



schumacher

2023

Sustainability Report



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POLAND

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General part

Acronyms

ESG – Environment, Social, Governance

CSR – Corporate Social Responsibility

CSDDD – The EU Corporate Sustainability Due Diligence Directive

CSRD - The EU Corporate Sustainability Reporting Directive

ESRS – European Sustainability Reporting Standards

ESRS 1 - European Sustainability Reporting Standard “General requirements”

ESRS 2 - European Sustainability Reporting Standard “General disclosures”

ESRS E1 - European Sustainability Reporting Standard “Climate change”

ESRS E2 - European Sustainability Reporting Standard “Pollution”

ESRS E3 - European Sustainability Reporting Standard “Water and marine resources”

ESRS E4 - European Sustainability Reporting Standard “Biodiversity and ecosystems”

ESRS E5 - European Sustainability Reporting Standard “Resource use and circular economy”

ESRS S1 - European Sustainability Reporting Standard “Own workforce”

ESRS S2 - European Sustainability Reporting Standard “Workers in the value chain”

ESRS S3 - European Sustainability Reporting Standard “Affected communities”

ESRS S4 - European Sustainability Reporting Standard “Consumers and end-users”

ESRS G1 - European Sustainability Reporting Standard “Business conduct”

UN – United Nations

TNFD – The Taskforce on Nature-related Financial Disclosures (the groundbreaking framework enables companies to assess, disclose and manage nature-related risks and impacts)

LEAP - Locate, Evaluate, Assess, Prepare. The framework prescribed by the TNFD

CDP – Carbon Disclosure Project (not-for-profit charity that runs the global environmental disclosure system)

MNE - Multinational Enterprise (MNEs - Multinational Enterprises)

OECD - Organization for Economic Cooperation and Development

CoC – Code of Conduct [instead of the FSC CoC defined below]

FSC – Forest Stewardship Council

FSC Chain of Custody (FSC CoC) – Forest Stewardship Council Chain of Custody

FSC Mix – The product is made with a mixture of materials from FSC-certified forests, recycled materials, and/or FSC-controlled wood.

FCS Rec (FSC Recycled) - Means all wood, paper and/or other wood-based materials in a product come from recycled or reclaimed (re-used) material.

BRCGS - Brand Reputation through Compliance Global Standard (also known as shorter version BRC - Brand Reputation through Compliance)

BRCGS Packaging Materials (also known as either BRC PACK or BRC Packaging - a Global Standard (one of the BRCGS standards family) that provides protection for consumers across all levels of the supply chain

ISO – International Standardization Organization

ISO 14001 - International Standardization Organization environmental management standard

ISO 50001 - International Standardization Organization energy management standard

ISEAL - International Social and Environmental Accreditation and Labelling Alliance

B2B – Business-to-Business

B2C – Business-to Customer

BAT – Best Available Techniques

GHG – Greenhouse Gases

CO₂ – Carbon dioxide

CO₂eq – Greenhouse Gases amount in CO₂ equivalent

UDAW – Universal Declaration on Animal Welfare.

EU – European Union

EFTA - European Free Trade Association

EEA - European Economic Area

SDG - Sustainable Development Goal (SDGs - Sustainable Development Goals)

MWh - Megawatt-hour (kWh – Kilowatt-hour)

AFR - Accident Frequency Rate

COD – Chemical Oxygen Demand (an indicative measure of the amount of oxygen that can be consumed by reactions in a measured solution)

BOD - Biochemical Oxygen Demand (a measure of the amount of oxygen required to remove waste organic matter from water in the process of decomposition by aerobic bacteria)

TPL – third-party logistics

SMART - specific, measurable, achievable, relevant, and time-bound (commonly used characteristics' set for the goals | objectives | targets)

LTI – Lost time injury frequency rate

SA8000 - auditable certification standard that encourages organizations to develop, maintain, and apply socially acceptable practices (created by SAI - Social Accountability International)

HR – Human Resources

OH&S (also known as H&S) – Occupational Health and Safety (also known as Health and Safety)

CEO – Chief Executive Office

UN Global Compact – voluntary initiative based on CEO commitments to implement universal sustainability principles

WBCSD – World Business Council for Sustainable Development

GHG Protocol – a joint initiative of World Resources Institute and WBCSD. Greenhouse Gas Protocol provides accounting and reporting standards, sector guidance, calculation tools and trainings for businesses and local and national governments

GIS - geographic information systems

PET – polyethylene

PP – polypropylene

GPW - Global Warming Potential

IPCC — Intergovernmental Panel on Climate Change

KPI, KPIs - key performance indicator (-s)

IAS - Invasive Alien Species

LCA - Life Cycle Assessment

SDGs annual report

Sustainable Development Goals 2030	Goals of Schumacher Packaging Sp. z o.o.	A measurable indicator of achieving the goal for 2023	The status of achieving the goals at the end of 2022	A measurable indicator of achieving the goal for 2024
Goal 1. End poverty in all its forms everywhere	Constantly increasing the level of employee remuneration	The salary will increase by at least 16%.	The goal has been achieved	The salary will increase by at least 7 %.
Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Support for projects aimed at the development of rural areas	Support for at least 9 social initiatives aimed at the development of rural areas, in particular those involving children and youth	The goal was achieved (support and organization of 23 initiatives targeted at rural areas)	Support for at least 10 social initiatives aimed at the development of rural areas, in particular those involving children and youth.
Goal 3. Ensure healthy lives and promote well-being for all at all ages	Development and promotion of the Multisport benefits system for employees and their families	Providing all employees with medical care (occupational medicine + emergency medical service) in the LuxMed group	The goal was achieved	Providing all employees with medical care (occupational medicine + emergency medical service) in the LuxMed group
Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Increasing the amount of employee training	No less than 1,700 hours of external training in 2023. Implementation of the Secova system for internal training	Goal achieved – 1,876 hours of training and system implementation The Secova system for internal training has been implemented	The minimum of 3 hours of training concerning ESG issues for each employee in 2024
Goal 5. Achieve gender equality and empower all women and girls	Maintaining the number of women in management positions at a high level	The employment rate of women in managerial positions is not less than 35%	The goal was achieved - 45.45% of women in managerial positions	The employment rate of women in managerial positions is not less than 37%
Goal 6. Ensure availability and sustainable management of water and sanitation for all	Providing all employees with access to water and appropriate sanitary conditions	Each employee has access to water and appropriate sanitary conditions	The goal has been achieved. Additional drinking water dispensers installed.	Each employee has access to water and appropriate sanitary conditions
Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all	Reducing the amount of gas used in the plant	Electricity consumption not higher than 47 MWh/million m ² of cardboard.	The goal was not achieved Average result for 2023 49.26 MWh/million m ² of cardboard	Electricity consumption not higher than 47 MWh/million m ² of cardboard.
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Maintaining safe working conditions at the plant	AFR at a level not higher than 10 accidents/1 million hours worked.	The goal in this approach has been achieved. Result 5.86 accidents/1 million hours worked.	AFR at a level not higher than 10 accidents/1 million hours worked.
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Investing in modern industrial solutions	Completing the expansion of the Durst machine (increasing the number of colors from 4 to 6). Completion of research and approval of the design of a cardboard insert for RTV replacing the Styrofoam insert.	Project completed with a success	Obtaining a permit to build a photovoltaic installation at Schumacher Packaging Sp. z o.o.
Goal 10. Reduce inequality within and among countries	Maintaining equality in remuneration for Polish employees and employees from other countries	The remuneration for Polish employees and employees from other countries is at the same level for identical work	The goal has been achieved	The remuneration for Polish employees and employees from other countries is at the same level for identical work
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable	Supporting towns and villages in the Miękinia commune and Środa County through pro-social activities	Supporting key pro-social initiatives of towns and villages in the Miękinia Commune and Środa County (minimum 15 activities)	A number of (29) actions have been implemented. Objective achieved.	Supporting key pro-social initiatives of towns and villages in the Miękinia commune and Środa County (minimum 15 activities)
Goal 12. Ensure sustainable consumption and production patterns	Buying FSC-certified papers	The share of papers with FSC Mix and FSC Rec at a level not lower than 95%	The share of papers with FSC Mix and FSC Rec is 97.7%	The share of papers with FSC Mix and FSC Rec at a level not lower than 95%

Sustainable Development Goals 2030	Goals of Schumacher Packaging Sp. z o.o.	A measurable indicator of achieving the goal for 2023	The status of achieving the goals at the end of 2022	A measurable indicator of achieving the goal for 2024
Goal 13. Take urgent action to combat climate change and its impacts	Replacement of transport rolling stock	1. Creation of an inter-enterprise working group for counteracting climate change. 2. Development of a draft strategy for adapting and counteracting climate change.	The goal was partially achieved. A working group was created and greenhouse gas emissions were calculated in a unified format for the Group's Polish plants.	Developing a strategy for adapting and counteracting climate change. Preparation for approval by SBTi
Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Protection of the Odra River flowing into the sea and its tributaries	Level of municipal sewage emission factors: Total suspended solids < 50 mg/l COD < 150 mg/dm ³ BOD < 40 mg/dm ³	The goal has been achieved and the indicators are within acceptable limits	Level of municipal sewage emission factors: Total suspended solids < 50 mg/l COD < 150 mg/dm ³ BOD < 40 mg/dm ³
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Protection of terrestrial ecosystems	1. Zero penalties for air and land pollution 2. Maintaining the condition of the flower meadows. 3. Conducting a flower meadow audit (plants and insects) 4. Maintaining compliance with FSC CoC standards, successfully completing surveillance audits	All the 4 Goal's indicators have been achieved	1. Zero penalties for air and land pollution 2. Maintaining the condition of the flower meadow. 3. Conducting an audit of a flower meadow 4. Installation of insect drinkers made of sustainable materials 5. Maintaining compliance with FSC CoC standards, successfully completing surveillance audits
Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Integration of all employees into the life of the plant	The right of every employee to elect a representative to represent him or her in meetings with management	The goal was achieved. Each employee had their representatives at meetings with the management board	The right of every employee to elect a representative to represent him or her in meetings with management
Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development	Auditing suppliers taking into account elements of sustainable development and joint activities with partners for sustainable development	Strengthening communication for sustainable development with Allegro. Conducting joint activities promoting sustainable solutions on a large scale	The goal was achieved. A number of webinars on sustainable development were conducted	1) Continuation of the Cardboard Patronage project in cooperation with partners: Umbrella Foundation Foundation of the Polish Center for Technology Development Primary School in Miękinia Primary School in Lutynia 2) Auditing at least 3 suppliers, taking into account ESG issues

Cross-cutting disclosures

BP-1. A general basis for preparing a sustainability declaration

Data required under ESRS 2

1) This report was prepared as a sustainable development report and is not a consolidated report.

2) The value chain within a given report is understood as follows:

- Upstream:

- suppliers of products/materials directly delivered to Schumacher Packaging Wrocław;
- logistics service providers (TPL) that deliver products and materials to the plant,

- Downstream:

- logistics service providers (TPL) that deliver products to customer plants;
- in certain cases – the plant's customers and consumers.

The above-mentioned stakeholders, in addition to consumers, are surveyed through a questionnaire system, expressing their opinion on relevant or irrelevant sustainability issues.

BP-2. Disclosures Regarding Specific Circumstances

Time horizons

1) The time horizons adopted in this report are consistent with section 6.4 of ESRS 1 and determined by the undertaking as follows:

Short	Up to and including 1 year - a deadline no higher than the period between financial statements [according to art.. 82a) ESRS 1]
Medium term	>1 year...≤5 years [according to art.. 82b) ESSR 1]
Long term	> 5 years [according to art.. 82c) ESRS 2]

Value chain

2) For links in the value chain for which the plant cannot provide values from the sources of appropriate units, the company uses data from the GOV.UK database: Greenhouse gas reporting: conversion factors 2022 (<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>).

Sources of estimates and uncertainty of results

3) If there are issues within specific disclosures that are affected by performance uncertainty and there is a need to estimate that uncertainty, the sources of such estimates and all related details are provided in the appropriate sections of this report.

Changes in the preparation or presentation of sustainability information

4a) In 2022, the Plant published a sustainability report which was mostly based on its approach based on GRI standards. This time, the report is based on the draft final ESRS standards, which results in a completely different approach to reporting by the plant. Nevertheless, all indicators that were included in last year's sustainable report are also included in the 2022 report.

GOV-1. The role of administrative, management and supervisory bodies

GOV-1-1. Data required under ESRS 2

1) Determining the types of activities related to company management

- a) We define administrative activities as planning activities relating to the company's management system.
- b) However, we define management activities as the implementation of previously planned activities.
- c) Supervisory activities focus on controlling the plant's management system.

2) Management Board, its composition and basic functions

The only body that combines administrative, management and supervisory functions is the Management Board of Schumacher Packaging Plant Wrocław.

The company consists of five people:

Head of the Management Board – Anna Sokół, performs general administration and strategic management functions of the company.

Member of the management board - Jacek Hildebrandt, performs administrative and management functions in the field of sales and customer service.

Member of the Management Board - Tomasz Popławski, performs administrative and management functions in the field of financial management, keeps records for accounting and tax purposes, plans budgets and supervises their implementation.

Members of the Management Board - Bjoern Schumacher and Anna Schumacher, perform supervisory functions regarding the work of the Management Board.

The management board consists of 3 (three) executive members (60%).

The management board consists of 2 (two) non-executive members (40%).

There are no independent members on the management board (0%).

The company's employees do not participate directly in the management board, although:

- 4 out of 5 (80%) Management Board members previously worked as plant employees before being promoted to the position of Management Board members;
- employees elect their representatives who participate in regular meetings with the management board (on average, 3-4 such meetings are held per year, the results of which are approved in the minutes, and the activities are implemented and later monitored during subsequent meetings).

3) Experience of management board members

The experience of the board members is relevant to the company's sectors, products and geographical locations:

- Anna Sokół – President of the Management Board – has been an employee of Schumacher Packaging Wrocław for 25 years (i.e. she has industry experience in production as well as experience directly in the location of the plant). She not only has extensive experience as a CEO, but also experience in customer service processes;
- Jacek Hildebrandt – Member of the Management Board - has been an employee of Schumacher Packaging Wrocław for 25 years (he has both industry experience regarding the company's products and experience directly in the location of the plant). He has experience in product sales processes;
- Tomasz Popławski – Member of the Management Board - has been an employee of Schumacher Packaging Wrocław for 25 years (he has both industry experience regarding the company's products and experience directly in the location of the plant). He has experience in financial management processes;
- Bjoern Schumacher - Member of the Management Board - from the moment the company was founded, he managed the processes of building the Schumacher Packaging Wrocław plant and managing the company, being a representative acting on behalf of the parent company Schumacher Packaging GmbH. He is a member of the Management Board of several other companies of the Schumacher Packaging Group. This means that he has both industry experience regarding the company's products, as well as experience directly in the location of the plant;
- Anna Schumacher – Member of the Management Board – worked at the Schumacher Packaging Wrocław plant for many years, later working for the parent company Schumacher Packaging GmbH. He has both industry experience regarding the company's products, as well as experience directly in the plant location.

4) Diversity of the Management Board

a) Gender diversity:

- women: 2 out of 5, i.e. 40%;
- men: 3 out of 5, i.e. 60%.

b) Diversity in terms of nationality:

- Poles: 4 out of 5, i.e. 80%;
- German (Bjoern Schumacher): 1 out of 5, i.e. 20%.

5) The role of the management board, the Management Board Representative for Quality Systems and managers in assessing and managing impact, risks and opportunities

- The role of the management board and managers in assessing impact, risk and opportunities is crucial for effective business management. The Management Board is responsible for making strategic decisions, including decisions regarding environment, society and risk management. Department

managers, on the other hand, aim to identify, analyze and manage specific areas of impact, risk and opportunity in their departments.

- Compliance was appointed at the Wrocław Plant . These functions have been assigned to the Management Board Representative for Quality Systems (hereinafter referred to as the Representative), who is responsible for coordinating activities related to the management of influence, risk and opportunities. The representative reports directly to the management board and has the authority to make decisions in this regard.
- As part of the line reporting to the management board, department managers are responsible to the Management Board Representative for Quality Systems in the assessment of impact, risk and opportunities in their departments. This representative is responsible for coordinating these activities, integrating knowledge and analyzes from various fields.
- To ensure effective management of impacts, risks and opportunities, special controls and procedures are used, such as audits and assessments of impacts, risks and opportunities. These procedures are integrated with other internal functions, such as audits within the plant's Quality System.
- In order to ensure effective supervision over the Management Board Representative for Quality Systems and managers, special supervision procedures are used (described in the quality system and in the plant's regulations), such as periodic reporting, work evaluation, and monitoring of achieved goals. Thanks to such procedures, the management board and department managers are able to effectively manage influence, risk and opportunities, which translates into effective and sustainable operation of the company.

6) How does the Board and senior management oversee the setting of goals related to significant impacts, risks and opportunities and how do they monitor progress in achieving them?

a) Supervision of all sustainable development goals is carried out with the direct participation of the Management Board.

b) The highest level sustainable development goals are monitored, analyzed and reviewed by the Management Board once a year during the management review.

c) A target is set for each negative or positive impact, risk or opportunity that is deemed significant. The goal is set to meet the SMART criteria. Management Board either:

- assigns the definition of goals to appropriate experts, approving the goals;
- determines them independently, within the framework of professional knowledge or using the knowledge of experts.

An action(s) is defined for each goal, and if the goal is complex, an action plan.

The action plan may be described in a separate file.

The set of approved goals and activities along with the assessment of impacts, risks and opportunities is signed electronically by the President of the Management Board.

Progress in achieving these goals (implementation of activities/programs) is monitored by the Management Board's Plenipotentiary on an ongoing basis, and once a year, during a management review, it is monitored by the management board at a meeting of the management board with the Plenipotentiary.

d) Some of the goals resulting from the analysis of influences, risks and opportunities are set by the management board as the primary goals of the Policies. The goals regarding sustainable development aspects included in the Plant's Policies are analyzed and reviewed by the Management Board once a year during the management review.

7) Access of Management Board members to expertise and skills in relation to sustainable development issues

All members of the management board have undergone training in the field of sustainable development.

Yes, in 2022:

– Anna Sokół underwent internal training on general ESG principles in the company and sustainability reporting twice,

– Jacek Hildebrandt and Tomasz Popławski – one internal training in the same field.

8) How are Management Board training related to the plant's significant impacts, risks and opportunities

Strengthening and consolidating the professional knowledge of Management Board members in the field of sustainable development result directly from the analysis of influences, risks and opportunities, especially those

influences, risks and opportunities related to ESRS G1, E1, E4, S1, S2 standards. The above-mentioned analysis refers to the leadership of management board members on many topics, especially such as counteracting climate change, value chain management, staff management and biodiversity.

At the beginning of each year, a decision is made jointly by the Management Board and the Representative what training the Management Board needs most in the current year, based on the analysis of influences, risks and opportunities.

GOV1-2. Data required in accordance with ESRS G1

1) The role of the Management Board in connection with running a business

Managing the Company's affairs by the Management Board includes making economic decisions related to the company's activities, both internal and external. As mentioned above, the management board is the sole management body of Schumacher Packaging Sp. z o. o

Managing affairs is a process that involves adopting resolutions, issuing decisions and opinions, and organizing the activities of the Institute in such a way that it is consistent with its subject of activity.

In addition to managing the affairs of the Institute, the management board is responsible for representing it. This means performing legal acts in external relations, such as concluding contracts and appearing before courts.

2) Expertise of management board members

- Head of the Management Board Anna Sokół
 - higher education (University of Coburg) in "business administration";
 - many years of experience as a manager of the Customer Service Department and Managing Director.
- Member of the Management Board Tomasz Popławski
 - higher education in economics,
 - postgraduate education – in accounting,
 - many years of experience as a financial director.
- Member of the Management Board Jacek Hildebrandt
 - higher education in economics (University of Poznań),
 - many years of experience as a sales director.
- Member of the Management Board Bjoern Schumacher
 - higher education in commerce (FAU Erlangen -Nuremberg),
 - many years of experience in positions on company management boards.

GOV-2. Information provided to the plant's administrative, management and supervisory bodies and the sustainability issues they deal with

1) System for informing the management board about issues related to sustainable development

As part of the system for informing the management board about sustainable development issues, information may be sent to the Management Board in two parallel ways:

a) By the Management Board Representative:

In this case, the Management Board Representative is responsible for collecting information on ESG issues from various departments of the company and providing this information to the Management Board in the form of reports or presentations. This representative receives information from managers of individual departments, analyzes it, aggregates it and presents it to the Management Board in an easy-to-understand form.

In practice, the Representative may act as a coordinator of the process of collecting and reporting data on sustainable development. The Representative's task is also to ensure that the reported data are reliable, comprehensive and consistent with the adopted standards and measures. In this way, the Management Board receives information about the results of the company's sustainable development activities at a higher level than just data collected from one department.

The process of assessing and reassessing impacts, risks and opportunities is performed using a form created and updated by the Representative. The process begins no later than January, and the Representative receives the results of the assessment and setting goals and actions no later than March 10. The Policies are updated no later than March 1.

Accordingly, the management board is to receive the results of the policy review by February 28, and the results of the analysis of all impacts, risks, opportunities, goals and activities no later than March 15.

b) By area managers:

The second way of informing the Management Board about sustainable development issues is an approach based on the involvement of managers of individual company departments in collecting and reporting information directly to the Management Board.

This is the case with area managers who have ESG issues directly within the scope of their job responsibilities and are expected to report the results of their work directly to the management board, including directly addressing sustainable development issues. This applies for example:

- Marketing Department in the field of pro-social and pro-environmental activities,
- Technical Department and Investment Director – in the areas of:
 - changes regarding infrastructure, including the working environment of employees,
 - sewage and emissions.

In this case, each manager is responsible for monitoring and reporting information regarding activities undertaken by his department in the area of sustainable development directly to the Management Board. The department manager regularly reports to the Management Board on progress in implementing the sustainable development goals set by the Management Board (within the manager's competences) and on the actions taken for this purpose.

Used in parallel with the Proxy-based approach, the manager-led data approach enables the Board to obtain information on specific activities undertaken in individual departments and respond more quickly to sustainability-related issues and challenges. However, the department manager may not have the same knowledge of the connections between areas as the Representative, which also makes it necessary for the Representative to aggregate data as described above.

2) How does management consider impacts, risks and opportunities when overseeing the undertaking's strategy, its major transaction decisions and its risk management policy, including any trade-off assessments and uncertainty sensitivity analysis

For Schumacher Packaging Sp. z o.o., the management board considers impacts, risks, and opportunities in several comprehensive ways when overseeing the company's strategy, major transaction decisions, and risk management policy. Here's how our Board approach these aspects:

Strategic Oversight:

Management integrates environmental, social, and governance (ESG) considerations into the strategic planning process. This includes assessing the long-term impacts of sustainability trends on the company's operations and market positioning. They conduct regular reviews to ensure that strategic goals align with sustainability objectives, such as reducing carbon footprint and enhancing resource efficiency.

Risk Management Policy:

Schumacher Packaging employs a robust risk management framework that identifies, assesses, and mitigates risks associated with environmental and social factors. This includes conducting risk assessments related to climate change, regulatory changes, supply chain disruptions, and reputational risks. The company uses these assessments to develop mitigation strategies, such as diversifying suppliers to reduce dependency on single-source materials and investing in sustainable technologies.

Investment Decisions:

When considering significant investments, the management performs a thorough evaluation of the sustainability impacts of the investment. This involves assessing potential risks, opportunities and the alignment with Schumacher Packaging's sustainability goals. Discrepancies between financial performance and sustainability impacts are carefully evaluated, with a preference for decisions that support long-term sustainable growth.

Opportunities:

The company actively seeks opportunities to enhance sustainability and drive innovation. This includes investing in research and development for sustainable packaging solutions, exploring new markets for eco-friendly products, and leveraging partnerships with other organizations committed to sustainability. By identifying and capitalizing on these opportunities, Schumacher Packaging aims to strengthen its market position and meet the growing demand for sustainable products.

3) List of significant influences, risks and opportunities dealt with by the management board in 2023 and the resolution of issues related to sustainable development by the Management Board in 2023

Significant Influences, Risks, and Opportunities dealt with by the Management Board in 2023

In 2023, Schumacher Packaging Sp. z o.o. faced a dynamic landscape of influences, risks, and opportunities, all of which were met with proactive and innovative responses by the Management Board. The company tackled a wide range of issues, from biodiversity and community engagement to climate change, turning challenges into opportunities for growth and sustainability.

Resolution of Issues Related to Sustainable Development by the Management Board in 2023

Biodiversity Issues

Biodiversity emerged as a significant influence in 2023, highlighting the need for Schumacher Packaging to enhance its environmental stewardship. The management board recognized the critical role of preserving local ecosystems and responded with a commitment to biodiversity. They continued their successful initiative of managing flower meadows, which serve as vibrant habitats for local flora and fauna. To further bolster these efforts, the company introduced regular audits of the meadows to monitor and improve their ecological health. A particularly charming addition to this initiative was the installation of insect houses within these meadows. These structures provide safe havens for pollinators and other beneficial insects, contributing to a thriving ecosystem and demonstrating Schumacher Packaging's dedication to biodiversity.

Local Communities Awareness Issues

Engagement with local communities was another focal point in 2023. Schumacher Packaging recognized that fostering strong, positive relationships with local stakeholders is essential for sustainable development. To address awareness and involvement issues, the management board launched the "Cardboard Patronage" program. This initiative educates local communities about the importance of recycling and sustainable practices, using creative and interactive methods to inspire action. Additionally, the company established the Wulf Schumacher Foundation, named in honor of the company's founder, to support various community projects and initiatives. This foundation underscores the company's commitment to social responsibility and community development, providing resources and support for educational, environmental, and cultural projects.

Climate Change Issues

Climate change presented both a risk and an opportunity for Schumacher Packaging in 2023. The management board recognized the urgent need to mitigate the company's environmental impact while also adapting to the changing climate landscape. In response, they formed the Polish Schumacher Packaging Inter-Plant Climate Change Working Group. This collaborative body brings together experts and representatives from various plants to develop and implement strategies aimed at reducing the company's carbon footprint. The working group focuses on innovative solutions such as energy efficiency improvements, renewable energy adoption, and sustainable supply chain practices. This initiative not only addresses the risks associated with climate change but also positions Schumacher Packaging as a leader in sustainable industrial practices.

Conclusion

Throughout 2023, Schumacher Packaging Sp. z o.o. and its Management Board demonstrated a proactive and comprehensive approach to sustainable development. By addressing biodiversity, community awareness, and climate change with creative and effective resolutions, the company not only mitigated risks but also seized opportunities to enhance its sustainability performance. These efforts underscore Schumacher Packaging's commitment to creating a positive impact on the environment and society, ensuring a sustainable future for all stakeholders.

GOV-3. Incorporating sustainability-related performance into incentive systems

1) Are performance assessed in relation to specific sustainability-related goals and/or impacts – and if so, which ones? and whether and how sustainability-related performance indicators are considered performance indicators or included in management's remuneration policy

Schumacher Packaging Sp. z o.o. assesses performance in relation to specific sustainability-related goals and impacts. These goals typically include reduction of carbon emissions, increase of recycling rates, and improvement of energy efficiency. Sustainability-related performance indicators are indeed considered part of the overall performance assessment. These indicators may include metrics such as the percentage reduction in CO₂EQ emissions, the proportion of recycled materials used in production, and energy consumption per unit of output. Furthermore, these sustainability-related performance indicators are integrated into the management’s remuneration policy, influencing bonuses as variable compensation based on the achievement of these targets.

2) Description of the main features of the management board's incentive systems, including the part of variable remuneration dependent on such indicators

The incentive systems for the management board at Schumacher Packaging Sp. z o.o. include a significant portion (normally 10%) of variable remuneration that is dependent on both financial and sustainability-related performance indicators. Main features of the incentive system include monthly bonuses tied to the achievement of specific sustainability goals such as reduction in waste generation, improvement in resource efficiency, and compliance with environmental standards. The incentive structure ensures that meeting these sustainability goals can account for up to 30% of the total variable remuneration, thereby aligning the management’s financial incentives with the company’s sustainability objectives.

3) The level of responsibility in the company at which the terms of incentive programs are approved and updated

The terms of incentive programs at Schumacher Packaging Sp. z o.o. are typically approved and updated at the executive management level, specifically by the Management Board. It plays a crucial role in reviewing and setting the terms of these programs. The Board ensures that the incentive programs align with the strategic objectives of the company, including sustainability goals. Additionally, significant changes to the incentive programs concerning the Board itself requires approval from the company’s headquarters.

