communicating the requirements and needs of our environmental management system and CR&S policy to all, including our suppliers, through our online channels.
- Using local suppliers for site operations wherever feasible.

The Board of Directors and I will annually:

- Review this policy to ensure it is effective.
- Review responsibilities and procedures for CR&S management.
- Set clear CR&S objectives and targets, monitor and measure performance and communicate the results.
- Ensure adequate resources are made available to implement the policy.

Martin Sternberg, CGCS, CEO of Capillary Concrete