



ENVIRONMENTAL POLICY

TART is a leading manufacturer and supplier of packaging materials, machinery and support services to the packaging industry with a broad base of specialists both domestically and internationally.

It not only complies with applicable legislative and ethical standards in its business, but is constantly looking for other appropriate ways to ensure the full sustainability of its business activities.

The company and its management understand their responsibility towards all people and the planet and take their environmental policy as a long-term goal and commitment to all stakeholders,

The purpose of this commitment is to continuously improve the company's management system with a focus on environmental protection and, as a result, to continuously reduce the negative impact of the company's activities, products and services on the environment, including the implementation of pollution prevention measures.

TART aims to market products that can be recycled, reused or disposed of safely, while at the same time not using raw materials and supplies that will pose an unreasonable risk to human life or health.

In cooperation with specialised departments, it develops, operates equipment and carries out activities with regard to the efficient use of energy and materials, respecting the environment, minimising all workplace risks and <u>respecting the principle of sustainable use of secondary resources.</u>

It continuously provides the necessary information on environmental and safety issues not only to its employees, customers and other stakeholders, but also to the general public

Establishes and maintains a system of industrial accidents which, by their nature, reduce safety risks to an acceptable level or eliminate them altogether. At the same time, it has developed and implemented the necessary emergency procedures.

Prevention prevents the possibility of emergencies, the consequences of which could have a negative impact on the environment.

It motivates employees and increases their expertise, competence and responsibility in protecting the environment and reducing safety risks.

It addresses the legitimate views and interests of stakeholders and, where necessary, takes into account their requirements in the field of EMS, e.g. when selecting suppliers and their subcontractors, scoping the organisation's context, setting binding requirements, etc.

It shall establish a set of indicators to assess the performance of EMSs and subsequently implemented in accordance with internal and legislative requirements.

Continuously improves the EMS, management and environmental profile in line with the latest scientific and technical knowledge, customer and stakeholder requirements and public expectations.

TART is involved in the FSC^(®) (Forest S<u>tewardship Council^{®.)} system.</u>

TART is committed to applying the following Environmental Management System (EMS) principles to protect the environment:

- to apply an environmental approach consistently in all areas of its activities
 and to consider this as a key issue for the further development of the
 company,
- comply with applicable legislation and the requirements of customers and other stakeholders in the areas of GHG, air, water, soil, waste and chemicals and mixtures

- permanently reduce the negative impacts of operations on the environment and overall <u>biodiversity</u>
- Reduce the carbon footprint of the company and products according to the set strategy (decarbonisation), according to the set short-term milestones and long-term goals. Decarbonisation is the main milestone of this policy and all activities leading to this goal are continuously expanded and improved (see following points).
- expanding the portfolio of products characterised by their minimal environmental impact (recycled products, recyclable products, compostable materials, returnable packaging, reduction of materials for production)
- <u>Air protection</u>: eliminating emissions through appropriate materials, procedures, technical equipment, well thought-out logistics and the introduction of modern audiovisual technologies that replace face-to-face meetings without the need for long journeys and without burdening the environment with emissions.
- <u>Waste:</u> to reduce waste by sorting and using recyclable materials appropriately. It implements its production technologies exclusively as zero-waste with zero environmental burden from any waste materials.
- <u>Water conservation:</u> characterise and monitor water sources, seek savings in water consumption, and then dispose of waste water in accordance with local regulations
- <u>Energy efficiency</u>: reduce energy, material and raw material consumption intensity of production,
- Renewable energies: promote investment in energy infrastructure and clean energy technologies
- <u>Chemicals:</u> comply with applicable legislation, regulations and relevant customer requirements regarding the prohibition or restriction of certain substances in products and manufacturing
- <u>Animal welfare</u>: not to interfere with animal life cycles. TART keeps beehives on its premises, thereby actively supporting the biodiversity of the environment.
- <u>Noise emissions:</u> directing production sites to industrial areas and introducing technologies and equipment that do not cause noise in their surroundings

- when acquiring new facilities, expanding premises, etc., to comprehensively monitor potential impacts on every aspect of the environment, evaluate them and then make the right decisions based on applicable legislation,
- inform, motivate and educate employees on environmental protection,
- monitor, document and improve the level of environmental protection in the company, monitor the environmental impact of activities, services and products.

By adhering to these principles, we preserve nature for future generations. For us, environmental protection is not just a phrase, but a real goal. That is why we reduce our carbon footprint and all other possible impacts on nature in many different ways.

In order to link our policies to the activities of our customers or suppliers, we also eliminate environmental impacts by designing appropriate solutions in several ways:

Research and Development - We are open to innovation in all areas. We select new formulations and manufacturing processes, and develop new packaging designs. All this with the aim of reducing the amount of material while maintaining top quality packaging. For example, we produce films in lower thicknesses while maintaining their strength parameters. We apply innovative materials, compostable materials and recycled materials to our products.

Sophisticated logistics - One car, several shipments. Transport has a big impact on our carbon footprint, so we try to make it as efficient as possible. We also reduce the negative impact of transport on the environment through carefully considered logistics. We have long-standing relationships with proven carriers who are committed to efficient car utilisation. We take care to strategically position our distribution and logistics centres for optimal supply from the production sites.

Returnable packaging system - No unnecessary waste. We produce reusable packaging that lasts over and over again for many months or years. What's more, they can be easily folded up and therefore take up much less space even in transport vehicles. We design efficient multi-packaging for our customers to distribute their products. We make sure to use lightweight and durable materials, minimize packaging, and keep storage to a minimum.

Use of secondary raw materials - We can process secondary raw materials without waste. In fact, we use both postindustrial and postconsumer materials to produce our packaging. Our manufacturing plants are almost waste-free - we re-process excess material into other products (suctioned cartonboard, recycled LDPE films, recycled EPS, wood products, etc.).

Recycling - All our packaging is fully recyclable. We focus on a mix of materials that are easily sortable and then recyclable without the need for complex separation. This makes the waste easily recoverable in subsequent production cycles.

Optimization

Properly selected packaging not only reduces costs for the company, but also minimizes negative environmental impacts. With the right mix of packaging, we can reduce the amount of material, substitute and consolidate materials to make them more usable. By designing packaging appropriately, we can reduce the size of the packaging so that products are subsequently stored and transported much more efficiently. In this optimization process, we use our in-house laboratory to test the strength characteristics during transport and handling.

Supplier sourcing

Our suppliers commit to us by their declaration of compliance with environmental requirements in the composition of materials/products and in the area of regulated chemicals and mixtures. By their declaration they declare that they are aware of the legislative framework for environmental protection, take a proactive approach to environmental aspects, use environmentally friendly materials and take everything into account in their activities and processes. We value those suppliers who have their environmental management systems certified by independent organisations and actively contribute to environmental protection.

Sustainability and reporting

This environmental policy is binding on all employees of the company in accordance with the respective hierarchical level at which the employee operates and for subsidiaries.

For suggestions for improvement or to report violations of this policy, you may use Target's internal information system or contact your immediate supervisor, the Environmental Manager or any member of the Company's management team. Alternatively, use the email addressetika@tart.cz , which is monitored regularly and all requests are forwarded to TART's senior management.