GOV-4. Sustainability Due Diligence Statement

Table GOV-4-1. Sustainability Due Diligence Statement

BASIC ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN SUSTAINABILITY STATEMENTS
<p>a) Integrate due diligence into management, strategy, and business model</p>	<p>References: GOV-1, GOV-4, SBM-1 GOV-1 (Governance and Management Structure) outlines the integration of due diligence into the corporate governance structure, ensuring oversight and accountability. GOV-4 (Roles and Responsibilities) specifies the roles of senior management in overseeing sustainability initiatives. SBM-1 (Sustainability Business Model) describes how sustainability objectives are embedded into the business strategy, including targets for reducing waste, improving energy efficiency, and increasing the use of recycled materials.</p>
<p>b) Engaging affected stakeholders at all key stages of due diligence</p>	<p>References: SBM-2, S2-1, S2-2 SBM-2 (Stakeholder Engagement) details the processes for engaging with stakeholders such as employees, suppliers, customers, and community members. S2-1 (Engagement with Stakeholders) covers the methodology for identifying key stakeholders and ensuring their involvement at all stages. S2-2 (Feedback Mechanisms) describes the mechanisms for collecting and integrating stakeholder feedback into the due diligence process.</p>
<p>c) Identification and assessment of negative impacts</p>	<p>References: IRO-1, E1-1, E2-1</p>

BASIC ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN SUSTAINABILITY STATEMENTS
	<p>IRO-1 (Impact and Risk Assessment) outlines the procedures for identifying and assessing environmental and social impacts, including pollution and resource depletion.</p> <p>E1-1 (Environmental Impact Identification) specifies the methods used to assess environmental impacts.</p> <p>E2-1 (Social Impact Identification) covers the assessment of social impacts on workers and communities.</p>
<p>d) Taking action to address these negative effects</p>	<p>References: E1-2, E2-2, S3-4</p> <p>E1-2 (Environmental Mitigation Measures) describes actions taken to mitigate environmental impacts, such as implementing cleaner technologies and improving waste management systems.</p> <p>E2-2 (Social Mitigation Measures) details actions to address social impacts, including improving working conditions and community support programs.</p> <p>S3-4 (Corrective Actions) specifies the procedures for taking corrective actions when negative impacts are identified.</p>
<p>e) Track the effectiveness of these activities and communicate</p>	<p>References: DC-T, R1-1, R1-2</p> <p>DC-T (Disclosure and Transparency) outlines the reporting framework used to track and communicate the effectiveness of sustainability activities.</p> <p>R1-1 (Monitoring and Reporting) specifies the metrics and indicators used to monitor progress.</p> <p>R1-2 (Annual Sustainability Report) describes the content and frequency of sustainability reporting to stakeholders, ensuring transparency and accountability.</p>

GOV-5. Risk management and internal controls over sustainability reporting

1) Scope, main features and elements of risk management and internal control processes and systems for sustainability reporting

Risks relating to sustainability reporting are managed as part of an overall system for managing impacts, risks and opportunities. Therefore, the process elements and system features are identical to those that apply to other ESG system risks.

Scope used for risk assessment on issues related to sustainability reports:

- applies to all managers involved in the assessment of impacts, risks and opportunities;
- concerns direct influences that may lead to:
 - inadvertently including inappropriate data in the report;
 - inadvertently failing to include appropriate data;
 - intentional falsification of data;
 - failure to comply with reporting deadlines;
 - availability of value chain data;
 - image losses.

2) The risk assessment approach used, including the risk prioritization methodology

The methodology is described in this report at [IRO-1. Description of processes for identifying and assessing material impacts, risks and opportunities.](#)

SBM-1. Market position, strategy, business model and value chain

Schumacher Packaging is a family-owned company.

75 years ago, Kurt Schumacher and his wife Hildegard laid the foundation stone for our entrepreneurial success story in Ebersdorf near Coburg. One that is characterized by dynamism, by tackling things together, by growth and

by genuine pioneering achievements. And above all by real "doers". On this foundation, a strong and responsible company has grown with courage, will and strength.

Our maxim: FIRST – for progress, people and the environment

As makers and creators of packaging innovations, we have risen to become industry leaders in productivity and technology - and continue to pursue our goal of being one of the largest packaging manufacturers in Europe. Our path only takes us forward. Our philosophy is summed up by the acronym FIRST. Each letter represents one of the five principles which are central to our work.

Future vision and progress

We are one of the largest packaging manufacturers in Europe – with sales markets from Scandinavia to Italy and from the UK to eastern Europe. Through continuous, sustainable and organic growth, we create and secure jobs all over Europe. Our aim is to expand our presence to international market leadership.

Innovation & technology

We continually invest in the development of forward-looking technologies. We offer our customers up-to-date solutions that meet their individual needs. Our manufacture and delivery service is fast and flexible – right across Europe.

Respect & responsibility

We respect both people and the environment. We produce our packaging from renewable raw materials – with a beneficial carbon footprint. Whenever we make an investment decision, we seek to systematically reduce our energy needs. And since we take responsibility for both the environment and society as a company, we support not-for-profit projects in the region.

Strength & expertise

We draw on the expertise, performance and economic potential of a total of 29 European sites with over 4000 employees. For us, the functionality and reliability of our products and services are a top priority. Which is why we guarantee adherence to the highest quality standards.

Tradition & values

As a family business in its third generation, tradition and values mean a lot to us. Our philosophy is "Packaging made by people, for people". Despite our international growth, we have remained a family company, with flat organizational structures, plenty of team spirit and top-class expertise. We have always believed in the value of a trust-based relationship with our employees, customers and suppliers. Our many long-term partnerships are evidence of our efforts in this area.

Cardboard and AI - What the packaging of the future will look like

The future of packaging lies in sustainable solutions such as biodegradable materials, recyclable packaging and innovative designs that conserve resources. Our aim is to reduce waste and find more environmentally friendly options for transporting and storing products safely.

Exploiting potential and optimizing supply chains

The packaging of the future is one thing above all: sustainable. It also meets customer expectations in terms of functionality and creates positive emotions at the "unboxing event". Solutions made of corrugated cardboard, solid board and paper combine naturalness, stability and product protection with low weight, can be printed in a variety of ways and help to reduce empty space thanks to their customizability.

This makes them the best choice today and in the future for optimizing packaging, preventing over-packaging and conserving resources. For retailers and customers, they are an established, uncomplicated and cost-effective solution. Automation, digitalization and AI must be used in packaging production and the shipping process - for a more sustainable and efficient supply chain of tomorrow.

Cardboard as a natural circular product

The natural product corrugated and solid board is made from renewable raw materials and is part of a successfully established recycling cycle. This is because paper-based packaging can be fully recycled - the recycling rate in Germany is almost 100%. In addition, the vast majority of the raw material used, around 85%, consists of recycled material such as waste paper, cardboard and used corrugated cardboard. The potential to replace packaging plastics with paper-based materials is estimated to be up to 75% in the mail order business. Padding material made from cardboard guarantees the same product protection as polystyrene, for example.

The path to climate-neutral packaging

According to a recent study by the Gesellschaft für Verpackungsmarktforschung, GVM, emissions from German packaging could be reduced by 94% by 2045. Relevant factors are: lighter packaging, packaging-saving consumer behavior, increasing use of recyclates, greatly improved recycling, decarbonization of industrial production processes, green energy sources and energy savings.

Source: GVM | Gesellschaft für Verpackungsmarktforschung mbH - Study on the material efficiency of packaging materials published (gvmonline.de)

The requirements of the future

It is clear that we will need packaging for as long as there are products.

That is why we are working on making it even more sustainable and smarter so that it meets the requirements of the future:

- Natural materials
- Reduction of plastics
- Efficient supply chains
- Fewer empty spaces
- Reduction of packaging material
- Easily recyclable
- Biodegradable
- Recyclable

In order for us to achieve this, we are driving the issue of sustainability with two levers:

Firstly, the packaging itself, which should be sustainable due to the raw material used and its use.

Secondly, the entire packaging manufacturing process. Our declared, ambitious goal is for Schumacher Packaging to be climate-neutral by 2035 at the latest.

That is why we are investing heavily in renewable energies and are committed to protecting the natural raw material that we use for paper production.

Future orientation and innovative strength at Schumacher Packaging

Our focus is on a partnership-based exchange from person to person. We rely on individual advice and the optimization and individualization of products and solutions. To get there, we need to use smart technologies. Some of the things we create with them are unique in the world. Over the years, we have achieved pioneer status in our industry.

The main our technological advantage is the wide use of digital printing

Fast, colourful, sustainable - ground-breaking advantages of digital printing

Colourful print images that rival offset quality

Modern digital printing combines high speeds with first class, multicoloured print images that rival offset quality. We print with food-grade inks and finish your print image with partial or full-surface lacquer upon request.

Multicoloured printing on all materials

With digital printing we can for the first time print not only on white board grades but also on uncoated and brown outer surfaces as well as on single-face board - even multicoloured designs. This was not feasible with flexographic printing due to the high plate costs involved. Thanks to digital printing, you now have the best of both worlds - you respond to consumers' demands for sustainable packaging while still using an attractive, colourful design.

Business model The undertaking's system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the undertaking's strategic purposes and create value over the short-, medium- and long-term time horizons. The undertaking may have one or more business models

SBM-2. Interests and views of stakeholders

The stakeholders were asked about their view towards different sustainability matters. We have analyzed all the stakeholders' groups opinions separately, splitting the sustainability matters into three groups: Environment, Social Issues and Governance.

Clients

The first group to be analyzed is our selected clients. Client Service department along with the Marketing have selected 4 clients to answer our questionnaire.

Figure SBM-2-1. Environmental matters of Schumacher Packaging from materiality perspective of our clients

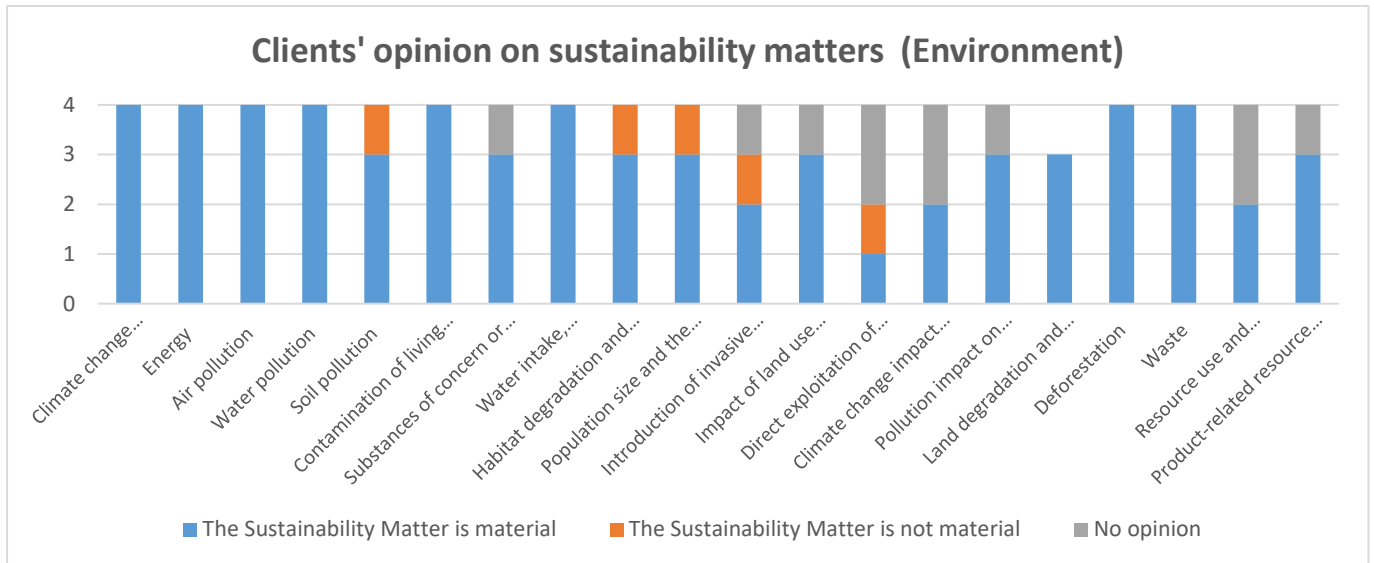


Figure SBM-2-2. Social matters of Schumacher Packaging from materiality perspective of our clients

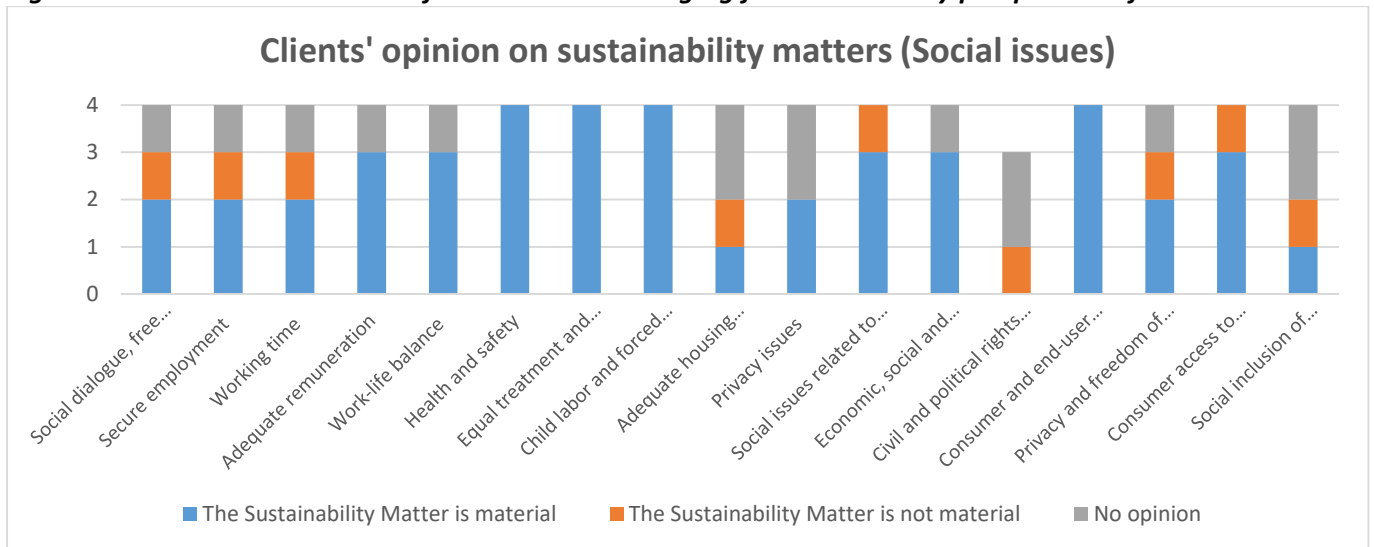
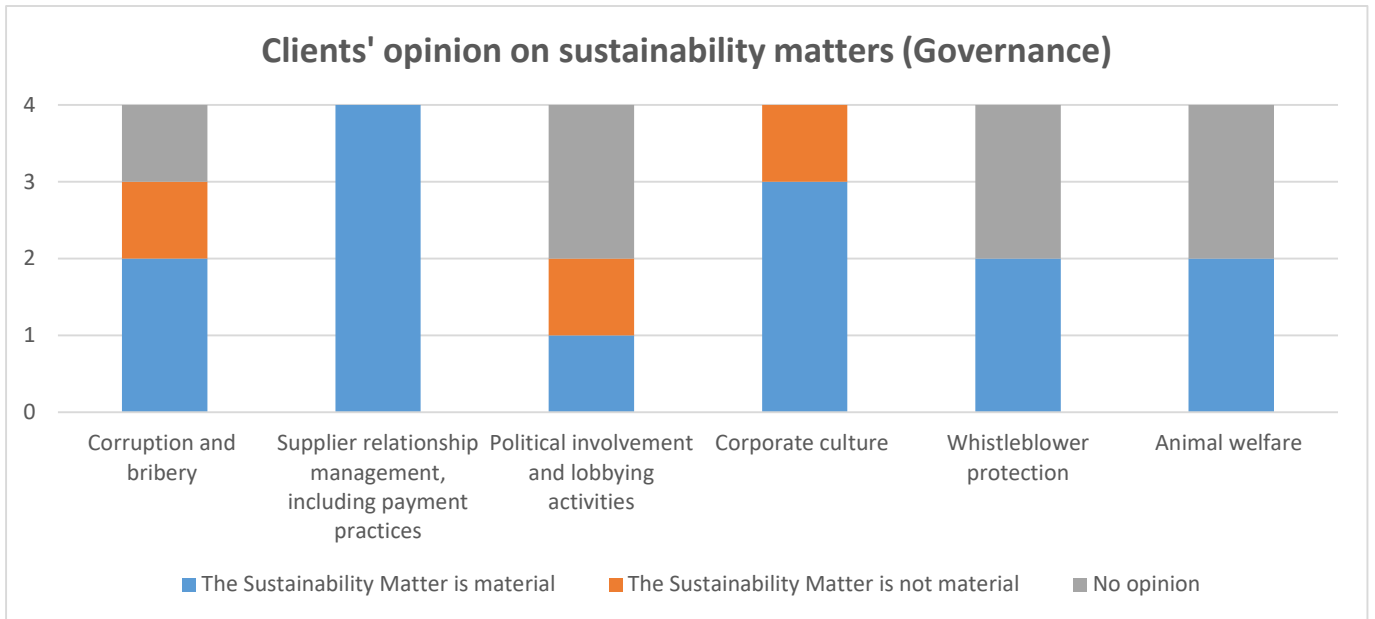


Figure SBM-2-3. Governance matters of Schumacher Packaging from materiality perspective of our clients



Suppliers

The second group to be analyzed is Schumacher Packaging suppliers. Due to the fact that the suppliers are the important stakeholders at least in E1 and S2 ESRS Standards, it is of extreme importance to investigate the suppliers' approach toward Schumacher Packaging-related sustainability matters. Procurement department obtained 18 answers from our suppliers concerning sustainability matters.

Figure SBM-2-4. Environmental matters of Schumacher Packaging from materiality perspective of our suppliers

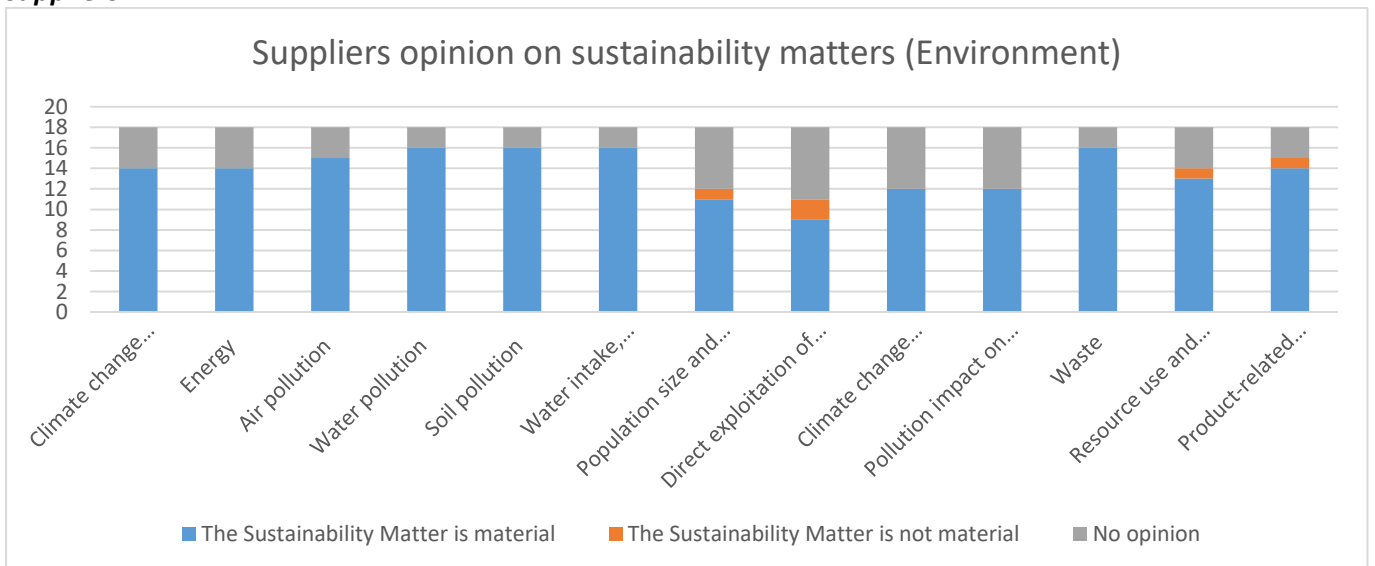


Figure SBM-2-5. Social matters of Schumacher Packaging from materiality perspective of our suppliers

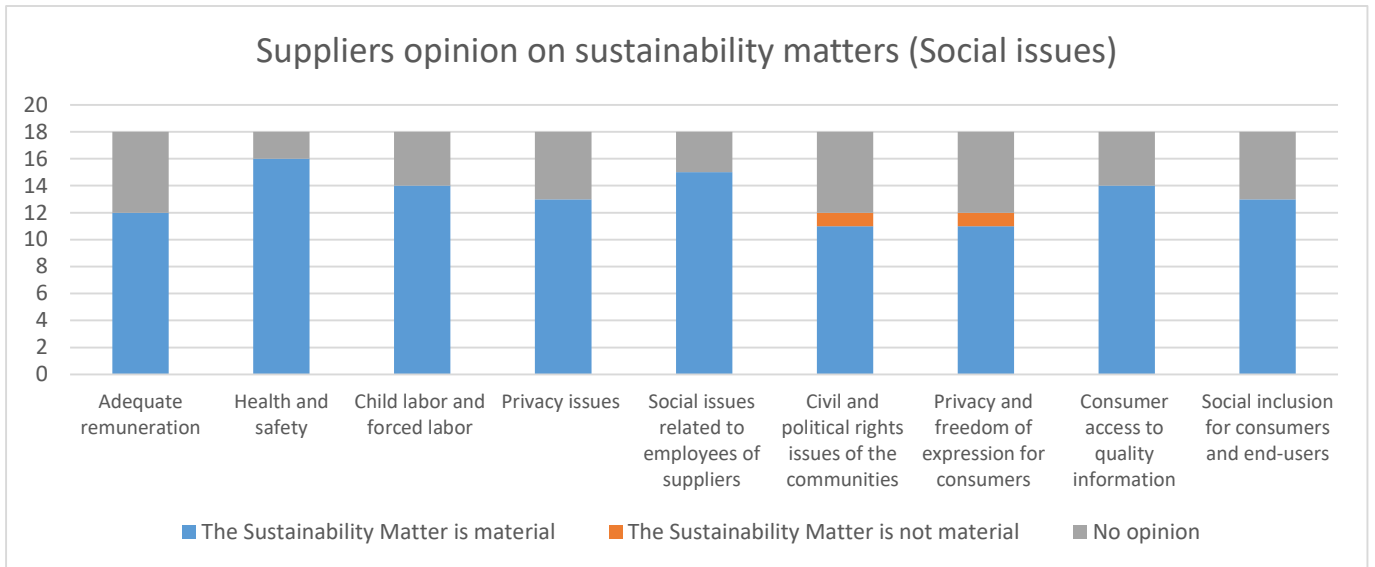
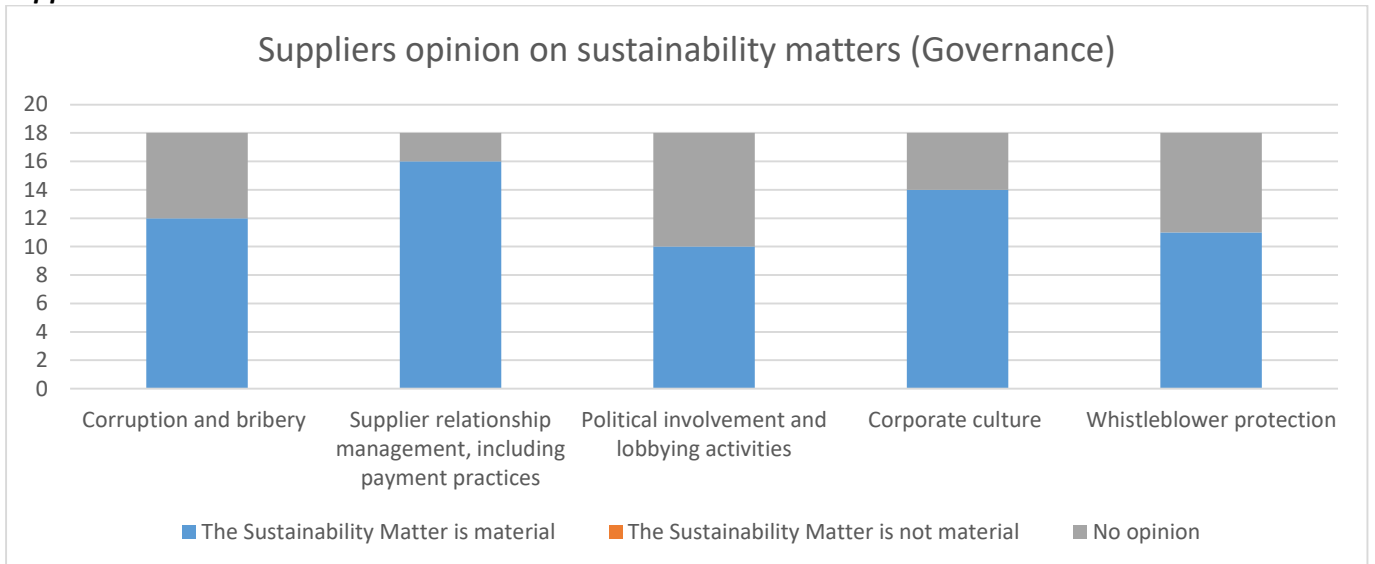


Figure SBM-2-6. Governance matters of Schumacher Packaging from materiality perspective of our suppliers



As we see, of all the governance matters, supplier relationship matter is of the greatest importance for our suppliers throughout all the governance area.

The analysis of the stakeholders’ views clearly indicates that all of the sustainability matters are material at least for one of the interested parties.

One more important outcome of the analysis is that we cannot omit the question of further training of our stakeholders’ groups on specific sustainability matters’ issues. It’s clear that the number of stakeholders selecting “No opinion” indicates lack of understanding of sustainability matters.

Own workforce

The third group that was taken into account is our own employees. This is one of the most affected and at the same time influential groups among our stakeholders. The HR department has got 38 filled-in feedbacks from our own employees and non-employees.

Figure SBM-2-7. Environmental matters of Schumacher Packaging from materiality perspective of our employees

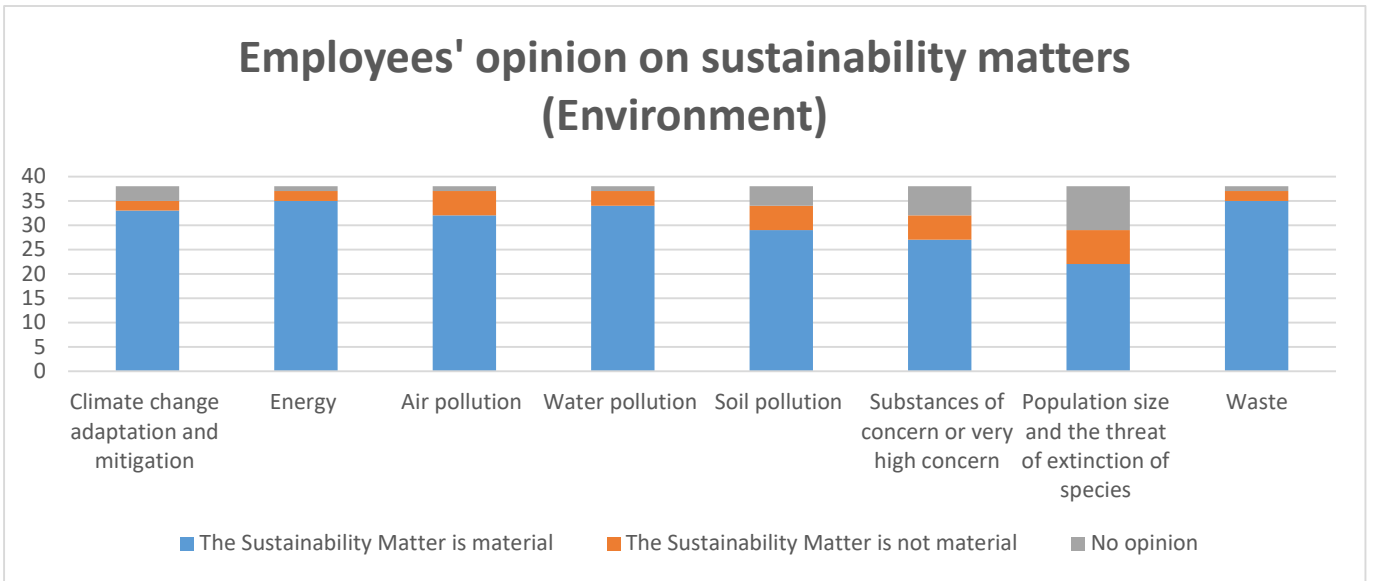


Figure SBM-2-8. Social matters of Schumacher Packaging from materiality perspective of our employees

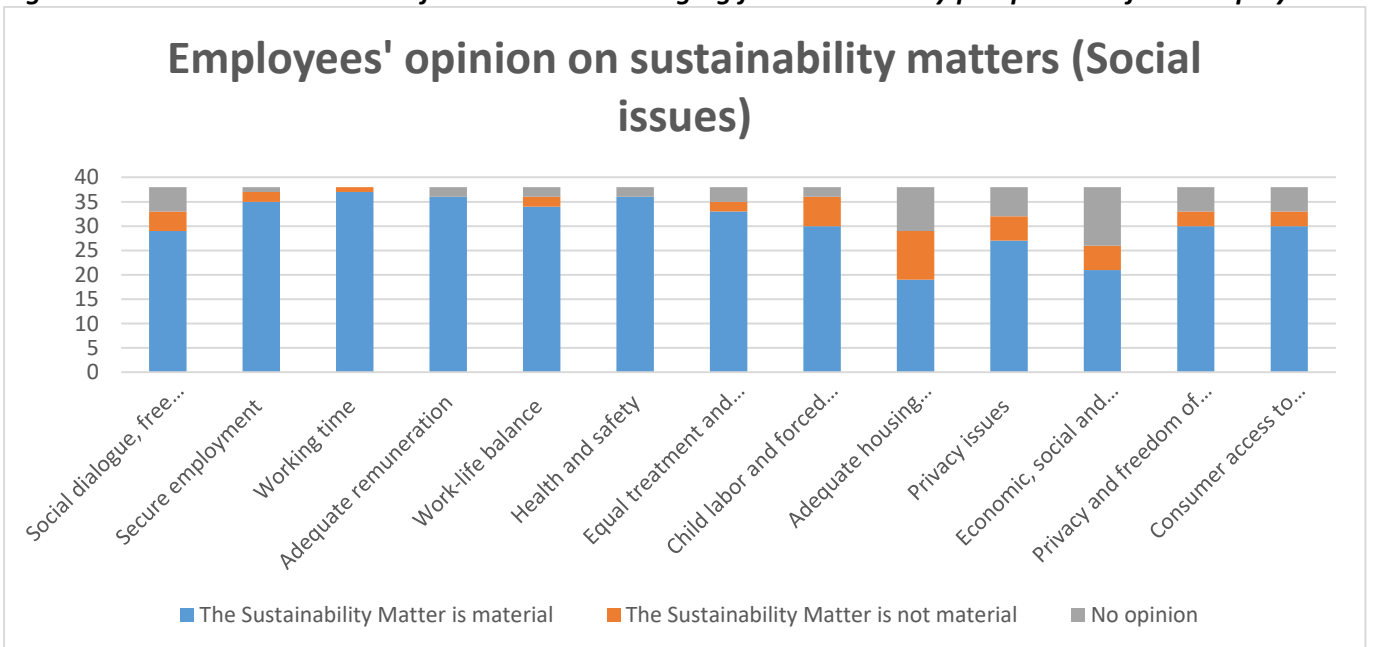
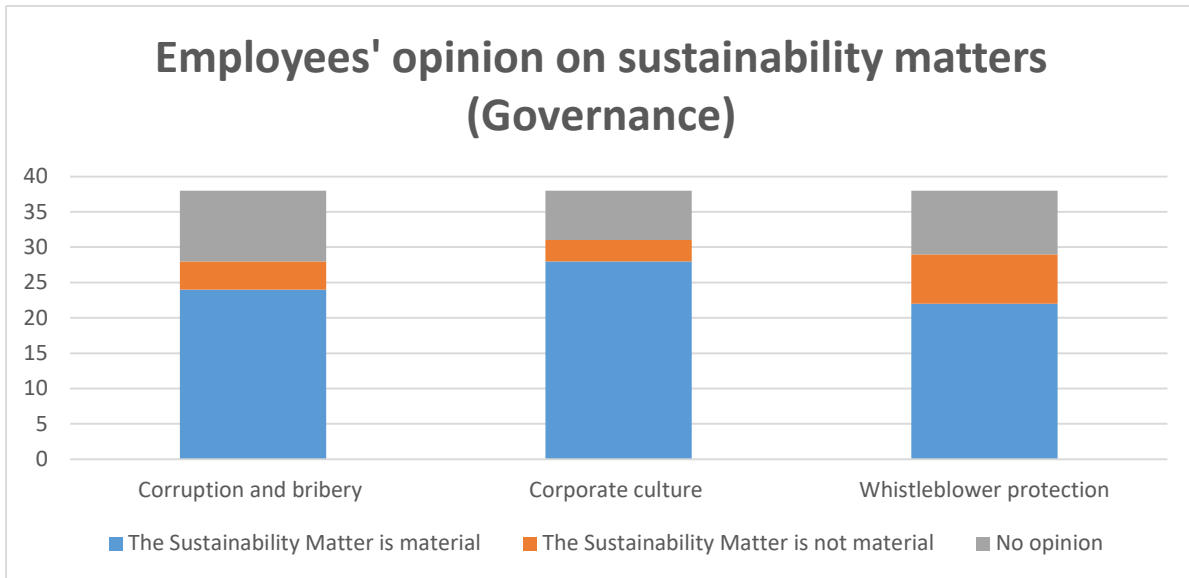


Figure SBM-2-9. Governance matters of Schumacher Packaging from materiality perspective of our employees



Local authorities

The fourth group to be analyzed is the local authorities. We see them as the representatives of the local communities. In the future we plan to widen our local communities feedback, engaging the people from the communities directly, but right now we have selected such way of structured feedback as the feedback from the local authorities. Quality system department obtained 2 answers from local authorities concerning sustainability matters.

Figure SBM-2-12. Environmental matters of Schumacher Packaging from materiality perspective of local authorities

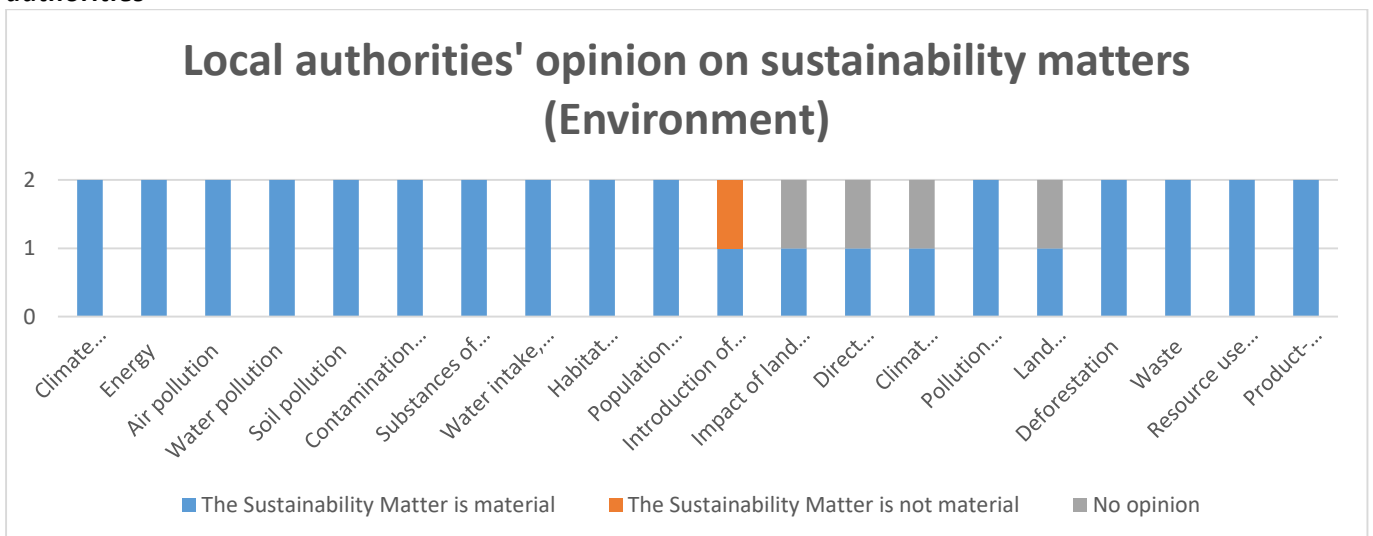


Figure SBM-2-12. Social matters of Schumacher Packaging from materiality perspective of local authorities

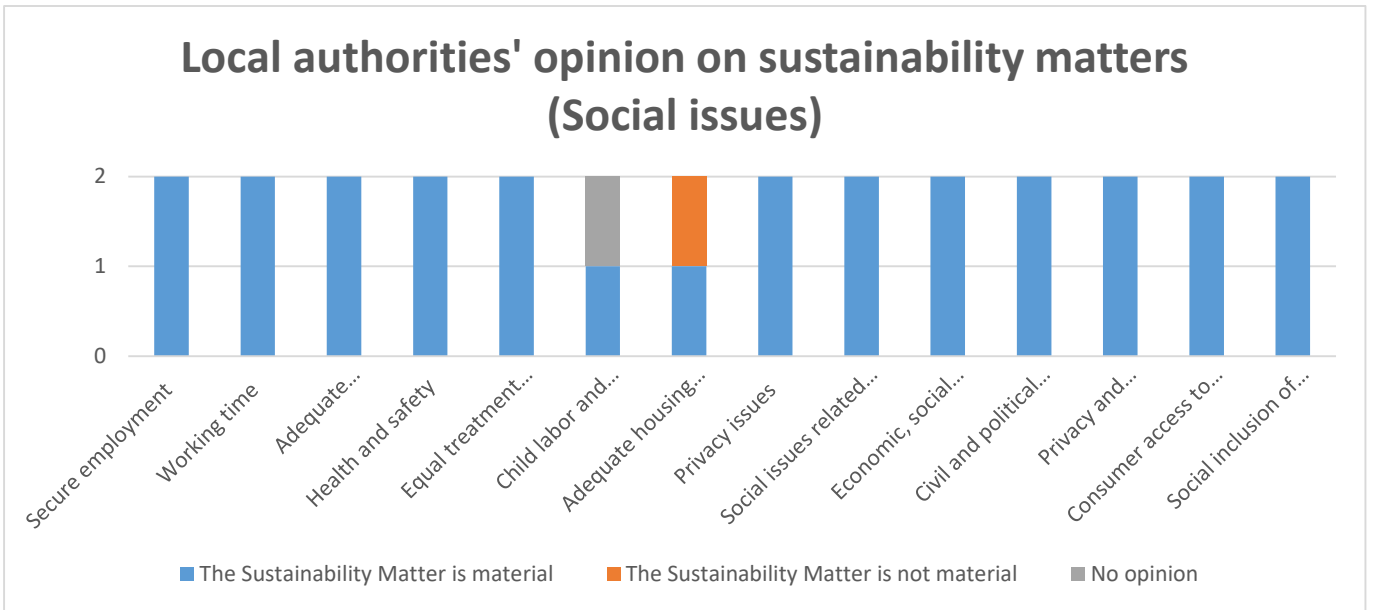
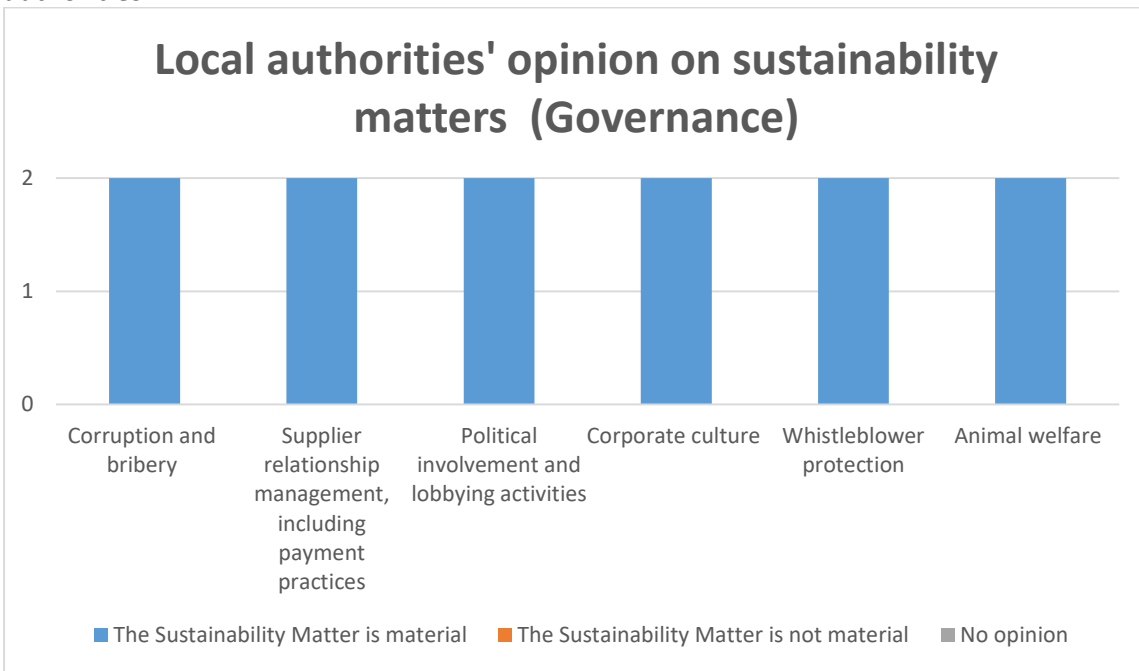


Figure SBM-2-12. Governance matters of Schumacher Packaging from materiality perspective of local authorities



Governmental authorities

Figure SBM-2-13. Environmental matters of Schumacher Packaging from materiality perspective of the governmental authorities

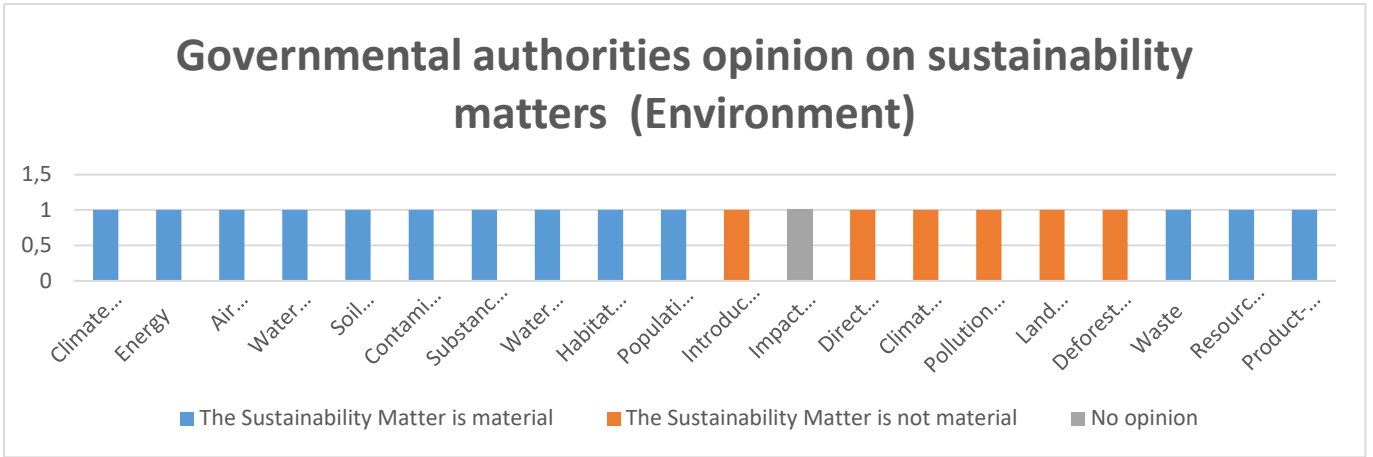


Figure SBM-2-15. Social matters of Schumacher Packaging from materiality perspective of the governmental authorities

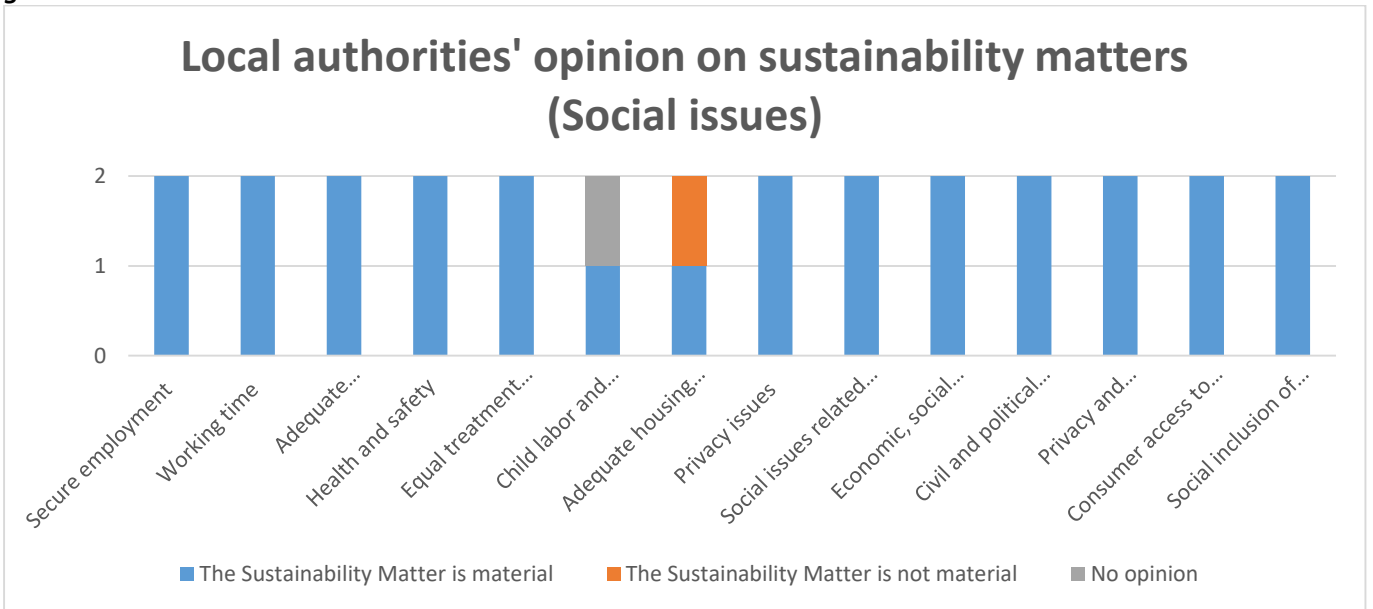
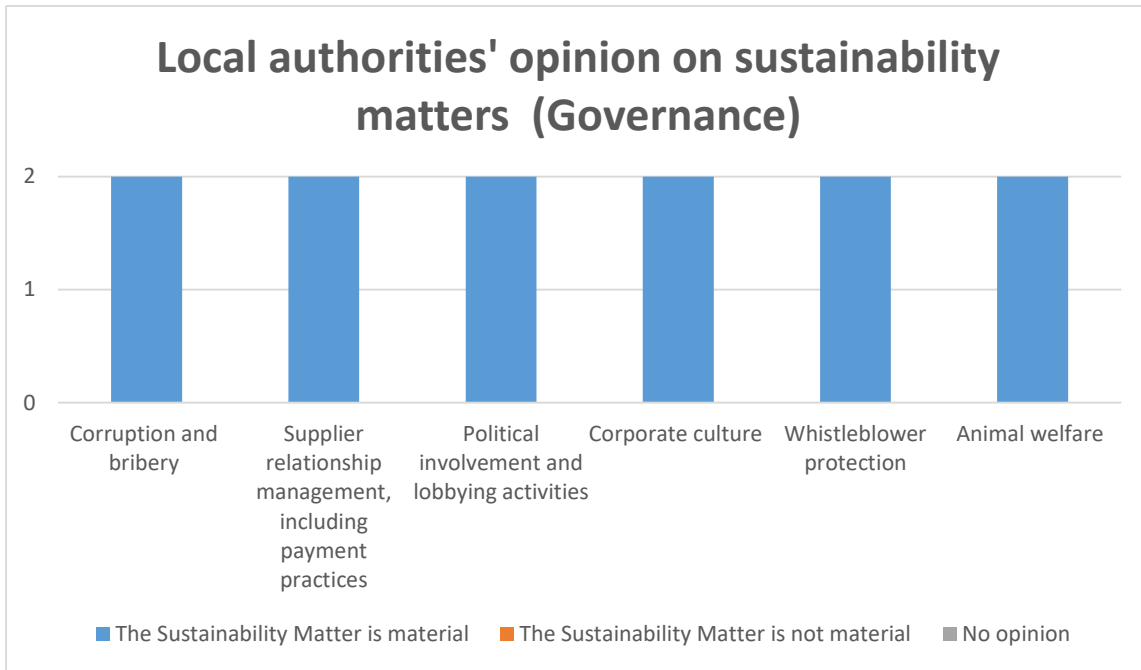


Figure SBM-2-15. Governance matters of Schumacher Packaging from materiality perspective of the governmental authorities



SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business model

The analysis of impacts, both positive and negative, has led us to the conclusion that each sustainability matter involves at least one material impact, either positive or negative. Below we will break down the material impacts with division to ESRS Standards.

IRO-1. - Description of the processes to identify and assess material impacts, risks and opportunities

Methodology and assumptions

We assume that our Management Board, other managing staff, specialists are the experts in the area of their competences, therefore we can count on their expert opinion in most sustainability areas. We form the temporary working groups to assess risks, opportunities and dependencies. We do our best for these working group to include the persons possessing altogether the needed competences and knowledge on the themes in question.

However for some sustainability matters we use slightly different approach. For example, in the area of climate neutrality we are cooperating within the wider group of different Polish enterprises of Schumacher Packaging GmbH (Wroclaw / Bydgoszcz / Myszków / Grudziądz).

We assume that the consensus decision is preferable, but in a case of contradictions within the working group the final decision is to be accepted by the Management Board.

The method of initial identification of the risks, opportunities, impacts and dependencies which could be taken into account within the identification process is usually the combination of the propositions' collection within the working group members and the brainstorm approach.

The group selects the appropriate risk / opportunities / impacts / dependencies set and later describes the risks up to the next format:

a) For the risks and opportunities:

- ESRS Standard (Ex/ Sx / Gx);
- Environment / Social / Governance
- SDGs; other associated standards
- Sustainability matter
- Description of risk or opportunity
- Impact of risks/opportunities on finances (main factor)
- Is it risk or opportunity
- Scenarios, projections of financial impacts that may materialize
- Potential/real financial impacts (on cash flow, development, performance, positions, cost of capital or access to financing)

- Status of occurrence
- Time horizon
- Types of risks
- Types of opportunities
- Evaluation of risks or opportunities:
 - Probability of occurrence
 - Potential magnitude of financial impact

Risk / opportunity magnitude (product of the above-mentioned 2 factors)

The financial materiality of the concrete sustainability matter which is represented by the risk / opportunity is defined by the above-mentioned calculation.

- Objectives and actions concerning risks and opportunities:
 - Impact objectives
 - Objective achievement date
 - Actions to prevent unfavorable or cause favorable financial impacts
 - Responsible for actions
 - Deadline for implementation of activities
 - Report in 2023 on activities carried out / goals achieved

b) For impacts and dependences:

- ESRS Standard (Ex/ Sx / Gx);
- Environment / Social / Governance
- SDGs; other associated standards
- Description of impact or dependence
- Is it impact or dependence
- Effects of impacts and dependences
- Occurrence status (Present / Potential)
- Time horizon (long-term / Medium-term / short-term), as described in BP-2 in this report
- Occurrence of impact (company / value chain / product)
- Evaluation of impact:
 - Scale of influence (1...3)
 - Extent of influence (1...4)
 - Irreversibility of impact (1...3)
 - Likelihood of occurrence (1...4)

Impact magnitude (product of the above-mentioned 4 factors)

The level of impact materiality of the concrete sustainability matter which is represented by the impact is not solely dependent on the above-mentioned calculation. The second stage is the analysis of the stakeholders' opinion (see SBM-2 above).

- Objectives and actions concerning impacts:
 - Impact objectives
 - Objective achievement date
 - Actions to prevent unfavorable or cause favorable financial impacts
 - Responsible for actions
 - Deadline for implementation of activities
 - Report in 2023 on activities carried out / goals achieved

Overview of the process to identify, assess, prioritize and monitor the Company's potential and actual impacts

Expert working groups

Schumacher Packaging Plant Wroclaw has the following expert centers:

E1 – Head of the Management Board, Head of Sustainability and CSR Group, Management Board Representative for Quality Systems. External expert – Energy Efficiency Coordinator of Schumacher Packaging Plant Grudziadz.

E2 – Technical Manager, Head of Sustainability and CSR Group, Management Board Representative for Quality Systems, Investment Director

E3 – Technical Manager, Investment Director, Head of Sustainability and CSR Group, Management Board Representative for Quality Systems

E4 – Head of the Management Board, Procurement Manager, Head of Sustainability and CSR Group, Management Board Representative for Quality Systems

E5 – Head of the Management Board, Head of Sustainability and CSR Group, R&D Manager, Packaging Production Manager, Cardboard Production Manager

S1 – HR Manager, Head of the Management Board, Head of Sustainability and CSR Group

S2 – Procurement Manager, Head of Sustainability and CSR Group, R&D Manager

S3 – Head of Sustainability and CSR Group, Marketing Manager, Management Board Assistant, Head of the Management Board

S4 – Head of Sustainability and CSR Group, Client Service Manager, Member of the Management Board - Sales Director, Marketing Manger

G1 – Head of the Management Board, Member of the Management Board - Finance Director, Member of the Management Board - Sales Director, Head of Sustainability and CSR Group

Main sustainability matter groups divided by point of application (The Company / Value chain / Product)

We are mostly concentrated on:

- Our company in sustainability matters concerning:

- E1
- E2
- E3
- E4
- E5
- S1
- S3
- S4
- G1

- Value chain in sustainability matters concerning:

- E1
- S2
- S3
- S4

- Product in sustainability matters concerning:

- S4

Description of how process focuses on specific activities, business relationships, geographies or other factors that give rise to heightened risk of adverse impacts

Geographic accents

Our due diligence process includes the investigation of our own activities and activities of our direct suppliers. Some elements also concern other stakeholders, such as clients, NGO, local communities, governmental authorities.

Our supplies are located mostly in the EU and partly in the EFTA (European Free Trade Association (EFTA) consists of Iceland, Liechtenstein, Norway and Switzerland).

From the geographical point of view we are mostly concerned on the countries where most of our suppliers and clients (as well as the other stakeholders) are situated: Poland, Germany.

Main Due Diligence methods

Due Diligence we use to our suppliers includes:

- audits,
- supplier self-assessment,
- system of due diligence analysis Integrity Next,

- due diligence analysis on a base of aggregated supplier performance indicator and international country-based ratings,
- questionnaires concerning materiality.

Own due diligence includes:

- audits,
- personnel trainings with own employees and using the external trainers,
- yearly analysis, including management review and annual Policies' analysis,
- questionnaires concerning materiality directed to our employees.

Activities in focus

Specific activities that we are focusing on, are:

- Activities related to local communities,
- own employees activities, including temporary employees,
- Engagement in climate neutrality,
- Biodiversity-related activity.

We assume that these focus areas are the most appropriate in a case of our enterprise due to specifics of our firm and our business environment, which involves the above-mentioned aspects at most.

Description of how process considers impacts with which undertaking is involved through own operations or as result of business relationships

Assessment of Internal Operations:

We as Schumacher Packaging Sp. z o.o. assess our internal operations by conducting a thorough assessment of our business processes. It is important to underline that the internal process assessment is executed along with the audit of inter-process connections and external links.

This involves analyzing our processes connected to development and manufacturing, resource usage, waste management practices, and emissions to understand their environmental, social, and economic impacts. By identifying areas for improvement, we strive to minimize our ecological footprint and enhance our sustainability performance.

Stakeholder Engagement:

Recognizing the importance of stakeholders, we (as we have underlined above) actively engage with both internal and external parties. This includes employees, customers, suppliers, local communities, and regulatory bodies. By understanding their perspectives and concerns, we can better address their needs and expectations in our sustainability efforts.

Materiality Analysis:

We conduct a materiality analysis to identify the most significant sustainability issues relevant to our business. These include topics such as resource efficiency, waste reduction, employee welfare, and supply chain transparency. By prioritizing these issues, we can focus our efforts on areas where we can make the most significant positive impact.

Supply Chain Transparency:

Our commitment to sustainability extends beyond our operations to include our supply chain. We work closely with our 1st-tier suppliers to assess their environmental and social performance, including labor practices, ethical sourcing, and environmental management. Through collaboration and transparency, we aim to promote responsible business practices throughout our supply chain.

Transparent Reporting:

Transparency is a core value at Schumacher Packaging Sp. z o.o. We adhere to the reporting requirements outlined in the CSRD and ESRS, providing stakeholders with comprehensive and standardized information on our sustainability performance. Through our transparent reporting practices, we aim to foster trust and accountability among our stakeholders.

Integration into Business Strategy:

Sustainability is integrated into our overall business strategy and decision-making processes. We set ambitious sustainability goals, establish key performance indicators (KPIs), and allocate resources to support our sustainability initiatives. By embedding sustainability into our corporate culture, we strive to create long-term value for our stakeholders and the environment.

Description of how process includes consultation with affected stakeholders to understand how they may be impacted and with external experts

The main engagement method is the communication with the stakeholders which answers the questionnaires' dedicated to each stakeholder group.

We also use different type of engagement, including:

- Regular consultations with NGOs during realization of the different projects including affected communities projects.
- Public Meetings and Forums: For larger projects or initiatives that have a significant impact on local communities, we hold public meetings and forums. These events are open to all community members and provide an opportunity for direct interaction with our management team. They help us build trust and transparency with the communities we operate in. (example – a common event with the client Allegro).
- Surveys and Polls other than mentioned at the beginning of this sub-section: In addition to questionnaires, we conduct surveys and polls to gauge stakeholder opinions on various aspects of our operations and sustainability practices. These tools help us quantify stakeholder feedback and identify trends and common concerns. (the most frequent are the our own workforce polls and surveys).
- One-on-One Meetings: We hold individual meetings with key stakeholders, such as local government officials, community leaders, and major customers and suppliers. These personalized interactions allow for more detailed and confidential discussions about specific ESG-related issues and potential impacts.
- Partnerships with Academic and Research Institutions: To ensure that our impact assessments are based on robust and credible data, we collaborate with academic and research institutions. These partnerships allow us to access expert knowledge and leverage the latest research in environmental and social impact analysis. (such cooperation is common within the big ESG- and client- oriented projects).

By integrating these engagement methods into our process, we ensure that our decision-making is informed by a diverse range of stakeholder perspectives. This comprehensive approach helps us understand how different groups may be impacted by our operations and enables us to develop strategies that address their concerns and promote positive outcomes.

Furthermore, we seek the advice of external experts, including sustainability consultants, industry analysts, and technical specialists, to validate our assessments and enhance our understanding of complex issues. Their expertise provides valuable insights that help us refine our strategies and ensure that our risk and opportunity management processes are aligned with best practices and emerging trends.

Overview of the process used to identify, assess, prioritize and monitor risks and opportunities that have or may have financial effects

At Schumacher Packaging Sp. z o.o., we recognize the importance of effectively managing financial risks and seizing opportunities to enhance our operational and financial performance. Our process for identifying, assessing, prioritizing, and monitoring financial risks and opportunities is structured and comprehensive, ensuring that we can navigate uncertainties and capitalize on strategic opportunities.

The coordination of this process is executed by the head of Sustainability and CSR Group and the Management Board representative for Quality System. They form the Working groups depending on the concrete processes' conditions.

Identification of Risks and Opportunities:

Internal Analysis: We conduct a thorough internal analysis of our operations, financial statements, and market position to identify potential risks and opportunities. The identification process includes assessing factors such as liquidity, profitability, market trends, and regulatory changes in their interconnection with our operations and supply chain issues which are being constantly influenced by the ESG factors.

External Analysis: We also monitor external factors that may impact our financial performance, such as economic conditions, industry trends, competitor actions, and geopolitical developments. By staying informed about external factors, we can anticipate potential risks and opportunities that may arise.

Assessment of Risks and Opportunities:

We use such methods as financial modeling and scenario analysis, to assess the potential impact of identified risks and opportunities on our financial performance. Right now we do not use them as quantitative method, focusing on the qualitative nature of the scenario. This still allows us to understand the relative degree of potential losses or gains and prioritize our response accordingly. The scenario analysis leads us to the quantitative analysis and prioritization of risks and opportunities, with the quantification ranges are on a basis of ESRS recommendations shown below.

Prioritization of Risks and Opportunities:

Materiality Assessment: We prioritize risks and opportunities based on their materiality to our financial performance. This involves considering factors such as the likelihood of occurrence, potential financial impact, and strategic importance. Risks and opportunities that are deemed material are given higher priority in our risk management efforts.

Potential magnitude of financial impact:

- High - 5
- Medium-high - 4
- Medium - 3
- Medium-low - 2
- Low - 1

Probability of occurrence:

- Virtually certain - 8
- Very likely - 7
- Likely - 6
- More likely than not - 5
- About as likely as not - 4
- Unlikely - 3
- Very unlikely - 2
- Exceptionally unlikely - 1

Strategic Alignment: We also prioritize risks and opportunities based on their alignment with our strategic objectives and business priorities. Risks and opportunities that support our long-term growth strategy or address key business challenges are given greater attention and resources.

Monitoring and Response:

Regular Monitoring: We continuously monitor identified risks and opportunities through ongoing performance tracking, trend analysis, and key performance indicators (KPIs). This allows us to promptly detect changes in risk profiles or market conditions and adjust our strategies accordingly.

Responsive Action: In response to identified risks, we develop mitigation strategies and contingency plans to minimize potential negative impacts on our financial performance. Similarly, we capitalize on identified opportunities by allocating resources, adjusting business strategies, or pursuing strategic initiatives that enhance our financial position.

Description of the decision-making process and the related internal control procedures

At Schumacher Packaging Sp. z o.o., we have established a decision-making process and internal control procedures to effectively manage risks, opportunities, and impacts, with a particular focus on sustainability and corporate social

responsibility (CSR). Our approach ensures that these elements are thoroughly analyzed and integrated into our strategic and operational decisions, maintaining alignment with our commitment to the EU CSRD and ESRS guidelines.

Decision-Making Process:

Identification and Initial Assessment:

The Head of Sustainability and CSR Group along with the Quality System department leads the initial identification and assessment of risks, opportunities, and impacts related to ESG issues. This involves gathering data from various departments, engaging with stakeholders, and conducting preliminary analyses.

The findings are then compiled into comprehensive reports that outline potential risks and opportunities, along with their expected impacts on the company's operations and financial performance.

Evaluation and Prioritization:

The Head of Sustainability and CSR Group presents the compiled reports to the management board for further evaluation.

During management board meetings, the identified risks and opportunities are discussed in detail. The board evaluates these factors based on their materiality, strategic relevance, and alignment with the company's long-term objectives.

Prioritization is conducted by considering both quantitative and qualitative assessments, ensuring that the most critical risks and opportunities are addressed first.

Strategic Decision-Making:

The management board collaborates with the Head of Sustainability and CSR Group to develop strategic responses to the prioritized risks and opportunities. This includes formulating mitigation strategies for risks and action plans to capitalize on opportunities.

Decisions are made with a consensus-driven approach, ensuring that all perspectives are considered and that the chosen strategies are well-rounded and effective.

Internal Control Procedures:

Documentation and Reporting:

All identified risks, opportunities, and impacts, along with the corresponding decisions and action plans, are documented meticulously.

The Head of Sustainability and CSR Group is responsible for maintaining up-to-date records and ensuring that all relevant information is accessible to the management board and other key stakeholders.

Monitoring and Review:

A continuous monitoring system is in place to track the progress and effectiveness of the implemented strategies. Key performance indicators (KPIs) and regular audits are utilized to ensure that the company remains on track to achieve its sustainability goals.

The management board receives periodic updates from the Head of Sustainability and CSR Group, enabling them to review the outcomes and make necessary adjustments.

Internal Audits and Compliance:

Internal audits are conducted regularly to assess the adherence to the established processes and the effectiveness of the internal controls. This helps in identifying any gaps or areas for improvement.

Compliance with the CSRD and ESRS guidelines is strictly monitored, ensuring that the company's sustainability reporting and practices meet the required standards.

Feedback and Continuous Improvement:

Feedback from various stakeholders, including employees, customers, suppliers, and the local community, is actively sought and incorporated into the decision-making process.

The company is committed to continuous improvement, regularly updating its risk management and opportunity identification processes based on new insights, regulatory changes, and evolving best practices.

Extent to which and how the process to identify, assess and manage impacts and risks is integrated into the Company's overall risk management process and used to evaluate the undertaking's overall risk profile and risk management processes

At Schumacher Packaging Sp. z o.o., the process for identifying, assessing, and managing impacts and risks, particularly those related to sustainability and ESG issues, is seamlessly integrated into our overall risk management

framework. This comprehensive integration ensures a holistic approach to risk management, enhancing our ability to evaluate and address the company's overall risk profile.

Integration into the Overall Risk Management Process:

Unified Risk Management Framework:

Our risk management framework encompasses both traditional financial and operational risks as well as sustainability and ESG-related risks. This unified approach ensures that all potential risks are considered in a cohesive manner.

The Head of Sustainability and CSR Group collaborates closely with the risk management teams which he is entitled to form, to align ESG risk assessments with the broader risk management processes.

Cross-Functional Risk Identification:

Risk identification involves cross-functional teams that include representatives from sustainability, finance, operations, and other relevant departments. This collaborative approach ensures that a wide range of perspectives is considered when identifying risks and impacts.

Regular risk workshops and meetings are held to facilitate the sharing of information and insights across departments, promoting a comprehensive understanding of the risk landscape.

Integrated Risk Assessment and Prioritization:

Risks and impacts are assessed using a standardized methodology that includes both quantitative and qualitative evaluations. This methodology is applied consistently across all types of risks, ensuring comparability and coherence.

The management board and the Head of Sustainability and CSR Group jointly prioritize risks based on their potential impact on the company's operations, financial performance, and strategic objectives. This integrated prioritization ensures that ESG risks are given appropriate attention alongside other risks.

Evaluation of the Overall Risk Profile and Risk Management Processes:

Holistic Risk Profile Evaluation:

The overall risk profile of Schumacher Packaging Sp. z o.o. is evaluated by considering all identified risks and their interdependencies. This includes an analysis of how ESG risks might amplify or mitigate other risks within the company.

The management board receives comprehensive risk reports that detail both ESG and traditional risks, providing a clear view of the company's risk exposure.

Strategic Decision-Making and Resource Allocation:

The integrated risk assessment informs strategic decision-making at the highest level (as it was shown above in this report). The management board uses the consolidated risk profile to make informed decisions about resource allocation, strategic initiatives, and risk mitigation strategies.

Resources are allocated based on the prioritized risks, ensuring that the most significant risks, including those related to sustainability, are addressed effectively.

Continuous Monitoring and Improvement:

Continuous monitoring mechanisms are in place to track the effectiveness of risk management strategies. Key performance indicators (KPIs) related to risk management are reviewed regularly, and adjustments are made as needed.

Feedback loops from monitoring activities and stakeholder inputs are used to refine the risk management processes, enhancing their effectiveness and responsiveness to emerging risks.

Compliance and Reporting:

Compliance with the CSRD and ESRS guidelines is a key component of our risk management process. Regular audits and reviews are conducted to ensure that our risk management practices meet regulatory standards.

Transparent reporting of our risk management activities and their outcomes is provided to stakeholders, fostering trust and accountability.

By fully integrating the process of identifying, assessing, and managing impacts and risks into our overall risk management framework, Schumacher Packaging Sp. z o.o. ensures a comprehensive and proactive approach to risk management. This integration not only enhances our ability to address immediate risks but also strengthens our resilience and strategic positioning for long-term success.

Extent to which and how the process to identify, assess and manage opportunities is integrated into the undertaking's overall management process where applicable

At Schumacher Packaging Sp. z o.o., the identification, assessment, and management of opportunities are integral to our overall management process. This ensures that potential opportunities are systematically recognized and leveraged to support the company's strategic objectives and sustainable growth.

Integration into the Overall Management Process:

Strategic Planning and Alignment:

Opportunity identification is embedded within our strategic planning cycle. This ensures that potential opportunities are considered when setting the company's long-term goals and objectives.

The Head of Sustainability and CSR Group works closely with the management board and other key departments to align identified opportunities with the company's strategic priorities, ensuring that sustainability opportunities are integrated into the broader business strategy.

Cross-Functional Collaboration:

Opportunity management involves collaboration across various functions, including R&D, marketing, finance, and operations. This cross-functional approach allows for a diverse range of perspectives and expertise to be applied in identifying and evaluating opportunities.

Regular cross-departmental meetings and brainstorming sessions are conducted to generate and discuss new ideas, ensuring a continuous flow of potential opportunities.

Opportunity Assessment and Prioritization:

Identified opportunities are systematically assessed using a standardized framework that considers factors such as potential financial benefits, alignment with strategic goals, feasibility, and sustainability impacts.

Opportunities are prioritized based on their potential to drive innovation, enhance operational efficiency, improve market positioning, and contribute to sustainability goals. This prioritization ensures that resources are allocated to the most promising initiatives.

Evaluation and Management of Opportunities:

Integration into Decision-Making Processes:

The evaluation of opportunities is integrated into the decision-making processes at various levels of the organization. The management board reviews prioritized opportunities as part of their regular strategic discussions and decision-making sessions.

Decisions regarding the pursuit of opportunities are made based on a thorough analysis of risks and benefits, ensuring that chosen initiatives align with the company's risk appetite and strategic direction.

Resource Allocation and Implementation:

Once opportunities are prioritized and approved, resources are allocated accordingly. This includes financial investments, human resources, and technological support necessary to implement the initiatives.

The Head of Sustainability and CSR Group ensures that sustainability opportunities are adequately supported and integrated into the operational plans of relevant departments.

Monitoring and Performance Measurement:

The implementation of opportunities is closely monitored using key performance indicators (KPIs) and regular progress reviews. This helps in tracking the success of the initiatives and making necessary adjustments to optimize outcomes.

Feedback mechanisms are in place to gather insights from the implementation process, allowing for continuous improvement and adaptation of strategies.

Continuous Improvement and Innovation:

The process for identifying and managing opportunities is continuously refined based on feedback, market trends, and emerging technologies. This fosters a culture of innovation and agility within the company.

The management board and the Head of Sustainability and CSR Group actively encourage a forward-thinking mindset, promoting the exploration of new opportunities that can drive sustainable growth and competitive advantage.

Input Parameters for Identifying, Assessing, and Managing Material Impacts, Risks, and Opportunities

At Schumacher Packaging Sp. z o.o., we utilize a comprehensive set of input parameters to effectively identify, assess, and manage material impacts, risks, and opportunities. These parameters ensure a robust and systematic approach, aligning with our strategic objectives and sustainability goals.

Identification of Material Impacts, Risks, and Opportunities:

Internal Data and Performance Metrics:

Operational Data: Information on production volumes, resource consumption (energy, water, raw materials), waste generation, and emissions. These metrics help identify environmental impacts and operational risks.

Financial Data: Revenue, costs, profitability, and other financial performance indicators. Financial data is crucial for identifying financial risks and opportunities.

Employee Data: Workforce demographics, turnover rates, employee satisfaction, and health and safety records. These metrics highlight social impacts and potential risks related to human capital.

External Data and Market Analysis:

Market Trends: Analysis of market dynamics, customer preferences, and industry trends. This helps identify opportunities for growth and innovation.

Regulatory Environment: Information on current and upcoming regulations, compliance requirements, and industry standards. Regulatory data is vital for identifying compliance risks and strategic opportunities.

Competitive Landscape: Insights into competitors' strategies, market positioning, and best practices. This helps identify competitive risks and opportunities for differentiation.

Stakeholder Inputs:

Customer Feedback: Surveys, reviews, and direct feedback from customers. This information helps identify customer-related risks and opportunities for improving products and services.

Supplier Data: Information from suppliers regarding their sustainability practices, performance, and risks. This helps manage supply chain risks and opportunities.

Community and NGO Inputs: Feedback from local communities, NGOs, and other external stakeholders. This helps identify social and environmental impacts and opportunities for community engagement.

Assessment of Material Impacts, Risks, and Opportunities:

Quantitative Analysis:

Impact Assessment Models: Tools and models to quantify environmental impacts, such as carbon footprint calculators and lifecycle assessments. These help in assessing the magnitude of environmental impacts.

Risk Scoring: Quantitative scoring systems to evaluate the likelihood and severity of identified risks. This helps prioritize risks based on their potential impact.

Qualitative Analysis:

Expert Judgement: Input from internal and external experts, including industry analysts, sustainability consultants, and risk management professionals. Expert opinions provide nuanced insights into complex risks and opportunities.

Scenario Planning: Developing and analyzing different future scenarios. This helps in understanding the potential long-term impacts of identified risks and opportunities.

Management of Material Impacts, Risks, and Opportunities:

Strategic Alignment:

Corporate Objectives: Alignment with Schumacher Packaging's strategic goals and sustainability objectives. Ensuring that the management of impacts, risks, and opportunities supports the overall corporate strategy.

Sustainability Targets: Specific targets related to environmental performance, social responsibility, and governance practices. Ensuring that management actions contribute to achieving these targets.

Resource Allocation:

Budgeting and Investment: Allocation of financial resources to mitigate risks and capitalize on opportunities. Prioritizing investments that offer the highest strategic and sustainability benefits.

Human Resources: Assigning skilled personnel and cross-functional teams to manage identified risks and opportunities. Ensuring that the necessary expertise and capabilities are available.

Monitoring and Reporting:

Key Performance Indicators (KPIs): Metrics to track the progress and effectiveness of risk management and opportunity exploitation. Regular monitoring ensures timely adjustments and continuous improvement.

Reporting Systems: Internal and external reporting mechanisms, including sustainability reports and risk management updates. Transparent reporting fosters accountability and stakeholder trust.

By utilizing these comprehensive input parameters, Schumacher Packaging Sp. z o.o. ensures a thorough and effective process for identifying, assessing, and managing material impacts, risks, and opportunities. This structured approach supports our commitment to sustainability, operational excellence, and long-term strategic success.

Whether and how the process has changed compared to the prior reporting period, when the process was modified for the last time and future revision dates of the materiality assessment

This is the first reporting against the demands of CSRD / ESRS. In the next reporting period there will be the complete analysis of the process' changes compared to the prior reporting period, the timeframe of the process modification. The future revision date of the materiality assessment are set to Q1 2025, but partly (at least in the area of climate change and the biodiversity and ecosystems) Schumacher Packaging Sp. z o.o. plans to revise the materiality assessment by the end of 2024.

DC-T. Tracking the effectiveness of policies and actions through goals

DC-T-1. General principles for tracking the effectiveness of policies and activities and the relationship with the assessment of impacts, risks and opportunities

Plant-Level Policies

The Plant policies are always documented in the same format which is used at the Plant. This format may change, in this case the Head of the management board has 2 options: either to change the policy straight away, or to wait for the time of annual review – first quarter of each year.

The Policy form provides that all the Wrocław Plant Policies explicitly include the objectives. In the hierarchy of objectives, the mentioned objectives contained in the Policies are at the second level after the objectives contained in the Strategy.

The goals included in the Policies are measurable (either in numerical format: integer, percentage, floating point, etc., or in Yes/No format).

The objectives that are the part of the Policies have been developed to counteract risks and negative impacts and to promote the realization of opportunities and positive impacts.

However, only part of the objectives relating to risks, opportunities and impacts are included in the Policies: the rest are within the risk, impact and opportunity analysis (see GOV-1). The policy contains only principal measurable goals which are the most important for the company from the point of view of impacts, risks, opportunities and dependencies.

The review of the policy is made upon the review of the impacts, risks and opportunities, with the results of these analysis taken into account in the Policy, with the main influence on objectives of the concrete ESG Policy.

The policies' review process is executed as a part of the annual management review, which also includes, for instance:

- risk and opportunities analysis (including this year also impact analysis);
- process goals' review;
- project goals' review.

Group-Level Policies and their interaction with the Plant-Level Policies

The Schumacher Packaging Group-level Policies is the new layer of the policies within the Group. From the time that the new Group-level policies have arose, the Plant-Level Policies will be gradually enriched with the Approach part and will be subdued to the group-level policies in all the other aspects.

In this moment, if:

- there is no policy concerning some sustainability area at a plant level, then appropriate group-level policy is fully applicable to such plant if opposite is not stated in the Policy;
- there is no plant-level objective concerning some goal that was established on a group-level, we consider the group-level goal applicable also at a plant level.

Since the Group-level policies were adopted only starting from November, 2023, the first review of that Policies will be executed in 2025 (the first quarter). This review will involve tracking the effectiveness of policies and the related activities (through assessment of the level of objectives' completion)

The objectives that are the part of the Policies have been developed to counteract risks and negative impacts and to promote the realization of opportunities and positive impacts.

However, only part of the objectives relating to risks, opportunities and impacts are included in the Policies: the rest are within the risk, impact and opportunity analysis (see **GOV-1**). The policy contains only principal measurable goals which are the most important for the company from the point of view of impacts, risks, opportunities and dependencies.

The review of the policy is made upon the review of the impacts, risks and opportunities, with the results of these analysis taken into account in the Policy, with the main influence on objectives of the concrete ESG Policy.

DC-T-2. Monitoring, reviewing and updating goals

Tracking the effectiveness of the ESG Policies (Policy Review)

The process of monitoring and updating ESG-related objectives that were set for the year 2023 was executed in the first quarter of 2024, and has lead us to the following results, that will be shown below.

Environmental Policy

Environmental policy covers the scope of the ESRS Standards concerning environment, namely E1, E2, E3, E4, E5. It also covers the scope of ISO 14001 Standard and FSC Chain of Custody (CoC) Standard [Schumacher Packaging Sp. z o.o. is certified against these standards].

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals 2024
1. Management system	In order to improve the environmental effects of our operations, we apply, review and constantly improve the environmental management system, we comply with ISO 14001	CSR	Reworking of system documents taking into account ESRS standards (E series) and the CSRD directive	The documentation has been adapted to the new requirements.	Continuous improvement of quality and environmental systems based on the changing requirements of ESRS standards.
2. Compliance with legal requirements	We comply with all legal requirements and regularly assess changes in requirements and the level of compliance by the Company	Quality Systems	PLN 0 fines in 2023	Zero fines	PLN 0 fines in 2024
3. Awareness	Regular environmental training	Quality System	1) Mandatory initial environmental training for all new employees. 2) At least 1 periodic training for all employees	1) Initial training on environmental topics was conducted for all new employees. 2) In the environmental scope - 1 periodic training for all employees	1) Mandatory initial environmental training for all new employees. 2) At least 1 periodic training for all employees
4. Electricity consumption	Reducing electricity consumption	Technical department, Packaging Production, Corrugated Board Production	Maintaining electricity consumption at the level of 2022 per 1,000 m ² of cardboard produced	The goal was not achieved. The average result for 2023 consumption was 49.18 MWh/1000 m ² of cardboard produced.	Reduction of electricity consumption to the level of 47 MWh/million m ² of cardboard
5. Gas consumption	Reducing gas consumption per 1,000 m ² of cardboard produced	Technical department	Maintaining gas consumption at the level of 2023 per 1,000 m ² of cardboard produced	The goal was not achieved due to the introduction of an additional power source. Dictated by temporary problems and the uncertain situation on the fuel markets after the outbreak of the war in Ukraine.	Monitoring gas consumption in 2024 and planning activities related to consumption reduction.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals 2024
6. Greenhouse gas emissions	Reducing greenhouse gas emissions	Technical department	<p>1. Establishing a set of climate neutrality goals consistent with the assumptions of the Paris Agreement by the end of 2023</p> <p>2. Development of a design for a photovoltaic installation on the plant's roof</p>	<p>1. The target has not been achieved, a reduction target will be set for 2024, based on data from activities in 2023.</p> <p>2. The project was developed, the investment was suspended.</p>	Setting a reduction target and a plan of actions to achieve it.
7. Biodiversity	Creating green areas at the Plant	Procurement	<p>1) Consultations with experts regarding the further development of flower meadows.</p> <p>2) Maintaining the size of flower meadow areas.</p> <p>3) Entomological inventory of flower meadows.</p>	<p>1) A report on the condition of flower meadows has been prepared: "Report on the condition of flower meadows at the Schumacher Packaging plant in Křepice"</p> <p>2) The size of the meadows has been maintained and plants have been planted</p> <p>3) An inventory has been carried out</p>	Maintaining the size of flower meadow areas.
8. Pollution	No quarterly exceedances of permissible levels of domestic sewage parameters.	Technical department, Packaging Production, Corrugated Board Production, Logistics	0 cases of water pollution in 2023	0 cases of water pollution in 2023	0 cases of water pollution in 2024
9. Substance management	We store, use and dispose of substances in accordance with the legal requirements and procedures of the Plant	Technical department, Packaging Production, Corrugated Board Production, Logistics	0 cases of exceeding the requirements for storage, use and disposal of substances	<p>The goal has been achieved.</p> <p>0 cases of exceeding the requirements for storage, use and disposal of substances</p>	0 cases of exceeding the requirements for storage, use and disposal of substances
10. Waste management	We maintain a waste management system	All departments	0 complaints from waste recipients about poor sorting.	Zero complaints from waste recipients about poor sorting.	0 complaints from waste recipients about poor sorting.
11. Life cycle and disposal of products	We care about the ecological nature of packaging	R&D	<p>1. Implementation of a new cardboard insert for the RTV industry in 2023, without the use of Styrofoam</p> <p>2. Maintaining the waste paper waste rate below 12%</p>	<p>Several variants of cardboard inserts have been developed and tests are carried out in accredited institutions.</p> <p>Implementation – in 2023.</p>	Maintaining the waste paper waste rate below 12%.
12. Customer safety towards the environment	Regularly test product samples for the content and migration of heavy metals, collect declarations of compliance from suppliers, taking into account environmental issues	Quality Control, Procurement, Quality System	<p>1) Test samples for the content and migration of heavy metals in 2023.</p> <p>2) Change of scope in 2023</p>	<p>1) Samples for the content and migration of heavy metals were tested by an accredited laboratory in spring 2023</p> <p>2) Environmental declarations were collected from all suppliers in 2023, taking into account the REACH declaration</p>	1) Test samples for the content and migration of heavy metals in 2024.
12. Environmental awareness of stakeholders	Regularly share the sustainability report with interested parties	CSR	Publish the plant's sustainability report (taking into account ESRS environmental requirements) for 2022 on the company website	Inability to achieve the goal. Postponed to 2024.	Postponed to 2024 due to the publication of the so-called ESRS Datapoints by EFRAG

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals 2024
13. Promotion of pro-ecological solutions for customers	Promotion of pro-ecological packaging and ESG solutions	Marketing, R&D, Sales, Quality System	Conducting educational projects together with Allegro for pro-ecological education	The goal has been achieved A number of webinars on sustainable development were conducted. A video was recorded about sustainable packaging.	Conducting educational training for pro-ecological education

Sustainable Procurement Policy

Sustainable procurement policy partly takes into consideration the scope of each of the ESRS Standards in a part concerning the supply chain. The main point of application of the Policy is Standard ESRS S2, which is focused on the suppliers' employees' rights.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the achievement of goals	Goals for 2024
Strategy	We prefer long-term cooperation with certified suppliers who share our quality philosophy, operate in accordance with legal regulations, provide safe and decent working conditions and care for the natural environment.	Procurement	Allowing only suppliers with an AD (not E) ranking according to due diligence criteria to cooperate with the plant	The goal has been achieved Collaboration was only maintained with Due's AD supplier categories Diligence	1. Allowing only suppliers with an A...D ranking (not E) to cooperate with the plant according to due diligence criteria. 2. Include due diligence requirements in the company's strategy
Environmental Protection	Inspection of suppliers in terms of having an environmental management system compliant with the ISO 14001 or FSC standard and compliance with all applicable laws, regulations and international standards relating to the protection and preservation of the environment	Procurement, Quality System	At least 95% of current paper suppliers have an implemented and certified ISO 14001 system and 100% of FSC-certified paper suppliers. Audit including environmental issues for a minimum of 4 suppliers in 2023.	The goal has been achieved. 1) 100% of paper suppliers certified according to FSC2) 92.9% of paper suppliers certified according to ISO 140013) Audits including an environmental part were carried out at four suppliers	At least 98% of current paper suppliers have an implemented and certified ISO 14001 system and 100% of FSC-certified paper suppliers. Audit including environmental issues for a minimum of 4 suppliers in 2024.
Social Responsibility	Committing suppliers to comply with all applicable laws and regulations relating to human rights and labor standards.	Procurement, Quality System	80% of current suppliers commit to the objectives contained in the CoC or an identical internal supplier document.	The goal was not achieved in part of the code of conduct. 1) 64% of suppliers have signed the supplier code of conduct	80% of current suppliers commit to the objectives contained in the CoC or an identical internal supplier document.
Suppliers evaluation	Periodic verification of suppliers based on the results of the annual supplier assessment extended with indicators regarding environmental and social issues.	Procurement	At least 81% of suppliers should qualify at the highest rating of A or B.	The goal has been achieved. 81% of suppliers have an A or B rating.	At least 81% of suppliers should qualify at the highest rating of A or B.
Risk assessment	Continuous verification of threats by segmenting categories and suppliers according to the level of risk in the areas of social, environmental and security of supply.	Procurement	Update of due diligence risk assessment	The goal has been achieved. A due diligence risk assessment scheme has been developed.	Update of due diligence risk assessment
Good practices	commitment to values that guarantee a high level of trust and fully partnership-based business relations based on the basic principles of transparency, fair competition and data security.	Procurement	At the end of 2023, evaluate 95% of suppliers	The goal has been achieved. 92% of suppliers were assessed	At the end of 2024, to evaluate 95% of suppliers
Internal training	Providing Procurement employees and other Schumacher Packaging employees with access to knowledge and active training in the field of sustainable purchasing goals	Procurement	Training for those starting work and at least once a year for Procurement employees. Regular knowledge tests for Procurement employees.	The goal has been achieved. Training was conducted for purchasing department employees in the following areas: FSC, Anti-corruption activities	Training for those starting work and at least once a year for Procurement employees. Regular knowledge tests for Procurement employees.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the achievement of goals	Goals for 2024
External communication	Clear and transparent communication of goals and guidelines for achieving a sustainable purchasing policy both at the stage of sourcing and signing commercial contracts	Procurement	Updating and providing all suppliers with a presentation explaining the plant's policies and requirements of the Wrocław plant, including those regarding ESG	The goal has been achieved. The presentation was distributed to suppliers	The Policy will be provided to all the interesting parties through our internet-site directly and also will be described in our publicly available sustainability report

Labor and Human Rights Policy

Labor and human rights policy has been built on a basis of a Universal Human Rights Declarations and the EU Charter of Fundamental Rights. The policy is mostly focused on ESRs S1 Standard scope. The standard SA 8000 scope is also within the scope of this Policy.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals 2024
Compliance with standards	We comply with all requirements of the SA8000 and FSC CoC standards	Quality Systems	Effective result of audits of certification bodies in 2023 (SA8000 and FSC CoC)	The goal has been achieved Audits according to SA 8000 and ISO 14001 standards were carried out in 2023 with positive results.	Effective result of audits of certification bodies in 2024 (SA8000 and FSC CoC)
Compliance with legal and other requirements	We comply with all national and international laws and other requirements accepted by the Company	HR	0 cases of penalties and fines regarding compliance with regulations and other requirements	The goal has been achieved 0 cases of penalties and fines regarding compliance with regulations and other requirements	0 cases of penalties and fines regarding compliance with regulations and other requirements
children's work	We do not allow cases of child labor	Procurement, HR	0 cases of penalties and fines regarding compliance with regulations and other requirements	The goal has been achieved 0 cases of penalties and fines regarding compliance with regulations and other requirements	0 cases of penalties and fines regarding compliance with regulations and other requirements
Forced labor	We do not allow cases of forced or compulsory labor	HR, Procurement	0 cases of forced or compulsory labor at suppliers and in the plant	The goal has been achieved Self-assessment and audits did not identify any cases of forced or compulsory labor among suppliers Zero cases of forced or compulsory labor at the plant	0 cases of forced or compulsory labor at suppliers and in the plant
Human trafficking	We do not engage in human trafficking	HR, Procurement	0 cases of human trafficking in the plant and with suppliers	The goal has been achieved Self-assessment and audits did not identify any cases of human trafficking among suppliers Zero cases of human trafficking in the plant	0 cases of human trafficking in the plant and with suppliers
Non-discrimination	We do not discriminate against employees in any way	HR	0 cases of discrimination	The goal has been achieved Zero reported cases of discrimination	0 cases of discrimination
Ban on mobbing and harassment	We prevent cases harassment, mobbing ; we are ready to respond to such cases	HR	0 cases of harassment and mobbing	The goal has been achieved Zero reported cases of harassment and mobbing	0 cases of harassment and mobbing
Policy review	We regularly review the policy in order to constantly improve it, taking into account changes in law and in the Department's procedures	HR, Quality Systems	Policy review before March 1, 2023	The goal has been achieved	Policy review before March 1, 2024
Policy verification	We check whether the policy is effectively documented, implemented, maintained, communicated and made available to staff	HR, Quality System	Policy review at the 2023 Governance Review	The goal was achieved, the policy review was completed on time	Policy review at the 2024 Governance Review
Policy sharing	We make the policy publicly and effectively available upon request from stakeholders	HR	0 cases of complaints about failure to provide the policy at the request of interested parties	Goal achieved, 0 complaints	0 cases of complaints about failure to provide the policy at the request of interested parties

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals 2024
Social Dialogue	We maintain an effective communication channel between employees and the Plant Management Board, which allows for continuity of social dialogue	Personnel department	At least 3 meetings of the Management Board with employee representatives, with joint decisions being made	The goal has been achieved. There were at least 3 meetings of the Management Board with employee representatives, with joint decisions being made	At least 3 meetings of the Management Board with employee representatives, with joint decisions being made
Career management	We provide employees with opportunities for professional career development	HR	No less than 30 promotions in 2023	The goal was not achieved Number of promotions in 2023 – 27 people (15 people – Technical department, Packaging Production, Quality Control, Corrugated Board Production) (12 people from office departments)	No less than 20 promotions in 2024
Training	We provide employees with opportunities for professional development	HR	No less than 1,700 hours of external training in 2023	The goal has been achieved, 1,867 hours of external training in 2023	No less than 1,500 hours of external training in 2024
Working conditions	We provide employees with appropriate remuneration and a benefits system, based on employee opinion surveys	HR	Employee salaries will increase by an average of 16% in 2023	The goal has been achieved . Employee salaries will increase by an average of 16% in 2023	Employee salaries will increase by an average of 5% in 2024
Rights of external stakeholders	Respecting human rights towards external stakeholders	All departments	0 cases of human rights violations by the Department regarding external stakeholders	The goal has been achieved	0 cases of human rights violations by the Department regarding external stakeholders
Diversity and equal opportunities	Dignity in interpersonal relationships and refraining from discriminatory behavior	HR, Packaging Production	Hire 1 additional foreigner at Schumacher Packaging	The goal was achieved, at least 1 foreigner to Schumacher Packaging	Maintain the level of employment of foreigners at Schumacher Packaging
Remuneration	Maintaining the average salary at a level higher than the national minimum wage	HR, Head of the Board	The average salary is higher than the national minimum	The goal has been achieved. The average salary is higher than the national minimum	Maintaining the average salary at a level higher than the national minimum wage

Business ethics and anti-corruption policy

Business ethics and anti-corruption policy is mostly focused on G1 ESRS Standard, but partly touches also questions of the supply chain. It also answers to some issues of the Standard SA 8000.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Corruption	The company does not tolerate and prevents corruption and bribes	Sales, Procurement	1) 0 documented cases of corruption and bribes in the plant; 2) 0 documented cases of corruption and bribery with suppliers	The goal has been achieved. 1) Zero documented cases of corruption and bribery in the plant; 2) Zero documented cases of corruption and bribery with suppliers	1) 0 documented cases of corruption and bribes in the plant; 2) 0 documented cases of corruption and bribery with suppliers
Conflict of interest	The company does not tolerate and prevents conflicts of interest	Sales, Procurement, Client Service	0 documented cases of conflict of interest	The goal has been achieved. Zero documented cases of conflict of interest	0 documented cases of conflict of interest
Antitrust law	The plant does not tolerate and prevents violations of antitrust law	Sales	0 documented cases of violations of antitrust law	The goal has been achieved. Zero documented cases of violations of antitrust law	0 documented cases of violations of antitrust law
Fraud	The company does not tolerate and prevent fraud	Sales, Procurement	0 documented cases of fraud	The goal has been achieved. Zero documented cases of fraud	0 documented cases of fraud

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Money laundering	The company does not tolerate and prevent money laundering	Sales, Procurement	0 documented cases of money laundering	The goal has been achieved. Zero documented cases of money laundering	0 documented cases of money laundering
Information Safety	The company does not tolerate and prevents information leaks and other violations of information security. We protect the personal data of plant employees and third parties	IT, HR	0 documented cases of violations of GDPR provisions	The goal has been achieved. Zero documented cases of violations of GDPR provisions (GDPR)	0 documented cases of violations of GDPR provisions
Copyright	We respect the copyrights of third parties	All departments	0 documented cases of copyright infringement	The goal has been achieved. Zero documented cases of copyright infringement	0 documented cases of copyright infringement
Business ethics	Compliance with all business ethics obligations	Quality Systems	Training for all sales and purchasing department staff regarding the entire scope of this policy	The goal has been achieved. Training for all sales and purchasing department staff regarding the entire scope of this policy	Training for all sales and purchasing department staff regarding the entire scope of this policy
Agreements restricting competition	The Company does not tolerate and prevents the creation of agreements restricting competition	Sales	0 documented cases of violations in the form of agreements restricting competition	The goal has been achieved. Zero documented cases of violations in the form of agreements restricting competition	0 documented cases of violations in the form of agreements restricting competition
Abuse of a dominant position	The company does not tolerate and prevents abuse of a dominant position	Sales	0 documented cases of abuse of a dominant position	The goal has been achieved. Zero documented cases of abuse of a dominant position	0 documented cases of abuse of a dominant position
Anti-competitive economic concentration	The plant does not tolerate and prevents anti-competitive economic concentration	Sales	0 documented cases of anti-competitive economic concentration	The goal has been achieved. Zero documented cases of anti-competitive economic concentration	0 documented cases of anti-competitive economic concentration
Collective interests of consumers	The company does not tolerate and prevents practices that violate the collective interests of consumers	Sales	0 documented cases of violations in the form of practices violating the collective interests of consumers	The goal has been achieved. Zero documented cases of anti-competitive economic concentration	0 documented cases of violations in the form of practices violating the collective interests of consumers

Occupational Health and Safety and Fire Protection Policy

OH&S Policy is solely dedicated to health and safety part of the S1 Standard. It also answers to some issues of the Standard SA 8000.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Health and Hygiene	Ensuring hygienic social conditions	Technical department	Improving the conditions and comfort in social rooms	Completed	Review/update of Referrals for medical examinations
Health and Safety at Work	Continuation of the "0 accidents" road	Departments managers / OH&S	Reduction in the number of accidents compared to previous years (<6).	The goal was not achieved - number of accidents: 7	Reduction in the number of accidents compared to previous years (no more than 6).
Health and Safety at Work	Implementation of the Noise Reduction Plan	Management Board / OH&S	Performing noise analysis. Establishing a noise reduction plan.	Several offers were collected. A contractor has been selected. Spending suspended.	Increasing awareness of the harmful effects of noise. In 2025 – application for a grant from the Polish public social security institution for this purpose
Compliance with legal requirements	We comply with all legal requirements and regularly assess changes in requirements and the level of compliance by the Company	Health and safety	Update of the Fire Safety Instructions and the Threat Assessment and Explosion Protection	Completed.	Development of Occupational Health and Safety Procedures - Particularly dangerous work

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Machine Safety	The use of machines and devices that meet the requirements of safety standards	Technical department / Packaging production / Corrugated board production / Logistics	Meeting legal requirements when purchasing and transferring machinery and equipment. Formal acceptance of machines and devices.	There was no purchase/transfer of machinery and equipment in 2023.	Machine audit – identification of areas to increase safety.
Fire Protection	Increasing employee awareness	Health and safety	Visualization in production halls: preventing obstruction of access to fire protection equipment (red envelopes) and introducing horizontal markings for evacuation directions.	Completed	Providing fire-fighting equipment on the roof (where possible)

Product safety and Hygiene Policy

The main focus of the Policy is the standard S4 of the ESRS Standard set.

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Compliance with requirements	We produce safe products that comply with legal requirements and whose quality meets customer requirements and expectations. We are responsible to our clients for fulfilling the above-mentioned obligation	Quality Systems / Director Operations / Logistics / Quality Control	No more than 1 case of substantiated customer reports regarding product safety	0 cases of customer reports regarding product safety	No more than 1 case of substantiated customer reports regarding product safety
Supervising changes	We are committed to monitoring changes in legal and customer requirements to ensure continued compliance of manufactured products	Quality Systems / Client Service	Update product safety requirements - March 2024	The goal has been achieved. The safety requirements for products have been updated	Update product safety requirements in 2024
Employee responsibility and awareness	The plant ensures that each employee is responsible for applying hygiene rules at his or her own workplace and is aware of their impact on the level of customer satisfaction.	Quality Systems / Director Operations / Logistics / HR	Conducting training for each employee on product safety by March 2023.	Periodic training was conducted in February 2023	Conducting training for new employees on product safety in 2024.
Risk analysis	The plant conducts regular analysis and assessment of product safety risks and takes appropriate actions	Quality Systems / Director Operations / Logistics / Quality Control	Rework the risk assessment, adapting it to the ESRS standards system (impacts, risks, opportunities)	The goal has been achieved: product safety risk assessment is now part of the overall risk assessment	Review the risk assessment, adapting it to the ESRS standards system (impacts, risks, opportunities)
Proceedings towards guests and subcontractors	Facilities for guests and contractors enable compliance with this policy	DOper / DZ /BHP	Continuously familiarize guests and subcontractors with the safety and hygiene rules of products of the company entrusted with the protection of the plant	The goal has been achieved	Continuously familiarize guests and subcontractors with the safety and hygiene rules of products of the company entrusted with the protection of the plant

Policy on sharp objects, glass, plastics, wood

The main focus of the Policy is the standard S4 of the ESRS Standard set. The health and life of consumers and end-users is the important point of interest for our enterprise, and the objects named in the name of the policy are the direct danger area for these stakeholders.

SCOPE	COMMITMENT	Department	Goals 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Compliance with requirements	We strive to eliminate the causes of contamination of products with sharp objects, glass, brittle materials and wood, through prevention and taking corrective actions	Quality Systems / Director Operations / Logistics / Quality Control	No more than 1 case of substantiated customer reports regarding sharp objects, glass, fragile materials and wood	The goal has been achieved. Zero cases of substantiated customer reports regarding sharp objects, glass, fragile materials and wood	No more than 1 case of substantiated customer reports regarding sharp objects, glass, fragile materials and wood

SCOPE	COMMITMENT	Department	Goals 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Employee responsibility and awareness	The plant ensures that each employee is aware of the rules regarding the use of sharp objects, glass, fragile materials and wood, and is obliged to follow them. Each employee is aware of the impact of the items mentioned on the safety of products	Quality Systems / Director Operations / Logistics / HR	Conducting training for each employee regarding sharp objects, glass, fragile materials and wood in 2023.	The goal has been achieved. Training was conducted with each employee regarding sharp objects, glass, fragile materials and wood in 2023.	Conducting training for each newly employed employee regarding sharp objects, glass, fragile materials and wood in 2024.
Record	The plant keeps records of sharp objects, glass, fragile materials and wood	Quality Systems / Director Operations / Logistics	Conducting a complete register of sharp objects, glass, fragile materials and wood in 2023.	The target has been postponed to 2024	Conducting a complete register of sharp objects, glass, fragile materials and wood in 2024.
No entry allowed	The plant has established a ban on introducing sharp objects, non-production glass, including porcelain and earthenware, and fragile plastics into the production & storage area	Procurement / Director Operations	0 cases of introducing prohibited items	The goal has been achieved. Zero cases of introducing prohibited items	0 cases of introducing prohibited items

Health Policy

The policy is partly dedicated to ESRS S1, partly – to ESRS S3

SCOPE	COMMITMENT	Department	GOALS 2023	Report on the implementation of the commitment and achievement of the goal	Goals for 2024
Quality system	In order to improve and maintain employee health, we apply, review and continuously improve the plant's quality system	Quality Systems	Adjusting the requirements of the plant's quality system to GRI standards in health matters	The goal of system adjustment was achieved.	N/A
Compliance with legal requirements	Compliance with all legal requirements regarding employee health	OH&S / HR	a) PLN 0 fines in 2023 b) Conducting health tests for all employees who are to undergo such tests in accordance with legal requirements	The goals have been achieved	a) PLN 0 fines in 2024 b) Conducting health tests for all employees who are to undergo such tests in accordance with legal requirements
Employee health	Giving employees the opportunity to regularly take care of their health	HR	a) providing employees with the opportunity to exercise regularly (Benefit cards) b) providing employees with the option of regular medical care in the Luxmed group in promotional packages for company employees	The goals have been achieved	a) providing employees with the opportunity to exercise regularly (Benefit cards) b) providing employees with the option of regular medical care in the Luxmed group in promotional packages for company employees
Pro-health activities as part of local community initiatives	Participation in health promotion events	Marketing	1) Participation of the plant in at least 3 sports events in 2023 2) Support for clubs and initiatives related to sports and a healthy lifestyle (minimum 1)	The tasks have been completed	The company's participation in charitable social events such as "WOŚP"; "Noble Package"
Employee awareness	Regularly inform employees about health options	HR	Informing employees at least once in 2023 through channels such as the e-mail system or company newspaper about opportunities related to Benefit cards and Luxmed health care	1 e-mail regarding the Benefit program	Informing employees at least once in 2024 through channels such as the e-mail system or company newspaper about opportunities related to Benefit cards and Luxmed health care

The review of the Group-Level Policies will be executed in 2025.

Overall conclusion over materiality assessment

Step A: Understanding the Context

a. Overview of Activities and Business Relationships

Paragraphs: ESRS 2 SBM-1, ESRS 2 SBM-3

Schumacher Packaging's business practice and available documents emphasizes sustainable growth and innovation in cardboard packaging. Key sustainability targets include reducing carbon footprint, increasing recycling rates, and enhancing product sustainability. Financial statements and investor information provide insights into how these sustainability goals align with financial performance and long-term strategy.

b. Activities, Products/Services, and Geographic Locations

Paragraphs: ESRS 2 SBM-1, ESRS 2 SBM-2

Schumacher Packaging operates across multiple locations in Europe, with facilities in Poland and other countries. The company produces a wide range of cardboard packaging solutions for various industries, emphasizing eco-friendly materials and processes.

Schumacher Packaging Sp. z o.o. is a Polish facility of the Group.

c. Mapping Business Relationships and Value Chain

Paragraphs: ESRS 2 SBM-1, ESRS 2 SBM-3

The company's value chain includes suppliers of raw materials (paper, ink, plastic), manufacturing processes, distribution networks, and customers who use their packaging products. Understanding these relationships helps identify key areas for sustainability improvements.

d. Identifying Reporting Perimeter Beyond Own Operations

Paragraphs: ESRS 2 SBM-1, ESRS 2 IRO-1

The reporting perimeter extends beyond Schumacher Packaging's operations to include significant impacts from suppliers (e.g., sourcing sustainable paper) and downstream effects (e.g., recyclability of packaging by end-users).

2. Other Contextual Information

a. Legal and Regulatory Landscape

Paragraphs: ESRS 2 SBM-1

The legal and regulatory landscape affecting Schumacher Packaging includes EU regulations on packaging waste, recycling targets, and environmental standards. Compliance with these regulations is crucial for sustainable operations.

b. Analysis of Published Documentation

Paragraphs: ESRS 2 SBM-2

Reviewing external sources like industry reports, peer benchmarks, and scientific articles on sustainable packaging trends provides additional context for identifying risks and opportunities.

3. Understanding Affected Stakeholders

a. Existing Stakeholder Engagement Initiatives

Paragraphs: ESRS 2 SBM-2, ESRS S2-1

Schumacher Packaging engages with stakeholders through various initiatives, including customer feedback programs, supplier partnerships, and community engagement efforts. These initiatives help gather input on sustainability impacts.

b. Mapping of Affected Stakeholders

Paragraphs: ESRS 2 SBM-2

Key stakeholders include employees, suppliers, customers, local communities, and environmental groups. Mapping these stakeholders helps prioritize engagement efforts and address specific sustainability concerns.

c. Defining Engagement Stages

Paragraphs: ESRS 2 SBM-2

Stakeholder engagement occurs at various stages, including validating material matters, assessing impact severity, and evaluating time horizons for sustainability initiatives.

Step B: Identification of Actual and Potential Impacts, Risks, and Opportunities

1. Creating a Long List of Impacts, Risks, and Opportunities

Paragraphs: ESRS 1 AR16, ESRS 2 IRO-1

Identifying impacts, risks, and opportunities involves reviewing environmental, social, and governance aspects. This includes waste management (paper, ink sludge, plastic), energy use, employee health and safety, and community impacts.

2. Detailing Impacts, Risks, and Opportunities

Paragraphs: ESRS 1 Chapter 6.4, ESRS 2 IRO-1

Each impact is categorized by its relation to Schumacher Packaging’s operations or value chain. For example, the impact of paper waste relates to both own operations and upstream suppliers, while recycling rates affect downstream customers.

Step C: Assessment and Determination of Material Impacts, Risks, and Opportunities

1. Impact Materiality Assessment

Paragraphs: ESRS 1 Chapter 3.4, ESRS 1 Chapter 3.6

2. Financial Materiality Assessment

Paragraphs: ESRS 1 Chapter 6.4, ESRS 2 IRO-2

3. Consolidation of Impact and Financial Materiality

Paragraphs: ESRS 2 SBM-3, ESRS 2 IRO-1

We found the following impacts, risks and opportunities to be material in the case of Schumacher Packaging Sp. z o.o.

Table MA. Material impacts, risks and opportunities

Standard	Material Positive Impacts	Material Negative Impacts	Material Risks	Material Opportunities
E1 Climate change	Photovoltaic installation usage	High CO ₂ eq emissions	Significant costs associated with climate change adaptation plan investments	Gaining customer confidence by implementing an effective climate change adaptation program
	Increasing the energy efficiency of the plant	Usage of not sustainable energy sources	Risk of technological failure regarding climate investments	
E2 Pollution		Chemical processing: the chemical processes used to produce paper can generate toxic substances that can enter the environment and affect ecosystems and human health		Positive perception of the company by customers and communities due to the fact that the company's operational activities do not lead to large-scale pollution
E3 Water resources	Non-use of municipal water in the processes of own operations	Excessive water use: Corrugated board production processes require a large amount of water, which can lead to excessive use of water resources.		

Standard	Material Positive Impacts	Material Negative Impacts	Material Risks	Material Opportunities
E4 Biodiversity and ecosystems	Creation of habitats for insects and plants around the production facility to encourage animals (insects) to settle and breed a variety of species specific to the areas.	Using natural resources: The production of corrugated board requires a large amount of natural resources, such as wood, which can affect forestation and biodiversity.	Significant costs associated with biodiversity and ecosystems adaptation plan investments	Positive perception of the company by customers as the FSC CoC Certification holders
E5 Resource use and circular economy	Recycling and waste reduction: Implementing recycling and waste minimization programs contributes to reducing environmental impact and reduces landfill waste.			Designing packaging with recycling in mind
S1 Own workforce	Communication of the Management board and management with employees, including: meetings of employee representatives with the management board, information boards, educational e-mail messages, training and meetings with employees at the time of changes in applicable laws (tax or labor law for example		Difficulties of foreigners in legalizing their stay, causing problems with the legality of employment Risk of inadequate wages leading to employee dissatisfaction, reduced productivity, higher turnover, and negative financial impacts	
S2 Workers in the value chain		A great percentage of Schumacher Packaging suppliers do not analyze impacts, risks and opportunities related to ESG issues	Image losses (as a result - financial losses) when our company's supplier has lawsuits or court verdicts regarding respect for human rights	
S3 Affected communities	Organizing and conducting environmental training for elementary school students		Use of the company's territory for educational purposes for the local community	
S4 Consumers and end-users	Education and information programs for customers, consumers and end users: The company offers education and information programs for customers about its products, their features and how to use them		Violation of customer data privacy	
G1 Business conduct	Openness and transparency: a corporate culture that promotes openness and transparency can increase employee trust and commitment			The plant makes payments in most cases within the specified timeframe, with the relevant KPIs above the target level

The final list of material impacts, risks, and opportunities combines results from impact and financial assessments. This includes prioritizing initiatives like reducing ink sludge waste, enhancing employee safety, and improving community relations.

The position of the stakeholders

We have found that none of the stakeholders being asked did not exclude any of the proposed sustainability matters from the list of the material sustainability matters ([see SBM-2](#))

The above-presented analysis suggests that this year we cannot neglect any sustainability matter in our report, but will concentrate on the matters which provide us with the above-mentioned Material impacts, risks and opportunities.

Step D: Reporting

1. Description of Processes

Paragraphs: ESRS 2 IRO-1

Schumacher Packaging describes its processes for identifying and assessing material impacts, risks, and opportunities, including stakeholder engagement and data analysis methods.

2. Material Impacts, Risks, and Opportunities Interaction with Strategy and Business Model

Paragraphs: ESRS 2 SBM-3

The interaction between identified material impacts, risks, and opportunities and the company's strategy is reported, highlighting how sustainability is integrated into business operations and future plans.

3. Disclosure Requirements

Paragraphs: ESRS 2 IRO-2

Disclosures include details on how material information is determined, such as thresholds and criteria used in the assessment process.

Due Diligence Analysis According to ESRS 1, Chapter 4 Sustainability Due Diligence

a. Integrate Due Diligence into Management, Strategy, and Business Model

Paragraphs: ESRS 2 SBM-1, ESRS 2 SBM-3

Schumacher Packaging integrates sustainability due diligence into its management and strategic planning processes. This includes aligning business models with sustainability goals and ensuring due diligence processes are embedded in decision-making frameworks.

b. Engaging Affected Stakeholders at All Key Stages of Due Diligence

Paragraphs: ESRS 2 SBM-2, ESRS S2-1

Stakeholder engagement is a critical part of the due diligence process. Schumacher Packaging engages stakeholders at all key stages, from identifying impacts to validating material issues and assessing mitigation strategies.

c. Identification and Assessment of Negative Impacts

Paragraphs: ESRS 2 IRO-1, ESRS 2 SBM-1

The company systematically identifies and assesses potential negative impacts of its operations and value chain, such as environmental pollution from ink sludge and health risks for employees.

d. Taking Action to Address Negative Effects

Paragraphs: ESRS 2 IRO-1, ESRS 2 SBM-3

Actions to address negative impacts include implementing waste reduction programs, enhancing safety protocols, and improving environmental management systems.

e. Track the Effectiveness of These Activities and Communicate

Paragraphs: ESRS 2 IRO-1, ESRS 2 SBM-3

Schumacher Packaging tracks the effectiveness of its sustainability initiatives through regular monitoring and reporting. Performance metrics are communicated to stakeholders through sustainability reports and other disclosures.

E. Environment – Natural environment

E1. Climate change



Figure E1-0-1. Trees planting at the local forestry by the Schumacher Packaging employees

E1-1. Climate Change Mitigation Transition Plan

Date of adoption of transition plan for undertakings not having adopted transition plan yet

Transition plan will be adopted in the first quarter of 2025.

E1-2. Policies related to climate change mitigation and adaptation

Description of key contents of policy

The main strategic issues concerning climate change are a part of the environmental policy PG.01 (Group level) and P.01 (plant level).

Approach part contains of both level of Policy identical information, concerning energy.

Approach

Our goal is to reduce energy and water consumption as a percentage of annual production volume.

Plant level

In the plant-level Policy there is a top-management commitments' Scope dedicated to the climate, and two scopes dedicated to the energy issues sustainability matters.

Table E1-2-1. Climate and energy matters in the top-management commitments of environmental plant-level Policy

TOP MANAGEMENT COMMITMENTS AND OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
6	Emissions of greenhouse gases	Reduction of emission of greenhouse gases	Set the reduction target and the action plan to achieve it	Technical (Maintenance) Department

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
4	Electricity consumption	Reduction in electricity consumption	Reduction of electricity consumption to 47 MWh/million m ² of cardboard	Technical (Maintenance) Department Corrugated Board Production Department Packaging Board Department
5	Gas consumption	Reduction in gas consumption per 1,000 sq. m. of cardboard produced	Monitoring of gas consumption in 2024 and planning of consumption reduction activities	Technical (Maintenance) Department

The objective is set for the first quarter of the year 2025 (the time of the next annual Policy Review).

Group level

In the group-level Policy the scope 7 is dedicated to the climate issues. The two other scopes: 4 and 5, are dedicated to the energy issues sustainability matters.

Table E1-2-2. Climate and energy matters in the top-management commitments of environmental group-level Policy

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
7	Emissions gases greenhouses	Reduction of emission of greenhouse gases	<ol style="list-style-type: none"> 1. Implementation of the program for installing photovoltaic power plants in the Group's plants 2. Implementation of the wind farm installation program at the Group's plants 3. Development of a Transition Plan to Zero Greenhouse Gas Emissions. 4. Development of a Zero emission strategy 5. Establishing and agreeing on climate neutrality goals with SBTi 	1-2) 2030 3-5) 2024	1-2) Technical (Maintenance) Department 3-5) Head of CSR
4	Consumption of electrical energy	Reduction of consumption of electrical energy	Reduction in electricity consumption compared to 2022 per 1,000 m ² of cardboard produced per 5%	2030	Technical (Maintenance) Department
5	Consumption of natural gas	Reduction of consumption of natural gas	Reduction in natural gas consumption compared to 2022 per 1,000 m ² of cardboard produced per 5%	2030	Technical (Maintenance) Department

Description of scope of policy or of its exclusions

Scope: The policy applies to all employees of the Group in all areas where there exist environmental impacts, environmental risks and opportunities, as well as environmental dependencies. The Policy also describes the scope in which the Policy applies to other stakeholders, including suppliers, visitors to the company, employees of other companies performing work on the Group's premises, third-party drivers.

The Policy has no exclusions.

Description of most senior level in organization that is accountable for implementation of policy

The CEO of the Group Schumacher Packaging (Member of the Management Board is the organizational structure of Schumacher Packaging Sp. z o.o.) and the Head of the management board of Schumacher Packaging Sp. z o.o. are the most senior persons of Schumacher Packaging accountable for implementation of the Policy.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

Schumacher Packaging commits to complying with the UN Global Compact principles (we are the members of Global Compact Deutschland), the OECD Guidelines for Multinational Enterprises, and GHG Protocol.

Description of consideration given to interests of key stakeholders in setting policy

The main "silent stakeholder" in a case of climate change issues is the nature. The key way of taking its silent interests into account is the observance of the legal requirements and the best practices.

The other interested stakeholders are

a) clients

- b) governmental authorities and other authorized bodies
- c) auditors
- d) local authorities.

We take their interests into account by:

- presenting the CO₂eq measurement results in a commonly-required format [GHG protocol] using the commonly-trusted databases for the parts of the analysis where we do not possess the actual data from our clients;
- taking into account ESRS and other applicable documents;
- publishing the reports.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

1) The policies are made available through our internet-site:

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published sat our internet-site.

3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Sustainability matters addressed by policy for climate change

- Climate change adaptation
- Climate change mitigation
- Energy

E1-3. Actions and resources related to climate change policy

Table E1-3-01. Actions planned and underway

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Elimination of the last combustion forklift, its replacement with an electric vehicle Scope: Climate change / Energy management Own workforce and (indirectly) all the stakeholders	Underway	Short-term or Medium-term 2024 or 2025	The action has been taken to provide remedy in relation to mitigate the material risks concerning high CO ₂ eq emissions. The remedy is supported by the prior analysis of the economic effects, climate actions efficiency and safety issues by: Logistics department, OH&S Specialist.	Cost of the new electric forklift Personnel: Logistics department
2	Installation of photovoltaic system Scope: Climate change / Energy management Own workforce and (indirectly) all the stakeholders	Underway	Medium-term 2027	The action has been taken to provide remedy in relation to mitigate the material risks concerning usage of not sustainable energy sources and high CO ₂ e emissions. The remedy is supported by the prior analysis of the economic effects, climate actions efficiency and safety issues by: Investment director, Technical Manager, OH&S Specialist. The project is developed by the external company which has an experience in this field	Cost of the design works; cost of equipment, cost of the installation works Personnel: Technical department Time resources to accept the design at the governmental organizations

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
3	Implementation of Climate Neutrality Strategy	Underway	Short-term 2024	<p>Schumacher Packaging Sp. z o.o. has taken decisive action to address the actual material impacts of its carbon emissions by implementing a comprehensive Climate Neutrality Strategy. This strategy aims to neutralize the company's carbon footprint through a combination of reducing emissions and offsetting any remaining unavoidable emissions.</p> <p>Key steps include:</p> <p>Energy Efficiency Improvements: Upgrading manufacturing processes and facilities to reduce energy consumption and increase efficiency.</p> <p>Renewable Energy Adoption: Investing in renewable energy sources, such as solar and wind, to power operations.</p> <p>Carbon Offsetting Initiatives: Engaging in reforestation projects and supporting verified carbon offset programs to balance out emissions that cannot be eliminated.</p> <p>These actions directly address the material impact of the company's carbon footprint, aiming to remedy environmental harm by reducing the overall greenhouse gas emissions and promoting sustainability.</p>	<p>The implementation of the Climate Neutrality Strategy requires significant financial investment and resource allocation, including:</p> <p>Capital Expenditure: Investment in new technologies and infrastructure upgrades, such as energy-efficient machinery and renewable energy installations.</p> <p>Operational Costs: Ongoing costs associated with maintaining and monitoring energy efficiency and renewable energy systems.</p> <p>Human Resources: Dedicated teams and specialists to manage the implementation, track progress, and ensure compliance with climate neutrality goals.</p> <p>Partnerships and Collaborations: Working with external experts, environmental organizations, and technology providers to leverage expertise and resources.</p> <p>Preparation for the Acceptance of Net Zero Transition Plan by SBTi</p> <p>Whether and How Action Has Been Taken to Provide or Enable Remedy in Relation to Actual Material Impact</p>
4	Preparation to the acceptance of Net Zero transition plan by SBTi	Planned	Medium-term 2025	<p>We prepare for the acceptance of its Net Zero transition plan by the Science Based Targets initiative (SBTi). This is dedicated to counteract the material impacts, namely:</p> <p>High CO₂e emissions</p> <p>Usage of not sustainable energy sources.</p> <p>Schumacher Packaging Sp. z o.o. has undertaken several actions to mitigate the mentioned environmental impacts:</p> <p>Comprehensive Emissions Inventory: Conducting a detailed inventory of all greenhouse gas emissions across the company's operations, including Scope 1, 2, and 3 emissions.</p> <p>Target Setting and Validation: Establishing ambitious emissions reduction targets aligned with the latest climate science and submitting these targets for validation by the SBTi.</p> <p>Stakeholder Engagement: Collaborating with stakeholders, including suppliers and customers, to ensure a comprehensive approach to emissions reductions throughout the value chain.</p> <p>These actions demonstrate a proactive approach to remedying material impacts by setting a clear, science-based pathway to achieving net zero emissions.</p>	<p>The preparation for SBTi acceptance entails a range of financial and resource commitments, including:</p> <p>Consultancy and Advisory Services: Engaging with environmental consultants and advisors to develop and validate the Net Zero transition plan.</p> <p>Data Management Systems: Investing in robust data management and reporting systems to accurately track emissions and progress towards targets.</p> <p>Employee Training and Development: Training employees across the organization to understand and contribute to the Net Zero goals.</p> <p>Innovation and R&D: Funding research and development projects to discover new methods and technologies for reducing emissions.</p> <p>By allocating these resources, Schumacher Packaging Sp. z o.o. ensures that it is well-prepared to achieve and maintain the rigorous standards set by the SBTi, paving the way for a sustainable, low-carbon future.</p>

Table E1-3-02. Actions completed

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Zakończenie izolowania armatury kotłowni i uzyskanie białych certyfikatów Scope: Energy management Own workforce and (indirectly) all the stakeholders	2023	<p>The action has been taken to provide remedy in relation to mitigate the material risk concerning ineffective energy use.</p> <p>The remedy is supported by the prior analysis of the economic effects, climate actions efficiency and safety issues by: Investment director, Technical Manager, OH&S Specialist</p>	<p>Cost of new equipment</p> <p>Cost of works</p> <p>Personnel: Technical department</p>
2	Driver training on "ecodriving" and proper fleet operation to reduce wear and tear on consumable components Scope: Climate change / Resource management Own workforce and (indirectly) all the stakeholders	2023	<p>The action has been taken to provide remedy in relation to mitigate the material risks concerning high CO₂e emissions (and other dangerous emissions from automobiles).</p> <p>The remedy effect is supported by external tests proving the reduction of emissions to the atmosphere</p>	<p>Cost of training</p> <p>Personnel: Logistics department</p>

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
3	Continuous monitoring of energy and utility consumption and analysis in case of deviations Scope: Energy management Own workforce and (indirectly) all the stakeholders	2023	The action has been taken to provide remedy in relation to mitigate the material risks concerning ineffective energy and utilities use. The remedy effect is supported by the updated database which helps us to react to any deviations from the intended use of energy and utilities swiftly basing on the fact-based approach	Cost of measuring equipment Personnel: Technical department
4	Elimination of fluorescent lamps in the plant in favor of energy-efficient LED lamps Scope: Energy management Own workforce and (indirectly) all the stakeholders	2023	The action has been taken to provide remedy in relation to mitigate the material risks concerning ineffective energy use. The remedy effect is supported by the calculation that helped to understand the needs and possible decisions (including innovative energy-saving illumination system near the corrugator).	Cost of new lamp and the cost utilization of old ones Cost of design works Personnel: Technical department
5	The purchase of 8 electric forklifts was made, thereby eliminating almost all gas forklifts in the logistics department (a forklift that cannot be replaced by commercially available electric solutions remains).	2023	The purchase of 8 electric forklifts by Schumacher Packaging Sp. z o.o. is a targeted measure to significantly reduce the company's CO ₂ equivalent (CO ₂ eq) emissions. This action directly addresses the material impact of greenhouse gas emissions associated with the use of gas-powered forklifts. Here's how the action enables a remedy: Reduction in CO ₂ eq Emissions: Electric forklifts produce zero tailpipe emissions, unlike their gas-powered counterparts, which emit CO ₂ and other greenhouse gases. By replacing almost all gas forklifts, the company achieves a substantial reduction in its overall CO ₂ eq emissions. Quantifiable Impact: The transition to electric forklifts can be quantified in terms of CO ₂ eq reduction. For instance, if each gas forklift emitted approximately 4.8 metric tons of CO ₂ per year, the replacement of 8 forklifts would result in an annual reduction of approximately 38.4 metric tons of CO ₂ eq. Healthier Work Environment: The reduction in emissions also contributes to improved air quality within the logistics department, enhancing employee health and safety. Although one gas forklift remains due to the absence of a suitable electric alternative, the overall reduction in CO ₂ eq emissions represents a significant environmental improvement.	Financial Resources: Capital Expenditure: Significant investment is required to purchase the 8 electric forklifts. This includes the upfront cost of the electric forklifts, which can be higher than gas-powered alternatives. Charging Infrastructure: Additional funds are needed to install charging stations and infrastructure to support the operation of electric forklifts. Operational Resources: Maintenance and Servicing: While electric forklifts typically have lower maintenance costs, there is still a need for regular servicing and occasional repairs, necessitating a budget for maintenance. Training: Staff need to be trained to operate and maintain the new electric forklifts safely and efficiently. Technical Resources: Charging Stations: Installation of electric vehicle (EV) charging stations requires technical expertise and appropriate hardware. Energy Management Systems: Implementing systems to manage and optimize the charging of forklifts to ensure energy efficiency.
6	Specifications for all machines have been developed. Due to this action it will be possible to reduce energy consumption due to more precise customization of the production order to more appropriate machines	2023	The development of detailed specifications for all machines by Schumacher Packaging Sp. z o.o. is a strategic action to reduce CO ₂ eq emissions through optimized energy consumption. This initiative remedies the material impact of high energy use in the production process: Energy Efficiency and CO ₂ eq Reduction: By precisely matching production tasks to the most appropriate machines, the company can reduce energy consumption. Lower energy use translates directly into reduced CO ₂ eq emissions, as less electricity (often generated from fossil fuels) is required. Quantifiable CO ₂ eq Savings: The optimization can be measured in terms of CO ₂ eq reduction. For example, if the improved machine specifications lead to a 10% reduction in energy consumption across the production floor, and the facility previously consumed 1,000 MWh per year, this would result in a savings of 100 MWh annually. Assuming an emission factor of 0.5 kg CO ₂ eq per kWh, this translates to a reduction of 50 metric tons of CO ₂ eq per year. Resource Optimization and Further CO ₂ eq Benefits: More efficient use of resources and reduced waste contribute to additional indirect CO ₂ eq savings by lowering the demand for raw material extraction and processing, which are energy-intensive activities. By optimizing energy consumption through precise machine specifications, Schumacher Packaging Sp. z o.o. effectively reduces its carbon footprint, demonstrating a commitment to sustainability and environmental responsibility.	Operational Resources: Personnel: Dedicated staff or teams are needed to gather data, analyze machine performance, and develop specifications. Training: Training for staff to understand and implement new machine specifications and operational guidelines.

Decarbonization lever type

The data will be disclosed in the next annual report

Adaptation solution type

The data will be disclosed in the next annual report

Achieved GHG emission reductions

The data will be disclosed in the next annual report

Expected GHG emission reductions

The data will be disclosed in the next annual report

Explanation of extent to which ability to implement action depends on availability and allocation of resources

The data will be disclosed in the next annual report

Explanation of relationship of significant CapEx and OpEx required to implement actions taken or planned to relevant line items or notes in financial statements

The data will be disclosed in the next annual report

Explanation of relationship of significant CapEx and OpEx required to implement actions taken or planned to key performance indicators required under Commission Delegated Regulation (EU) 2021/2178

The data will be disclosed in the next annual report

Explanation of relationship of significant CapEx and OpEx required to implement actions taken or planned to CapEx plan required by Commission Delegated Regulation (EU) 2021/2178

The data will be disclosed in the next annual report

Explanation of any potential differences between significant OpEx and CapEx disclosed under ESRS E1 and key performance indicators disclosed under Commission Delegated Regulation (EU) 2021/2178

The data will be disclosed in the next annual report

E1-4. Climate change mitigation and adaptation targets

Target E1-01.

Relationship with policy objectives	Objective: Reduction of electricity consumption to 47 MWh/million m² of cardboard.
Measurable target	Electricity consumption per million m ² of cardboard produced
Nature of target	Environment-related target aligned with the Group's sustainability goals, aiming to reduce electricity usage to enhance energy efficiency and environmental performance.
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its electricity consumption. Operationally: The target pertains to electricity usage throughout the entire production process of cardboard, including manufacturing, processing, and any associated activities. Temporally: The goal is long-term, aiming for continuous reduction in electricity consumption over the years. Subject scope: External stakeholders: Energy regulatory agencies, local community, electricity suppliers. Internal stakeholders: Employees, top-management, Maintenance department, Quality System department.
Baseline value	49,62 [MWh/m ² of cardboard produced]
Baseline year	2023
Period to which target applies	2024-2035
Indication of milestones or interim targets	Interim target (2024): 49 [MWh/m ² of cardboard produced]
Description of methodologies and significant assumptions used to define target	Methodology: The reduction in electricity consumption is calculated by comparing the electricity usage per million m ² of cardboard produced in each year to the baseline year (2023). This data is collected through: <ul style="list-style-type: none"> Metering systems installed throughout the production process to monitor electricity usage. Regular audits and reviews of energy consumption practices. Implementation of energy-saving measures and efficiency improvements to reduce electricity consumption. Assumptions: a) Accurate recording of electricity consumption data through reliable metering systems and data collection methods. b) Implementation of energy-efficient technologies and practices to achieve the targeted reduction. c) Continuous monitoring and adjustment of production processes to maintain efficiency and minimize electricity usage while meeting operational requirements.

Target related to environmental matters is based on conclusive scientific evidence	Reduction in electricity consumption is essential for environmental sustainability and resource conservation. Scientific evidence supports the need for energy efficiency measures to reduce greenhouse gas emissions and mitigate climate change. Regulatory standards and guidelines encourage businesses to adopt energy-saving practices to minimize their ecological footprint and contribute to sustainable development.
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Target E1-02.

Relationship with policy objectives	Objective: Monitoring of gas consumption in 2024 and planning of consumption reduction activities.
Measurable target	Gas consumption value [MWh/m ² of cardboard produced]
Nature of target	Environment-related target aligned with the Group's sustainability goals, aiming to reduce gas consumption to enhance energy efficiency and environmental performance
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its gas consumption. Operationally: The target pertains to gas usage throughout the entire operational process of the plant, including manufacturing, processing, and any associated activities. Temporally: The goal is medium-term, aiming for gas consumption reduction planning based on 2024 data. Subject scope: External stakeholders: Energy regulatory agencies, local community, gas suppliers. Internal stakeholders: Employees, management, Quality System department, maintenance department.
Baseline value	Not applicable due to the change in the energy sources used
Baseline year	2024
Period to which target applies	2035
Indication of milestones or interim targets	Measurement in 2024 to establish baseline.
Description of methodologies and significant assumptions used to define target	Methodology: The reduction in gas consumption is planned based on the gas consumption data for the year 2024. This data is collected through: <ul style="list-style-type: none"> • Metering systems installed throughout the plant to monitor gas usage. • Regular audits and reviews of energy consumption practices. • Analysis of gas consumption patterns and identification of areas for improvement. Assumptions: a) Accurate recording of gas consumption data through reliable metering systems and data collection methods. b) Implementation of energy-efficient technologies and practices to achieve the targeted reduction. c) Collaboration between the Quality System department and the maintenance department to develop and implement gas consumption reduction activities. d) Continuous monitoring and adjustment of production processes to maintain efficiency and minimize gas usage while meeting operational requirements.
Target related to environmental matters is based on conclusive scientific evidence	Reduction in gas consumption is essential for environmental sustainability and resource conservation. Scientific evidence supports the need for energy efficiency measures to reduce greenhouse gas emissions and mitigate climate change. Regulatory standards and guidelines encourage businesses to adopt energy-saving practices to minimize their ecological footprint and contribute to sustainable development.

Table E1-04-01. The Policy-related Climate Targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
E1-01	Electricity consumption per million m ² of cardboard produced	To be defined in 2024	49 [MWh/m ² of cardboard produced]	49,62 [MWh/m ² of cardboard produced]
E1-02	Gas consumption value [MWh/m ² of cardboard produced]	To be defined in 2024	Not applicable	Not applicable

Disclosure of how stakeholders have been involved in target setting

Schumacher Packaging Sp. z o.o. had long consultations with at least 4 clients concerning the targets and actions concerning Climate Neutrality.

We also occasionally collect opinions of local authorities concerning the targets and actions concerning Climate Neutrality.

Description of any changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

This report is the first one in ESRS / CSRD format. The next report will take into account all the changes concerning the methodology, significant assumptions, limitations, sources and adopted processes to collect data.

Description of performance against disclosed target

The next annual ESG report will describe the performance against targets.

Disclosure of how GHG emissions reduction targets and (or) any other targets have been set to manage material climate-related impacts, risks and opportunities

Right now we have only the CO₂eq reduction goals of the Schumacher Packaging Group on the highest level. These goals are:

Group-level Climate Neutrality (Scopes 1 & 2) – by the end of 2035

Group-level Climate Neutrality (Scopes 1 & 2 & 3) – by the end of 2050

The first of these objectives is widely communicated by the Schumacher Packaging Group CEO – Bjoern Schumacher:

"Sustainability is no longer just a buzz word; it's an absolute necessity. By modernising our facilities, we also hope to achieve our ambitious goal of being carbon-neutral by 2035," says Schumacher. "We are always thinking and acting with the future generations in mind. It's in our DNA."

[<https://www.schumacher-packaging.com/en/news-downloads/latest-news/press-releases/invest-2025.html>]

E1-5. Energy consumption and mix

Total energy consumption related to own operations

Table E1-5-1. Total energy consumption

Year	Month	Wroclaw							
		Packaging production volume [m ²]	Cardboard production volume [m ²]	Fuel consumption [kWh]	Electricity consumption [kWh]	Electricity		Fuels	
						Index related to packaging production [kWh/1000m ²]	Index relating to the production of cardboard [kWh/1000m ²]	Index related to packaging production [kWh/1000m ²]	Index relating to the production of cardboard [kWh/1000m ²]
2022	Jan-22	19 777 713	16 706 940	2 590 173	779 688	39,42	46,67	130,96	155,04
	Feb-22	17 044 841	13 959 682	2 131 347	685 404	40,21	49,10	125,04	152,68
	Mar-22	20 223 997	17 193 145	2 669 698	798 490	39,48	46,44	132,01	155,28
	Apr-22	18 932 346	15 926 544	2 352 083	725 446	38,32	45,55	124,24	147,68
	May-22	18 180 466	16 424 979	2 110 303	742 171	40,82	45,19	116,08	128,48
	Jun-22	17 811 848	15 245 901	1 951 486	739 071	41,49	48,48	109,56	128,00
	Jul-22	16 331 808	14 340 052	1 791 683	700 552	42,89	48,85	109,71	124,94
	Aug-22	17 862 404	14 671 830	1 870 059	748 147	41,88	50,99	104,69	127,46
	Sep-22	18 725 067	15 345 444	2 001 393	763 315	40,76	49,74	106,88	130,42
	Oct-22	19 947 087	16 873 013	2 073 018	745 914	37,39	44,21	103,93	122,86
	Nov-22	21 419 303	18 565 857	2 329 388	788 029	36,79	42,45	108,75	125,47
Dec-22	15 810 197	13 711 632	1 909 051	667 580	42,22	48,69	120,75	139,23	
2023	Jan-23	14 992 952	13 035 682	1 685 871	678 551	45,26	52,05	112,44	129,33
	Feb-23	12 508 411	10 832 813	1 465 413	570 640	45,62	52,68	117,15	135,28
	Mar-23	16 937 002	14 172 761	1 745 440	697 169	41,16	49,19	103,05	123,15
	Apr-23	13 538 954	10 842 197	1 317 677	586 181	43,30	54,06	97,32	121,53
	May-23	16 794 059	14 784 064	1 584 003	671 550	39,99	45,42	94,32	107,14
	Jun-23	15 916 447	14 238 206	1 499 225	647 212	40,66	45,46	94,19	105,30
	Jul-23	14 679 343	13 124 871	1 497 421	646 028	44,01	49,22	102,01	114,09
	Aug-23	15 957 828	13 365 395	1 581 647	687 206	43,06	51,42	99,11	118,34
	Sep-23	16 614 221	13 148 676	1 466 641	640 697	38,56	48,73	88,28	111,54

Year	Month	Wroclaw							
		Packaging production volume [m ²]	Cardboard production volume [m ²]	Fuel consumption [kWh]	Electricity consumption [kWh]	Electricity		Fuels	
						Index related to packaging production [kWh/1000m ²]	Index relating to the production of cardboard [kWh/1000m ²]	Index related to packaging production [kWh/1000m ²]	Index relating to the production of cardboard [kWh/1000m ²]
	Oct-23	14 800 647	13 152 410	1 449 163	628 090	42,44	47,75	97,91	110,18
	Nov-23	18 866 520	16 165 700	1 698 485	728 396	38,61	45,06	90,03	105,07
	Dec-23	15 227 165	13 176 271	1 440 745	660 628	43,38	50,14	94,62	109,34

Total energy consumption from fossil sources

24325256,72 kWh

Total energy consumption from nuclear sources

0 kWh

Percentage of energy consumption from nuclear sources in total energy consumption

0%

Total energy consumption from renewable sources

Renewable energy sources 24.85%.

This includes:

- biomass and biogas 5.81%
- hydropower 1.65%
- wind power 12.89%
- photovoltaic cells 4.50%

(according to data of our energy supplier)

Fuel consumption from renewable sources

0%

Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources

a) Renewable energy sources 24.85% (electricity)

biomass and biogas 5.81% hydropower 1.65% wind power 12.89% photovoltaic cells 4.50%

(according to data of our energy supplier)

b) Schumacher Packaging Sp. z o.o. does not purchase heat, steam, and cooling.

Consumption of self-generated non-fuel renewable energy

0 kWh

Percentage of renewable sources in total energy consumption

7,42%

Fuel consumption from coal and coal products

Not applicable

Fuel consumption from crude oil and petroleum products

The following petroleum products were consumed:

Ekoterm Oil (boiler room):

Energy Consumption: 9,493.038 MWh

Volume: 946,150 dm³

Emissions: 2,532.363 tonnes CO₂eq

Liquid Propane-Butane Gas:

Energy Consumption: 16.465 MWh

Volume: 10,350 kg

Emissions: 27.926 tonnes CO₂eq

Diesel Oil:

Passenger Cars:

Volume: 54,585.89 dm³

Emissions: 147.309 tonnes CO₂eq

Other Vehicles:

Volume: 4,864.9 dm³

Emissions: 13.23 tonnes CO₂eq

Heavy Goods Vehicles:

Volume: 222,860.03 dm³

Emissions: 601.787 tonnes CO₂eq

Gasoline (Passenger Cars):

Volume: 18,827.51 dm³

Emissions: 43.822 tonnes CO₂eq

Fuel consumption from natural gas

High-Methane Natural Gas:

Energy Consumption: 9,104.635 MWh

Volume: 790,985 m³

Emissions: 1,816.484 tonnes CO₂eq

Fuel consumption from other fossil sources

Replenishment of Refrigerants:

R134a:

Volume: 1.95 kg

Emissions: 2.789 tonnes CO₂eq

Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources

75,15%

Percentage of fossil sources in total energy consumption

92,58%

Non-renewable energy production

0 kWh

Renewable energy production

0 kWh

Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)

Not applicable

Total energy consumption from activities in high climate impact sectors

None

High climate impact sectors used to determine energy intensity

Not applicable

Disclosure of reconciliation to relevant line item or notes in financial statements of net revenue from activities in high climate impact sectors

Not applicable

Net revenue from activities in high climate impact sectors

Not applicable

Net revenue from activities other than in high climate impact sectors

Not applicable

E1-6. Gross scopes 1, 2, 3 and total greenhouse gas emissions

Gross Scopes 1, 2, 3 and Total GHG emissions - GHG emissions per scope

GHG Emissions (2023)

Table E1-6-1. Scope 1 (2023)

Element	Sub-element	Value/Quantity [MWh/kg/dm ³]	Emissions [tonnes CO ₂ eq]
Direct emissions from own sources	High-methane natural gas [MWh]	9104,635	1816,484
	High-methane natural gas [m ³]	790985	
	Ekoterm oil - boiler room [MWh]	9493,038018	2532,363
	Ekoterm oil - boiler room [dm ³]	946150	
Own transport	Liquid propane-butane gas [MWh]	16,465	3,481

Element	Sub-element	Value/Quantity [MWh/kg/dm³]	Emissions [tonnes CO ₂ eq]
	Liquid propane-butane gas [kg]	10350	27,926
	Diesel oil - passenger cars [dm³]	54585,89	147,309
	Diesel fuel - other vehicles [dm³]	4864,9	13,23
	Gasoline - passenger cars [dm³]	18827,51	43,822
	Diesel oil - heavy goods vehicles [dm³]	222860,03	601,787
Replenishment of refrigerants	R404A [kg]	0	0
	R410A [kg]	0	0
	R407C [kg]	0	0
	R134a[kg]	1,95	2,789

Table E1-6-2. Gross Scope 1 (2023)

Element / Scope	Emissions [tonnes CO ₂ eq]
Direct emissions from own sources	4348,847
Own transport	837,555
Replenishment of refrigerants	2,789
GROSS SCOPE 1	5189,191

Table E1-6-3. Scope 2 (2023)

Element	Value/Quantity [MWh/kg/dm³]	Emissions [tonnes CO ₂ eq]
Electricity from a location-based network	7842,007	5552,141
Electricity from a market-based network	7842,007	5462,115

Table E1-6-4. Gross Scope 2 (2023)

Scope	Value/Quantity [MWh/kg/dm³]	Emissions [tonnes CO ₂ eq]
Scope 2 "Location-based"	7842,007	5552,141
Scope 2 "Market-based"	7842,007	5462,115

Table E1-6-5. Scope 3 Upstream (2023)

Element	Sub-element	Unit	Use in 2023	Conversion factor kg CO ₂ eq / unit	CO ₂ eq emission, tonne	Conversion Factor Source
Incoming materials	Paper (recycled)	tonne	72802630	739,40	53829993,80	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	Paper KraftTop (30% primary fiber)	tonne	7382500			
	primary fiber of KraftTop	tonne	2214750	919,40	2036232,91	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E87)
	recycled paper KraftTop	tonne	5167750	739,40	3821015,13	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	Paper (70% primary fiber)	tonne	2947650			
	primary fiber of Kraft	tonne	2063355	919,40	1897040,91	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E87)
	recycled paper KraftTop	tonne	884295	739,40	653844,43	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	PET plastic (stretch film)	tonne	27,71	3125,27	86,60	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H77)
	Wood (wooden pallets)	tonne	4157,251	312,61	1299,61	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E34)
	PP plastic (tape)	tonne	53,092	3104,73	164,84	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E78)
	Steel wire	tonne	30	1633,18	49,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H66)
Water supply	Water taken from the mains	m³	10831	0,15	1,61	
	Water from the well	m³	23594	0,15	3,52	
Transport Upstream	Third party HGV freighting paper to Schumacher Packaging plant	tonne x km	34641107,42	0,13	4347,46	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet "Freighting goods" (cell M48)

Table E1-6-6. Gross Scope 3 Upstream (2023)

Element / Scope	Emissions [tonnes CO ₂ eq]
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Incoming materials	63838,17
Water supply	5,13
Transport Upstream	4347,46
GROSS SCOPE 3 UPSTREAM	68190,75

Table E1-6-7. Scope 3 Downstream (2023)

Element	Sub-element	Unit	Use in 2023	Conversion factor kg CO ₂ eq / unit	CO ₂ eq emission, tonne	Conversion Factor Source
Waste treatment	Electrical waste	tonne	0,001	21,28	0,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H77)
	Plastic waste	tonne	13,31	0	0,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E34)
	Metal waste	tonne	26,44	0	0,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E78)
	Rag waste	tonne	11,32	21,28	0,24	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H66)
Water treatment	Industrial sewage	m ³	7826	0,272	2,13	
	Sanitary sewage	m ³	7046	0,272	1,92	
Transport Downstream	Third party HGV freighting paper to Schumacher Packaging clients	km	2144747	1,13	2429,81	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet "Freighting goods" (cell M48)

Table E1-6-8. Gross Scope 3 Downstream (2023)

Element / Scope	Emissions [tonnes CO ₂ eq]
Waste treatment	0,24
Water treatment	4,05
Transport Downstream	2429,81
GROSS SCOPE 3 DOWNSTREAM	2434,09

Table E1-6-9. Gross Scope 3 (2023)

Element / Scope	Emissions [tonnes CO ₂ eq]
GROSS SCOPE 3 UPSTREAM	68190,75
GROSS SCOPE 3 DOWNSTREAM	2434,09
GROSS SCOPE 3	70624,85

Table E1-6-10. Total GHG Emissions(2023)

Element / Scope	Emissions [tonnes CO ₂ eq]
GROSS SCOPE 1	5189,191
Gross Scope 2 "Location-based"	5552,141
Gross Scope 2 "Market-based"	5462,115
GROSS SCOPE 3	70624,85
Total GHG Emissions	81366,182
Total GHG Emissions location-based	81366,182
Total GHG Emissions market-based	81276,156

GHG Emissions (2022)

Table E1-6-11. Scope 1 (2022)

Element	Sub-element	Value/Quantity [MWh/kg/dm ³]	Emissions [tonnes CO ₂ eq]
Direct emissions from own sources	High-methane natural gas [MWh]	22 925,791	4573,97
	High-methane natural gas [m ³]	2 257 463,000	
	Ekoterm oil - boiler room [MWh]	97,691	26,06
	Ekoterm oil - boiler room [dm ³]	9 736,680	
Own transport	Liquid propane-butane gas [MWh]	413,550	87,421
	Liquid propane-butane gas [kg]	32 400,000	
	Diesel oil - passenger cars [dm ³]	47 561,130	128,351
	Diesel fuel - other vehicles [dm ³]	611,200	1,662
	Gasoline - passenger cars [dm ³]	16 559,760	38,544
	Diesel oil - heavy goods vehicles [dm ³]	252 094,790	680,729
Replenishment of refrigerants	R404A [kg]	0,000	0
	R410A [kg]	0,000	0
	R407C [kg]	0,000	0
	R134a [kg]	0,000	0

Table E1-6-12. Gross Scope 1 (2022)

Element / Scope	Emissions [tonnes CO ₂ eq]
Direct emissions from own sources	4600,030
Own transport	936,707
Replenishment of refrigerants	0
GROSS SCOPE 1	5536,737

Table E1-6-13. Scope 2 (2022)

Element	Value/Quantity [MWh/kg/dm ³]	Emissions [tonnes CO ₂ eq]
Electricity from a location-based network	8 883,784	6289,719
Electricity from a market-based network	8 883,784	6187,733

Table E1-6-14. Gross Scope 2 (2022)

Scope	Value/Quantity [MWh/kg/dm ³]	Emissions [tonnes CO ₂ eq]
Scope 2 "Location-based"	8 883,784	6289,719
Scope 2 "Market-based"	8 883,784	6187,733

Table E1-6-15. Scope 3 Upstream (2022)

Element	Sub-element	Unit	Use in 2023	Conversion factor kg CO ₂ eq / unit	CO ₂ eq emission, tonne	Conversion Factor Source
Incoming materials	Paper (recycled)	tonne	91002	739,40	67286,54	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	Paper KraftTop (30% primary fiber)					
	primary fiber of KraftTop	tonne	1656,3	919,40	1522,80	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E87)
	recycled paper KraftTop	tonne	3864,7	739,40	2857,54	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	Paper (70% primary fiber)	tonne	3037			
	primary fiber of Kraft					
	recycled paper KraftTop	tonne	911,1	739,40	673,66	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H87)
	PET plastic (stretch film)	tonne	32,329	3125,27	101,04	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H77)
	Wood (wooden pallets)	tonne	6691,908	312,61	2091,97	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E34)
	PP plastic (tape)	tonne	56,631	3104,73	175,82	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E78)
	Steel wire	tonne	30	1633,18	49,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H66)
Water supply	Water taken from the mains	m ³	26610	0,15	3,96	
	Water from the well	m ³	20348	0,15	3,03	
Transport Upstream	Third party HGV freighting paper to Schumacher Packaging plant	tonne x km	41318911,26	0,13	5185,52	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet "Freighting goods" (cell M48)

Table E1-6-16. Gross Scope 3 Upstream (2022)

Element / Scope	Emissions [tonnes CO ₂ eq]
Incoming materials	62239727,22
Water supply	5,13
Transport Upstream	5185,52
GROSS SCOPE 3 UPSTREAM	81905,44

Table E1-6-17. Scope 3 Downstream (2022)

Element	Sub-element	Unit	Use in 2023	Conversion factor kg CO ₂ eq / unit	CO ₂ eq emission, tonne	Conversion Factor Source
Waste treatment	Electrical waste	tonne	0,476	21,28	0,01	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H77)
	Plastic waste		17,36	0	0,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E34)
	Metal waste		22,99	0	0,00	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell E78)
	Rag waste		13,1	21,28	0,28	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet: Material use (Cell H66)
Water treatment	Industrial sewage	m ³	9087	0,272	2,47	
	Sanitary sewage	m ³	10238	0,272	2,78	
Transport Downstream	Third party HGV freighting paper to Schumacher Packaging clients	km	2720455	1,13	3082,03	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022 Sheet "Freighting goods" (cell M48)

Table E1-6-18. Gross Scope 3 Downstream (2022)

Element / Scope	Emissions [tonnes CO ₂ eq]
Waste treatment	0,24
Water treatment	4,05
Transport Downstream	2429,81
GROSS SCOPE 3 DOWNSTREAM	2434,09

Table E1-6-19. Gross Scope 3 (2022)

Element / Scope	Emissions [tonnes CO ₂ eq]
GROSS SCOPE 3 UPSTREAM	81905,44
GROSS SCOPE 3 DOWNSTREAM	3087,58
GROSS SCOPE 3	84339,53

Table E1-6-20. Total GHG Emissions(2022)

Element / Scope	Emissions [tonnes CO ₂ eq]
GROSS SCOPE 1	5536,737
Gross Scope 2 "Location-based"	6289,719
Gross Scope 2 "Market-based"	6187,733
GROSS SCOPE 3	84339,53
Total GHG Emissions	96165,99
Total GHG Emissions location-based	96165,99
Total GHG Emissions market-based	96064,00

Gross Scopes 1, 2, 3 and Total GHG emissions - financial and operational control

We assume that the data given above is the data for the whole operations and the value chain data, due to the fact that the object discussed: Schumacher Packaging Sp. z o.o.:

- is not the group of companies, and
- has no subsidiaries, except Wulf Schumacher Foundation which was created in November 2024, and whose climate-related data will be considered in the next report.

The parent company's GHG & Climate-related data are not the part of this report.

Therefore we do not report here none the issues concerning:

- a) the consolidated accounting group (the parent and subsidiaries); and
- b) investees such as associates, joint ventures, or unconsolidated subsidiaries that are not fully consolidated in the financial statements of the consolidated accounting group, as well as contractual arrangements that are joint arrangements not structured through an entity (i.e., jointly controlled operations and assets), for which it has operational control.

GHG emissions - by country, operating segments, economic activity, subsidiary, GHG category or source type

The country involved in operations is only Poland. A part of our supply chain is in other countries of EU, EEA, EFTA, but in this report we did not distinguish between the carbon footprint originated in Poland and other countries. This will be taken into account in the next reporting periods.

As it was mentioned above, the subsidiary: Wulf Schumacher Foundation which was created in November 2024, was not taken into account in this report and this legal entity's climate-related data will be considered in the next report.

Percentage of Scope 1 GHG emissions from regulated emission trading schemes

0%

Disclosure of significant changes in definition of what constitutes reporting undertaking and its value chain and explanation of their effect on year-to-year comparability of reported GHG emissions

This report is the first publicly available report taking into account the CSRD / ESRS demands. In the next reports we will report on each material change that will influence comparability of greenhouse emissions data, and will estimate the influence of the mentioned changes onto reported data.

Disclosure of methodologies, significant assumptions and emissions factors used to calculate or measure GHG emissions

Methodology Overview

The calculation of Gross Scopes 1, 2, and 3, as well as the total GHG emissions for both years 2023 and 2022, was conducted according to the GHG Protocol using the following methodologies:

Scope 1 Emissions: Direct emissions from owned or controlled sources.

Scope 2 Emissions: Indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the reporting company.

Scope 3 Emissions: All other indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Significant Assumptions

Activity Data Collection: Activity data was collected from various operational records, including fuel consumption, energy use, transportation logs, and production material inputs.

Emission Factors: Emission factors were sourced from recognized databases and governmental publications, primarily from the UK Government's greenhouse gas reporting conversion factors. The main assumptions used in our GHG calculations were related to the Scope 3, which is mostly not disclosed by our suppliers. In these cases we used the data from the UK Government's database.

Global Warming Potential (GWP) Values: Global Warming Potential values were sourced from the IPCC Fifth Assessment Report (AR5).

Scope 3 limitations: we did not take into account part of the GHG Protocol scopes concerning the Scope 3.

Disclosure of the effects of significant events and changes in circumstances (relevant to its GHG emissions) that occur between the reporting dates of the entities in its value chain and the date of the undertaking's general purpose financial statements

This report is the first publicly available report taking into account the CSRD / ESRS demands. In the next reports we will report on effects of significant events and changes in circumstances (relevant to its GHG emissions) that occur between the reporting dates of the entities in its value chain and the date of the undertaking's general purpose financial statements.

Percentage of contractual instruments, Scope 2 GHG emissions

100%

Disclosure of types of contractual instruments, Scope 2 GHG emissions

Long-term and annual agreements for electricity and heat procurement.

Percentage of market-based Scope 2 GHG emissions linked to purchased electricity bundled with instruments

100%

Percentage of contractual instruments used for sale and purchase of energy bundled with attributes about energy generation in relation to Scope 2 GHG emissions

0%

Percentage of contractual instruments used for sale and purchase of unbundled energy attribute claims in relation to Scope 2 GHG emissions

0%

Disclosure of types of contractual instruments used for sale and purchase of energy bundled with attributes about energy generation or for unbundled energy attribute claims

None

Biogenic emissions of CO₂ from combustion or bio-degradation of biomass not included in Scope 2 GHG emissions

None

Biogenic emissions of CO₂ from combustion or bio-degradation of biomass that occur in value chain not included in Scope 3 GHG emissions

None

Percentage of GHG Scope 3 calculated using primary data

Approximately 80% of our Scope 3 GHG emissions are calculated using primary data, including specific material usage, water consumption, and transport distances. Emission factors from authoritative databases were applied to these primary data points to determine total emissions.

Disclosure of why Scope 3 GHG emissions category has been excluded

Disclosure of Scope 3 GHG Emissions Category Exclusions

GHG Protocol Scope 3 inventory includes some categories which were excluded by Schumacher Packaging in this report. Such are for example:

- Employee commuting: Due to challenges in collecting accurate primary data.
- Business travel: It is considered negligible: the CO₂eq emissions from personal automobiles are taken into account within the Scope 1 (transport).
- Further downstream value chain operations and the use of the sold products: The company lacks direct data on this issue.
- End-of-life treatment of sold products: Due to data gaps and Schumacher Packaging Sp. z o.o. uncertainty in disposal methods.

List of Scope 3 GHG emissions categories included in inventory

The provided data covers several categories of Scope 3 emissions, including:

- Incoming materials
- Water supply
- Transport upstream
- Waste treatment
- Water treatment
- Transport downstream

Disclosure of reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions

Reporting Boundaries:

Organizational Boundaries: Include all operational activities under the control of Schumacher Packaging.

Operational Boundaries: Cover upstream activities (procurement of raw materials, transport to facilities) and downstream activities (waste treatment, transport to customers).

Temporal Boundaries: The reporting period is the calendar year 2023.

Calculation Methods:

Scope 3 GHG emissions were estimated using the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Primary data were collected on material usage, water consumption, waste generation, and transport distances. Emission factors were applied from the UK Government's GHG Conversion Factors (2022) to convert activity data into GHG emissions.

Exclusions:

Certain Scope 3 categories, such as employee commuting, business travel, use of sold products, and end-of-life treatment of sold products, were excluded due to data collection challenges or their negligible impact relative to included categories.

GHG emissions intensity, location-based (total GHG emissions per net revenue)

GHG emissions intensity (location-based) = $81366,182 / 356038,224 = 0,22$ [tons / 1000PLN]

GHG emissions intensity, market-based (total GHG emissions per net revenue)

GHG emissions intensity (market-based) = $81276,156 / 356038,224 = 0,23$ [tons / 1000PLN]

Disclosure of reconciliation to financial statements of net revenue used for calculation of GHG emissions intensity

The calculation of GHG emissions intensity for the year 2023 is based on the total net revenue reported in the financial statements of Schumacher Packaging Sp. z o.o.

Disclosure of reconciliation to relevant line item or notes in financial statements of net revenue amounts

The net revenue figure of 356038224 PLN used in the GHG emissions intensity calculations is reconciled to the total revenue reported in the income statement of Schumacher Packaging for the year ending 31 December 2023. This revenue figure is detailed in Note 3 of the financial statements, which covers revenue from contracts with customers. This ensures that the GHG emissions intensity calculation is consistent with the financial data reported to stakeholders.

Net revenue

356038224 PLN

Net revenue used to calculate GHG intensity

356038224 PLN

Net revenue other than used to calculate GHG intensity

None

E1-7. Greenhouse gas removal and greenhouse gas emission reduction projects financed by carbon credits

Disclosure of GHG removals and storage resulting from projects developed in own operations or contributed to in upstream and downstream value chain

None

Disclosure of GHG emission reductions or removals from climate change mitigation projects outside value chain financed or to be financed through any purchase of carbon credits

None

Removals and carbon credits are used

None

GHG Removals and storage Activity by undertaking scope and by removal and storage activity

None

Total GHG removals and storage

None

GHG emissions associated with removal activity

None

Disclosure of calculation assumptions, methodologies and frameworks applied (GHG removals and storage)

Not applicable

Removal activity has been converted into carbon credits and sold on to other parties on voluntary market

None

Description of GHGs concerned for removal and storage activity, technological details about GHG removal, type of storage and transport of removed GHGs, whether activity qualifies as nature-based solution and how risk of non-permanence is managed

Not applicable

Total amount of carbon credits outside value chain that are verified against recognised quality standards and cancelled

None

Total amount of carbon credits outside value chain planned to be cancelled in future

None

Reversals

Not applicable

Disclosure of extent of use and quality criteria used for carbon credits

Not applicable

Percentage of reduction projects

Not applicable

Percentage of removal projects

Not applicable

Type of carbon credits from removal projects

Not applicable

Percentage for recognised quality standard

Not applicable

Percentage issued from projects in European Union

Not applicable

Percentage that qualifies as corresponding adjustment

Not applicable

Date when carbon credits outside value chain are planned to be cancelled

Not applicable

Explanation of scope, methodologies and frameworks applied and how residual GHG emissions are intended to be neutralised

Not applicable

Public claims of GHG neutrality that involve use of carbon credits have been made

Not applicable

Public claims of GHG neutrality that involve use of carbon credits are accompanied by GHG emission reduction targets

Not applicable

Claims of GHG neutrality and reliance on carbon credits neither impede nor reduce achievement of GHG emission reduction targets or net zero target

Not applicable

Explanation of how public claims of GHG neutrality that involve use of carbon credits are accompanied by GHG emission reduction targets and how claims of GHG neutrality and reliance on carbon credits neither impede nor reduce achievement of GHG emission reduction targets or net zero target

Not applicable

Explanation of credibility and integrity of carbon credits used

Not applicable

Percentage for recognized quality standards

Not applicable

E1-9. Potential financial impacts related to significant physical and transition risks and potential climate-related opportunities

Assets at material physical risk before considering climate change adaptation actions

The data will be presented in the next annual ESG report.

Assets at acute material physical risk before considering climate change adaptation actions

The data will be presented in the next annual ESG report.

Assets at chronic material physical risk before considering climate change adaptation actions

The data will be presented in the next annual ESG report.

Percentage of assets at material physical risk before considering climate change adaptation actions

The data will be presented in the next annual ESG report.

Disclosure of location of significant assets at material physical risk

The data will be presented in the next annual ESG report.

Percentage of assets at material physical risk addressed by climate change adaptation actions

The data will be presented in the next annual ESG report.

Disclosure of location of significant assets at material physical risk

The data will be presented in the next annual ESG report.

Net revenue from business activities at material physical risk

The data will be presented in the next annual ESG report.

Percentage of net revenue from business activities at material physical risk

The data will be presented in the next annual ESG report.

Disclosure of how anticipated financial effects for assets and business activities at material physical risk have been assessed

The data will be presented in the next annual ESG report.

Disclosure of how assessment of assets and business activities considered to be at material physical risk relies on or is part of process to determine material physical risk and to determine climate scenarios

The data will be presented in the next annual ESG report.

Disclosure of risk factors for net revenue from business activities at material physical risk

The data will be presented in the next annual ESG report.

Disclosure of magnitude of anticipated financial effects in terms of margin erosion for business activities at material physical risk

The data will be presented in the next annual ESG report.

Assets at material transition risk before considering climate mitigation actions

The data will be presented in the next annual ESG report.

Percentage of assets at material transition risk before considering climate mitigation actions

The data will be presented in the next annual ESG report.

Percentage of assets at material transition risk addressed by climate change mitigation actions

The data will be presented in the next annual ESG report.

Total carrying amount of real estate assets

The data will be presented in the next annual ESG report.

Disclosure of how potential effects on future financial performance and position for assets and business activities at material transition risk have been assessed

The data will be presented in the next annual ESG report.

Disclosure of how assessment of assets and business activities considered to be at material transition risk relies on or is part of process to determine material transition risks and to determine scenarios

The data will be presented in the next annual ESG report.

Estimated amount of potentially stranded assets

The data will be presented in the next annual ESG report.

Percentage of estimated share of potentially stranded assets of total assets at material transition risk

The data will be presented in the next annual ESG report.

Total carrying amount of real estate assets for which energy consumption is based on internal estimates

The data will be presented in the next annual ESG report.

Liabilities from material transition risks that may have to be recognised in financial statements

The data will be presented in the next annual ESG report.

Number of Scope 1 GHG emission allowances within regulated emission trading schemes

Not applicable

Number of emission allowances stored (from previous allowances) at beginning of reporting period

Not applicable

Potential future liabilities, based on existing contractual agreements, associated with carbon credits planned to be cancelled in near future

Not applicable

Monetised gross Scope 1 and 2 GHG emissions

Not applicable

Monetised total GHG emissions

Not applicable

Net revenue from business activities at material transition risk

The data will be presented in the next annual ESG report.

Net revenue from customers operating in coal-related activities

Not applicable

Net revenue from customers operating in oil-related activities

Not applicable

Net revenue from customers operating in gas-related activities

Not applicable

Percentage of net revenue from customers operating in coal-related activities

Not applicable

Percentage of net revenue from customers operating in oil-related activities

Not applicable

Percentage of net revenue from customers operating in gas-related activities

Not applicable

Percentage of net revenue from business activities at material transition risk

Not applicable

Disclosure of risk factors for net revenue from business activities at material transition risk

The data will be presented in the next annual ESG report.

Disclosure of magnitude of anticipated financial effects in terms of margin erosion for business activities at material transition risk

The data will be presented in the next annual ESG report.

Disclosure of reconciliations with financial statements of significant amounts of assets and net revenue at material physical risk

The data will be presented in the next annual ESG report.

Disclosure of reconciliations with financial statements of significant amounts of assets, liabilities and net revenue at material transition risk

The data will be presented in the next annual ESG report.

Expected cost savings from climate change mitigation actions

The data will be presented in the next annual ESG report.

Expected cost savings from climate change adaptation actions

The data will be presented in the next annual ESG report.

Potential market size of low-carbon products and services or adaptation solutions to which undertaking has or may have access

The data will be presented in the next annual ESG report.

Expected changes to net revenue from low-carbon products and services or adaptation solutions to which undertaking has or may have access

The data will be presented in the next annual ESG report.

E1-IRO-1. Impacts, risks and opportunities

Description of process in relation to impacts on climate change

Energy Consumption and Efficiency:

Schumacher Packaging employs energy-efficient machinery and practices to minimize greenhouse gas emissions. The company invests in renewable energy sources to reduce reliance on fossil fuels.

As examples we can relate to:

- the new energy-saving machines installed in the last several years;
- the more effective use of the heat in the winter period that not only saves energy, but also reduce GHG emissions in scopes 1 and 2 (through reduction of energy procurement);
- selection of energy suppliers with high percentage of renewable sources in their energy mix;
- the new photovoltaic installation being in the process of implementation (project phase is finished).

Material Usage and Recycling:

We use the recycled materials in packaging products that helps in reducing carbon footprint. Waste management practices are implemented to ensure minimal environmental impact.

The examples:

- we use the paper (mostly from renewable waste paper sources) as a main raw material, successfully eliminating the non-paper elements of packaging;
- the newly-adopted and mastered waste minimization practices that reduce GHG emissions both in our own operations and within the supply chain.

Transportation and Logistics:

Optimization of logistics to reduce emissions from transportation. Implementation of eco-friendly transportation methods where possible.

The examples:

- electrical forklifts usage;
- usage of trucks compatible with the Euro-6 standards;
- use of the indicator “percentage of filling of cargo trucks with products” with the appropriate target values as one of the main indicators of the Logistics department performance.

Manufacturing Processes:

Adoption of cleaner production technologies to reduce emissions. Continuous monitoring and improvement of manufacturing processes to minimize environmental impact.

The examples:

- maximization of elimination of waste in production processes;
- use of waste as security elements of packaging.

Description of process in relation to climate-related physical risks in own operations and along value chain

Risk Assessment and Management:

Regular assessment of physical risks due to climate change (e.g., extreme weather events, temperature fluctuations).

Implementation of mitigation strategies to protect facilities and operations.

Supply Chain Resilience:

Evaluation of climate risks along the supply chain.

Collaboration with suppliers to ensure they also adopt climate-resilient practices.

The Schumacher Packaging cooperation with the suppliers concerning the carbon footprint will start in 2024 for most of the suppliers. The cooperation in the above-mentioned area with other Schumacher Packaging plants (our key paper suppliers) has started already in 2022.

Infrastructure and Facility Adaptations:

Strengthening infrastructure to withstand extreme weather events.

Investment in technologies that enhance operational resilience to climate impacts.

For our enterprise (due to the current climate conditions) the direct climate change impacts on the own infrastructure is not the short- or medium-term risk | impact set. But we are in the process of development of future counteraction plan that will help us to minimize the future risk consequences from the severe climate change impacts.

Climate-related hazards have been identified over short-, medium- and long-term time horizons

Short-Term (less than 1 year):

Identification of Immediate Risks:

a) We are focusing on immediate climate-related hazards such as severe weather events (storms, heavy rainfall, flooding).

These events might have some adverse consequences as:

- power shortages or outages;
- damage of the plant's infrastructure;
- communication and logistics problems.

Till the end of 2024 we have to re-assess the vulnerability of existing infrastructure and logistics to immediate risks. Such risks must be annually re-assessed, as well as the counteraction measures' plan.

Response and Recovery Plans:

Implementation of quick response and recovery plans to address disruptions caused by extreme weather events. Development of emergency protocols and training for employees to handle climate-related incidents.

Monitoring and Early Warning Systems:

We use of meteorological data (Maintenance department, Investment director) to predict and prepare for imminent climate hazards.

Medium-Term (1-5 years):

Gradual Climate Changes Assessment:

During 2024 we will conduct an assessment of gradual climate changes such as temperature increases, altered precipitation patterns, and their effects on production processes and raw material availability.

This will involve the evaluation of the potential impact of medium-term climate changes on energy consumption and operational efficiency.

Development of Adaptive Strategies:

One of our goals within the development of the climate strategy is the development of an adaptive approach to handle medium-term changes, such as upgrading equipment to be more energy-efficient and climate-resilient.

Supply Chain Resilience:

We will also be strengthening the supply chain resilience by building strategic partnerships with those who are also adapting to climate changes.

Implementation of risk management practices to ensure supply chain continuity in the face of medium-term climate risks will be one of the other major steps.

Long-Term (5+ years):

Consideration of significant climate shifts (e.g., rising sea levels, long-term temperature trends).

We assume that the main consequences for our company coming out of these shifts are:

- the distinctive population streams which will be directed:

- towards our region of Poland from the endangered sea coast;
- towards Poland from the countries on the south.

- the major change in the population (population increase) in the target markets;

- the increase of the cancer rate which will increase the health problems of our own workforce.

Strategic planning for long-term sustainability and climate adaptation.

The thorough analysis of the long-term issues will be done in 2024-2025, and will result in development of long-term plans involving all of the areas of sustainability, which take into account all the ESRS norms and sustainability matters.

Undertaking has screened whether assets and business activities may be exposed to climate-related hazards

Asset Vulnerability Analysis:

Comprehensive screening of company assets for vulnerability to climate-related hazards.

Prioritization of critical assets for climate-proofing measures.

Business Activity Assessment:

Evaluation of how key business activities might be impacted by climate change.

Implementation of risk mitigation strategies to ensure business continuity.

Short-, medium- and long-term time horizons have been defined

As it was said [above in this report \(section BP-2 in the cross-section disclosures\)](#), the time horizons adopted in this report are consistent with section 6.4 of ESRS 1 and determined by the undertaking as follows:

Short	Up to and including 1 year - a deadline no higher than the period between financial statements [according to art. 82a) ESRS 1]
Medium term	>1 year...≤5 years [according to art.. 82b) ESSR 1]
Long term	> 5 years [according to art.. 82c) ESRS 2]

Extent to which assets and business activities may be exposed and are sensitive to identified climate-related hazards has been assessed

Comprehensive Risk Assessment:

Schumacher Packaging conducts a comprehensive risk assessment to evaluate the exposure and sensitivity of its assets and business activities to identified climate-related hazards.

This includes analyzing physical assets such as manufacturing plants, warehouses, and transportation infrastructure for vulnerability to extreme weather events and gradual climate changes.

Operational Vulnerability Analysis:

Detailed analysis of operational processes to identify which activities are most vulnerable to climate-related disruptions.

Assessment of critical points in production and supply chain that could be impacted by climate hazards, such as supply interruptions, energy supply issues, and logistics delays.

Geographical Risk Mapping:

Mapping of geographical locations where the company operates is simple from the point of view of production, but more complex when it comes to the chain of supply and the clients' locations. We should understand region-specific climate risks, including flood-prone areas, regions susceptible to heatwaves, and areas facing water scarcity.

Use of geographic information systems (GIS) and climate modeling tools to visualize and quantify exposure levels.

Stakeholder Engagement:

Engagement with stakeholders, including suppliers, customers, and local communities, to gather insights on potential climate-related hazards and their impacts on business activities.

Collaboration with local authorities and industry groups to align risk assessment with broader regional and sectoral climate risk strategies.

Sensitivity Analysis:

Sensitivity analysis to determine how different climate scenarios could affect the company's operations and financial performance.

Evaluation of the resilience of key assets and activities under various climate stress tests.

Identification of climate-related hazards and assessment of exposure and sensitivity are informed by high emissions climate scenarios

Scenario Analysis:

Schumacher Packaging employs scenario analysis, including high emissions scenarios, to understand the potential impacts of severe climate change on its operations.

Use of scenarios that project significant temperature increases, extreme weather frequency, and sea level rise to inform risk assessment and strategic planning.

Use of Climate Models:

Utilization of advanced climate models and scientific data to identify and assess climate-related hazards under high emissions scenarios.

Collaboration with climate scientists and research institutions to ensure the accuracy and relevance of climate projections used in risk assessments.

Impact Projections:

Projection of the impacts of high emissions scenarios on various aspects of the business, including energy demand, water resources, raw material availability, and supply chain stability.

Analysis of how extreme climate conditions under high emissions scenarios could affect production schedules, delivery times, and overall business continuity.

Adaptive Capacity Evaluation:

Evaluation of the company's adaptive capacity to cope with severe climate impacts predicted under high emissions scenarios.

Identification of necessary investments and adjustments in infrastructure, technology, and processes to enhance resilience.

Strategic Planning:

Integration of findings from high emissions scenario analysis into long-term strategic planning and sustainability goals.

Development of contingency plans and adaptive strategies to mitigate the risks associated with high emissions scenarios and ensure long-term operational resilience.

These assumptions highlight Schumacher Packaging's proactive approach to understanding and mitigating the risks associated with climate change, using comprehensive risk assessments and informed scenario analyses to safeguard its assets and business activities.

Explanation of how climate-related scenario analysis has been used to inform identification and assessment of physical risks over short, medium and long-term

Short-Term (less than 1 year):

Scenario Analysis: Use of near-term climate models to project the frequency and intensity of severe weather events, such as storms and floods.

Risk Identification: Identification of immediate physical risks to manufacturing facilities, supply chain disruptions, and logistic challenges.

Risk Assessment: Assessment of vulnerability of critical infrastructure and implementation of rapid response plans to mitigate impacts.

Medium-Term (1-5 years):

Scenario Analysis: Application of Medium-term climate scenarios to analyze gradual changes in temperature, precipitation patterns, and the potential for increased frequency of heatwaves.

Risk Identification: Identification of medium-term physical risks such as gradual increases in average temperatures affecting production processes, and changes in water availability impacting operations.

Risk Assessment: Evaluation of operational resilience to medium-term climate impacts, development of adaptation strategies, and investment in climate-resilient technologies.

Long-Term (5+ years):

Scenario Analysis: Utilization of long-term high-emissions climate scenarios to forecast substantial shifts in climate patterns, including significant temperature rises and sea level changes.

Risk Identification: Identification of long-term physical risks such as persistent temperature increases, chronic water shortages, and potential relocation of facilities due to sea-level rise.

Risk Assessment: Strategic planning for long-term sustainability, including infrastructure upgrades, relocation plans, and integration of climate resilience into long-term business strategy.

Description of process in relation to climate-related transition risks and opportunities in own operations and along value chain

Transition Risk Identification:

Policy and Regulation Changes: Monitoring and assessment of evolving environmental regulations and policies that could impact operations and compliance requirements.

Market Shifts: Analysis of changing market demands for sustainable packaging solutions and potential financial risks due to shifts in consumer preferences.

Opportunity Identification:

Innovation and R&D: Investment in research and development to create sustainable and eco-friendly packaging solutions that meet emerging market needs.

New Markets: Exploration of new markets and business opportunities driven by the demand for green products and services.

Operational Adjustments:

Energy Transition: Implementation of energy-efficient technologies and transition to renewable energy sources to reduce carbon footprint and comply with future regulatory standards.

Supply Chain Collaboration: Collaboration with suppliers to ensure they adopt sustainable practices, reducing the overall carbon footprint of the value chain.

Communication and Reporting:

Stakeholder Engagement: Regular communication with stakeholders regarding the company's efforts and progress in managing transition risks and seizing opportunities.

Transparent Reporting: Comprehensive reporting on sustainability initiatives, including the impacts of transition risks and opportunities on business operations and financial performance.

Transition events have been identified over short-, medium- and long-term time horizons

Short-Term (less than 1 year):

Regulatory Compliance: Adaptation to immediate regulatory changes and implementation of compliance measures.

Market Response: Quick response to shifting consumer preferences towards sustainable packaging solutions.

Medium-Term (1-5 years):

Technological Upgrades: Investment in and adoption of new technologies to improve energy efficiency and reduce emissions.

Supply Chain Adjustments: Building a resilient supply chain by integrating sustainability criteria in supplier selection and management.

Long-Term (5+ years):

Strategic Transformation: Long-term strategic planning to align with global sustainability goals, such as the Paris Agreement targets.

Sustainable Growth: Focus on sustainable growth strategies, including the development of new product lines that leverage sustainable materials and processes.

These assumptions outline how Schumacher Packaging is likely using climate-related scenario analysis to inform their risk assessment processes, manage transition risks and opportunities, and strategically plan for future climate-related events across different time horizons.

Undertaking has screened whether assets and business activities may be exposed to transition events

Regulatory Screening:

Schumacher Packaging regularly monitors and reviews current and upcoming environmental regulations at local, national, and international levels.

The company conducts compliance audits to ensure that all facilities and operations meet or exceed regulatory requirements.

Market Trends Analysis:

The company continuously analyzes market trends and consumer preferences towards sustainable packaging solutions.

Market research and customer feedback are used to identify potential shifts in demand that could impact business activities.

Technology and Innovation Monitoring:

Schumacher Packaging keeps abreast of technological advancements and innovations in the packaging industry.

Screening includes identifying opportunities to adopt new, more sustainable technologies that could mitigate transition risks.

Supply Chain Evaluation:

Regular assessments of the supply chain to identify potential exposure to transition events, such as suppliers' ability to meet new sustainability standards.

Engagement with suppliers to ensure alignment with Schumacher Packaging's sustainability goals and regulatory requirements.

Financial Impact Assessments:

Conducting financial impact assessments to understand how transition events could affect the company's financial performance.

Scenario planning and stress testing to evaluate the financial resilience of the business against transition risks.

Extent to which assets and business activities may be exposed and are sensitive to identified transition events has been assessed

Vulnerability Assessment:

Detailed vulnerability assessments of physical assets, including manufacturing plants and logistics infrastructure, to understand their sensitivity to transition risks.

Evaluation of the potential need for upgrades or retrofits to comply with new regulations or to adopt new technologies.

Operational Sensitivity Analysis:

Analysis of how different business activities might be impacted by transition events, such as shifts in consumer demand or changes in raw material availability.

Identification of critical operations that are most sensitive to transition risks and development of contingency plans.

Carbon Footprint Evaluation:

Assessment of the carbon footprint of various business activities to identify areas with the highest emissions.

Development of strategies to reduce emissions in sensitive areas, such as adopting renewable energy sources or improving energy efficiency.

Supply Chain Resilience:

Evaluation of the resilience of the supply chain to transition risks, including the capacity of suppliers to meet new sustainability standards.

Development of strategic partnerships with suppliers who are leaders in sustainability and can provide low-carbon materials and services.

Investment in R&D:

Investment in research and development to explore new materials, processes, and technologies that can reduce exposure to transition risks.

Pilot projects and innovation labs to test and scale sustainable solutions that can be integrated into the company's operations.

Employee Training and Development:

Training programs for employees to ensure they are aware of and can adapt to new regulations and sustainability practices.

Development of a culture of sustainability within the organization, encouraging proactive identification and management of transition risks.

Stakeholder Engagement:

Regular engagement with stakeholders, including customers, suppliers, and regulators, to understand their expectations and requirements related to transition risks.

Transparent communication of the company's strategies and progress in managing transition risks and opportunities.

These assumptions reflect a comprehensive approach by Schumacher Packaging to screen for and assess the sensitivity of its assets and business activities to transition events, ensuring the company remains resilient and competitive in a rapidly changing regulatory and market environment.

Identification of transition events and assessment of exposure has been informed by climate-related scenario analysis

Scenario Analysis Utilization:

Schumacher Packaging employs climate-related scenario analysis to identify potential transition events that could impact the business.

Scenarios considered include varying degrees of regulatory changes, market shifts towards sustainability, technological advancements, and evolving consumer preferences.

Regulatory and Policy Scenarios:

Analysis of different regulatory scenarios, including stringent emissions regulations and carbon pricing, to understand potential impacts on operations and compliance requirements.

Evaluation of policies aimed at promoting circular economy practices and reducing waste.

Market and Consumer Behavior Scenarios:

Exploration of market scenarios where consumer demand shifts significantly towards sustainable packaging solutions.

Assessment of the impact of increased demand for eco-friendly products on supply chain, production processes, and material sourcing.

Technological Advancement Scenarios:

Consideration of scenarios where rapid technological advancements provide new opportunities and challenges in sustainable packaging.

Evaluation of the adoption rates of innovative packaging technologies and their integration into existing operations.

Financial Impact and Risk Assessment:

Financial modeling of different climate-related scenarios to assess potential impacts on revenue, costs, and overall financial performance.

Identification of high-risk areas that could face significant financial exposure due to transition events.

Assets and business activities that are incompatible with or need significant efforts to be compatible with transition to climate-neutral economy have been identified

Asset Compatibility Assessment:

Comprehensive evaluation of all physical assets, including manufacturing plants, machinery, and logistics infrastructure, to determine their compatibility with a climate-neutral economy.

Identification of assets that are heavily reliant on fossil fuels and would require significant retrofitting or replacement to meet sustainability targets.

Operational Processes Review:

Review of business activities and operational processes to identify areas with high carbon emissions and environmental impact.

Assessment of production methods, energy use, and waste management practices to determine their alignment with climate-neutral goals.

High Emission Activities:

Identification of specific activities that contribute significantly to the company's carbon footprint, such as energy-intensive manufacturing processes and long-distance transportation.

Evaluation of the feasibility and cost of transitioning these activities to low-carbon alternatives.

Supply Chain Assessment:

Analysis of the supply chain to identify suppliers and materials that are not aligned with climate-neutral objectives.

Engagement with suppliers to encourage the adoption of sustainable practices and to source eco-friendly materials.

Investment in Sustainable Technologies:

Identification of areas requiring significant investment in new technologies to become compatible with a climate-neutral economy.

Planning for the adoption of renewable energy sources, energy-efficient equipment, and sustainable materials.

Employee and Operational Readiness:

Assessment of the current workforce and operational capabilities to support the transition to climate-neutral practices.

Identification of skills gaps and training needs to ensure employees are equipped to handle new technologies and sustainable processes.

Strategic Planning and Roadmap Development:

Development of a strategic roadmap to transition incompatible assets and activities towards sustainability.

Setting clear targets and timelines for achieving climate-neutral objectives, including intermediate milestones and performance indicators.

Explanation of how climate-related scenario analysis has been used to inform identification and assessment of transition risks and opportunities over short, medium and long-term

Short-Term (less than 1 year):

Regulatory Compliance: Scenario analysis is used to anticipate immediate regulatory changes related to emissions, packaging materials, and waste management. By analyzing scenarios that consider different regulatory timelines and requirements, Schumacher Packaging can identify short-term compliance risks and opportunities.

Market Demand Shifts: Evaluation of scenarios where consumer preferences rapidly shift towards more sustainable packaging options. This helps identify short-term market risks, such as losing market share to competitors with greener products, and opportunities to capture new market segments by introducing eco-friendly packaging solutions.

Technology Adoption: Analysis of scenarios where new sustainable technologies become available and are adopted quickly. This helps assess the risk of falling behind in technology adoption and the opportunity to be a first mover in implementing innovative solutions that reduce environmental impact.

Medium-Term (1-5 years):

Economic Impacts: Scenario analysis includes medium-term economic factors such as carbon pricing and incentives for green technologies. This helps identify financial risks associated with increased operational costs due to carbon pricing and opportunities to benefit from financial incentives for sustainable practices.

Supply Chain Evolution: Evaluation of scenarios where supply chains evolve towards greater sustainability. This includes assessing the risks of supply chain disruptions due to stringent environmental standards and the opportunity to develop partnerships with sustainable suppliers.

Consumer Behavior Trends: Analysis of medium-term trends in consumer behavior towards sustainability, helping to identify risks of declining demand for non-sustainable products and opportunities to innovate and expand product lines that meet evolving consumer expectations.

Long-Term (5+ years):

Strategic Alignment: Long-term scenario analysis focuses on aligning with global climate goals and long-term sustainability targets, such as the Paris Agreement. This helps identify strategic risks of misalignment with long-term sustainability trends and opportunities to position the company as a leader in sustainability.

Infrastructure and Investment Planning: Scenarios consider the long-term viability of current infrastructure and the need for significant investments in sustainable technologies. This includes assessing risks of stranded assets and opportunities for early investment in renewable energy and circular economy practices.

Global Environmental Changes: Long-term scenarios also include significant global environmental changes, such as severe climate shifts, which can inform the risk assessment of long-term operational disruptions and opportunities to innovate in climate-resilient packaging solutions.

Integration into Business Strategy:

Regular Updates and Reviews:

Scenario analysis is regularly updated to reflect new data, scientific advancements, and regulatory changes. This ensures that the identification and assessment of transition risks and opportunities remain relevant and actionable. Periodic reviews of the scenario analysis outcomes are conducted to adjust strategies and operations as needed.

Cross-Functional Collaboration:

Involvement of various departments, including R&D, operations, finance, and marketing, in scenario analysis ensures a comprehensive understanding of transition risks and opportunities across the organization.

Collaborative efforts help integrate sustainability into every aspect of the business, from product development to customer engagement.

Risk Management Framework:

The outcomes of scenario analysis are incorporated into the company's risk management framework. This includes developing mitigation strategies for identified risks and capitalizing on opportunities through strategic initiatives and investments.

Establishing a clear roadmap for transitioning towards sustainability, with specific milestones and performance indicators, ensures progress is measurable and aligned with long-term goals.

Explanation of how climate scenarios used are compatible with critical climate-related assumptions made in financial statements

The consolidation of our financial and sustainability reporting will be executed by Schumacher Packaging Sp. z o.o. in the next reporting periods.

E1-SMB-3. Material impacts, risks and opportunities and their interaction with strategy and business model

Table E1-SMB-3-01. Material impacts, risks and opportunities concerning climate change

Standard	Material Positive Impacts	Material Negative Impacts	Material Risks	Material Opportunities
E1 Climate change	Photovoltaic installation usage	High CO ₂ eq emissions	Significant costs associated with climate change adaptation plan investments	Gaining customer confidence by implementing an effective climate change adaptation program
	Increasing the energy efficiency of the plant	Usage of not sustainable energy sources	Risk of technological failure regarding climate investments	

Material impacts, and appropriate targets and actions concerning climate change

Material impact E4-MI-01

Material impact description	Photovoltaic installation usage
Positive or negative	Positive
Sustainability matter	Climate change mitigation
Effects of the impact	<p>1. Reduction in Greenhouse Gas Emissions Photovoltaic (PV) installations convert sunlight into electricity without burning fossil fuels. This process significantly reduces the emission of greenhouse gases (GHGs) such as carbon dioxide (CO₂) and methane (CH₄), which are major contributors to global warming and climate change. By replacing electricity generated from coal, natural gas, and oil with solar energy, PV installations help decrease the overall carbon footprint of energy production.</p> <p>2. Reduction in Air Pollution Traditional energy generation, particularly from coal and oil, releases harmful pollutants into the air, including sulfur dioxide (SO₂), nitrogen oxides (NO_x), and particulate matter. These pollutants contribute to smog, acid rain, and respiratory problems in humans. PV installations produce electricity without emitting these pollutants, leading to cleaner air and improved public health.</p> <p>3. Decreased Dependency on Fossil Fuels Solar energy is a renewable resource, meaning it is abundant and continuously replenished by the sun. Increasing the use of PV installations reduces reliance on finite fossil fuels, which are subject to market fluctuations and geopolitical tensions. This shift contributes to energy security and stability by diversifying the energy supply.</p> <p>4. Job Creation and Economic Growth The solar industry creates a wide range of job opportunities, from manufacturing and installation to maintenance and research. As demand for solar energy grows, so does employment in these sectors, stimulating economic growth and providing new career paths in sustainable industries.</p> <p>5. Energy Independence Countries that invest in PV installations can achieve greater energy independence by harnessing local solar resources. This reduces the need for importing energy, lowering trade deficits and enhancing national security by minimizing exposure to global energy market disruptions.</p> <p>6. Conservation of Water Resources Conventional power plants, especially those using fossil fuels and nuclear energy, consume significant amounts of water for cooling purposes. PV installations, on the other hand, require minimal water for operation, conserving this critical resource and reducing stress on water supplies, particularly in arid regions.</p>
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	20% of electricity need of the company will come from the photovoltaic
Nature of target	Environmental with strong governance influence
Description of scope of target	The target applies to all electricity consumption across the company's operational sites, aiming to source 20% of this demand from photovoltaic installations.
Baseline value	10% (project phase is underway)

Baseline year	2023
Period to which target applies	2023-2026
Indication of milestones or interim targets	Interim target (2024): 20% meaning that project phase is over, and acceptance at least for the field part of the installation is received
Description of methodologies and significant assumptions used to define target	Methodology Energy Audit: Conducted an energy audit to determine current electricity consumption and potential savings from PV installations. Solar Feasibility Study: Performed a feasibility study to assess solar energy potential at company location. Assumptions: The target assumes consistent sunlight availability and stable energy prices for accurate ROI calculations.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on studies and industry benchmarks showing PV efficiency and its environmental benefits.
Action to manage target	Implementation of Photovoltaic installation at Schumacher Packaging Sp. z o.o.
Scope of action	Actions associated with the target are mostly focused on company-wide scope, but the target itself has the strong and inevitable influence at least onto Scope 2 energy suppliers and the clients (in the future – on the waste utilization suppliers)
Status of action	Ongoing, project acceptance stage
Time horizon of action	Medium-term
Year of completion of action	2026
How action has been taken to provide or enable remedy in relation to actual material impact	Project Planning: Developed a detailed project plan including timelines, budget, and resource allocation. Vendor Selection: Selected vendors and contractors for PV installation through a competitive bidding process. Employee Training: Conducted training programs for staff on the benefits and maintenance of PV systems.
Financial and other resources	Capital Investment: Secured funding for the installation of PV systems. Operational Budget: Allocated budget for ongoing maintenance and monitoring of PV systems. Incentives and Subsidies: Applied for government incentives and subsidies to offset installation costs.

Material impact E4-MI-02

Material impact description	Increasing the energy efficiency of the plant
Positive or negative	Positive
Sustainability matter	Energy
Effects of the impact	<ol style="list-style-type: none"> 1. Reduction in Energy Consumption Increasing the energy efficiency of a plant directly leads to a reduction in energy consumption. This means the plant uses less energy to produce the same amount of output, which lowers operational costs and conserves energy resources. 2. Lower Greenhouse Gas Emissions By improving energy efficiency, the plant reduces its overall demand for energy, which often results in lower greenhouse gas (GHG) emissions. This is especially significant if the plant relies on fossil fuels for its energy needs. Reducing GHG emissions helps mitigate climate change and improves air quality. 3. Cost Savings Enhanced energy efficiency translates into significant cost savings for the plant. Lower energy consumption reduces utility bills and operating expenses, which can improve the plant's profitability and financial stability. These savings can be reinvested into other sustainability initiatives or business operations. 4. Extended Equipment Lifespan Energy-efficient practices often involve optimizing and maintaining equipment to operate at peak performance. This can reduce wear and tear on machinery, extending its lifespan and reducing the frequency and cost of repairs and replacements. 5. Improved Competitive Advantage Plants that prioritize energy efficiency can gain a competitive edge in the market. Lower operational costs allow for more competitive pricing of products and services. Additionally, demonstrating a commitment to sustainability can enhance the plant's reputation and appeal to environmentally conscious consumers and partners. 6. Enhanced Energy Security Reducing the plant's energy consumption decreases its dependence on external energy sources. This enhances energy security, particularly in regions prone to energy supply disruptions or price volatility. A more self-sufficient energy strategy can stabilize operations and reduce vulnerability to energy market fluctuations. 7. Environmental Benefits Beyond reducing greenhouse gas emissions, energy efficiency improvements can lead to broader environmental benefits. These include less resource extraction, reduced pollution, and lower impacts on ecosystems and biodiversity. Efficient energy use aligns with sustainable resource management practices. 8. Employee and Community Benefits

	Implementing energy efficiency measures can create a healthier and safer working environment. Efficient systems often produce less waste heat and fewer emissions, improving indoor air quality and overall working conditions. Additionally, the plant's commitment to sustainability can positively impact the local community, contributing to environmental health and potentially leading to job creation in energy management and related fields.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Increase the energy-efficiency (Energy kWh / Products 1000 m ²) by 20%
Nature of target	Environmental, with governmental background
Description of scope of target	The target applies to all production processes within the plant, aiming to reduce the energy consumption per unit of product by 20% through various energy efficiency measures and optimizations.
Baseline value	164,17 [kWh / 1000m ²]
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	Interim targets (2024): 10% implementation (development and internal consultation of core documents)
Description of methodologies and significant assumptions used to define target	Energy Audits: Conduct regular energy audits to identify areas of improvement and implement energy-saving measures. Benchmarking: Use industry benchmarks to set realistic and achievable targets for energy efficiency improvements. Technology Upgrades: Assume availability and affordability of advanced energy-efficient technologies. Training and Awareness: Assume that staff training and awareness programs will effectively contribute to energy-saving behaviors.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on scientific studies and industry data demonstrating the effectiveness of energy efficiency measures in reducing energy consumption and GHG emissions.
Action 1 to manage target	Implementation of ISO 50001 standard requirements and approaches
Scope of action 1	Company-wide, but also involving audit services suppliers.
Status of action 1	Planned
Time horizon of action 1	Medium-term
Year of completion of action 1	2026
How action 1 has been taken to provide or enable remedy in relation to actual material impact	Energy Management System: Develop and implement an energy management system according to ISO 50001 standards. Monitoring and Reporting: Establish a system for continuous monitoring and reporting of energy performance. Employee Training: Conduct training programs for staff to ensure effective implementation of energy management practices.
Financial and other resources (action 1)	Budget Allocation: Allocate budget for ISO 50001 certification and related training programs. Personnel: Assign dedicated energy management personnel to oversee the implementation and maintenance of the energy management system. Technology Investments: Invest in necessary technology upgrades to meet ISO 50001 standards.
Action 2 to manage target	Energy management auditing in different formats (audits of energy efficiency-related projects)
Scope of action 2	Regular audits across all energy-sensitive areas to ensure ongoing energy efficiency improvements.
Status of action 2	Ongoing
Time horizon of action 2	Long-term
Year of completion of action 2	2035
How action 2 has been taken to provide or enable remedy in relation to actual material impact	Audit Programs: Establish regular audit programs to assess energy efficiency projects and identify new opportunities for improvement. Feedback Mechanism: Implement a feedback mechanism to incorporate audit findings into continuous improvement plans. Performance Metrics: Develop performance metrics to track progress and measure the effectiveness of energy efficiency initiatives.
Financial and other resources (action 2)	Audit Funding: Secure funding for periodic energy audits. Consultancy Services: Engage external consultants for specialized energy audits and assessments. Training and Tools: Provide necessary training and tools for internal auditors to effectively conduct energy management audits.

Material impact E4-MI-03

Material impact description	High CO ₂ e emissions
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Positive or negative	Negative
Sustainability matter	Climate change mitigation
Effects of the impact	<p>1. Contribution to Global Warming High CO₂eq (carbon dioxide equivalent) emissions are a major contributor to global warming. CO₂ and other greenhouse gases (GHGs) trap heat in the Earth's atmosphere, leading to an increase in global temperatures. This warming effect disrupts natural climate patterns and accelerates the onset of extreme weather events.</p> <p>2. Extreme Weather Events Increased CO₂eq emissions exacerbate the frequency and severity of extreme weather events such as hurricanes, droughts, floods, and heatwaves. These events can lead to significant economic losses, displacement of communities, and increased mortality rates due to natural disasters.</p> <p>3. Sea Level Rise High levels of CO₂eq emissions contribute to the melting of polar ice caps and glaciers, as well as the thermal expansion of seawater. This results in rising sea levels, which threaten coastal regions with increased flooding, erosion, and habitat loss for both human and wildlife populations.</p> <p>4. Ocean Acidification CO₂ absorbed by the oceans leads to ocean acidification, which negatively impacts marine life, particularly organisms with calcium carbonate shells or skeletons such as corals, mollusks, and some plankton species. This can disrupt marine ecosystems and food chains, affecting biodiversity and fisheries.</p> <p>5. Public Health Risks High CO₂eq emissions are linked to poor air quality, which can cause respiratory and cardiovascular diseases. Increased temperatures also heighten the risk of heat-related illnesses and the spread of vector-borne diseases like malaria and dengue fever, posing significant public health challenges.</p> <p>6. Ecosystem Disruption Elevated CO₂eq levels lead to changes in ecosystems and habitats. Species that cannot adapt quickly to changing temperatures and environmental conditions may face extinction. This loss of biodiversity reduces ecosystem resilience and the provision of ecosystem services such as pollination, water purification, and climate regulation.</p> <p>7. Economic Costs The impacts of high CO₂eq emissions, including damage from extreme weather events, health care costs, and loss of productivity, impose significant economic burdens. Additionally, transitioning to low-carbon technologies becomes more urgent and costly as the effects of climate change intensify.</p> <p>8. Agricultural Impact Climate change driven by high CO₂eq emissions affects agricultural productivity. Changes in temperature, precipitation patterns, and the increased prevalence of pests and diseases can reduce crop yields and affect food security. This can lead to higher food prices and increased risk of famine in vulnerable regions.</p> <p>9. Water Resources Stress Changes in climate patterns affect the availability and distribution of water resources. Regions may experience more severe droughts or floods, impacting freshwater supplies for drinking, agriculture, and industrial use. This can exacerbate water scarcity issues and lead to conflicts over water resources.</p> <p>10. Impact on Human Livelihoods Communities, particularly those in developing countries, are heavily impacted by climate change. High CO₂eq emissions can lead to loss of livelihoods in sectors like agriculture, fishing, and tourism. Migration and displacement due to climate impacts also strain social and economic systems.</p>
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	20% of electricity need of the company will come from the photovoltaic
Nature of target	Environmental with strong governance influence
Description of scope of target	The target applies to all electricity consumption across the company's operational sites, aiming to source 20% of this demand from photovoltaic installations.
Baseline value	10% (project phase is underway)

Baseline year	2023
Period to which target applies	2023-2026
Indication of milestones or interim targets	Interim target (2024): 20% meaning that project phase is over, and acceptance at least for the field part of the installation is received
Description of methodologies and significant assumptions used to define target	Methodology Energy Audit: Conducted an energy audit to determine current electricity consumption and potential savings from PV installations. Solar Feasibility Study: Performed a feasibility study to assess solar energy potential at company location. Assumptions: The target assumes consistent sunlight availability and stable energy prices for accurate ROI calculations.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on studies and industry benchmarks showing PV efficiency and its environmental benefits.
Action to manage target	Implementation of Photovoltaic installation at Schumacher Packaging Sp. z o.o.
Scope of action	Actions associated with the target are mostly focused on company-wide scope, but the target itself has the strong and inevitable influence at least onto Scope 2 energy suppliers and the clients (in the future – on the waste utilization suppliers)
Status of action	Ongoing, project acceptance stage
Time horizon of action	Medium-term
Year of completion of action	2026
How action has been taken to provide or enable remedy in relation to actual material impact	Project Planning: Developed a detailed project plan including timelines, budget, and resource allocation. Vendor Selection: Selected vendors and contractors for PV installation through a competitive bidding process. Employee Training: Conducted training programs for staff on the benefits and maintenance of PV systems.
Financial and other resources	Capital Investment: Secured funding for the installation of PV systems. Operational Budget: Allocated budget for ongoing maintenance and monitoring of PV systems. Incentives and Subsidies: Applied for government incentives and subsidies to offset installation costs.

Material impact E4-MI-04

Material impact description	Usage of not sustainable energy sources
Positive or negative	Negative
Sustainability matter	Energy
Effects of the impact	<p>1. Increased Greenhouse Gas Emissions Non-sustainable energy sources, such as coal, oil, and natural gas, are major contributors to greenhouse gas (GHG) emissions. Burning these fossil fuels releases significant amounts of carbon dioxide (CO₂), methane (CH₄), and other GHGs into the atmosphere, leading to global warming and climate change.</p> <p>2. Air Pollution The combustion of non-sustainable energy sources emits pollutants such as sulfur dioxide (SO₂), nitrogen oxides (NO_x), particulate matter (PM), and volatile organic compounds (VOCs). These pollutants degrade air quality, causing respiratory and cardiovascular diseases, and can lead to premature death.</p> <p>3. Water Pollution and Scarcity Extraction and processing of fossil fuels often result in water pollution due to spills, runoff, and wastewater discharge. This contaminates freshwater resources, harming aquatic ecosystems and posing risks to human health. Additionally, certain energy production processes, like hydraulic fracturing, consume large amounts of water, exacerbating water scarcity.</p> <p>4. Habitat Destruction and Biodiversity Loss Mining and drilling for fossil fuels can lead to significant habitat destruction, deforestation, and soil degradation. This disrupts ecosystems and leads to the loss of biodiversity, affecting plants, animals, and microorganisms that play crucial roles in ecological balance and services.</p> <p>5. Climate Change Acceleration The continued use of non-sustainable energy sources accelerates the pace of climate change by increasing the concentration of GHGs in the atmosphere. This leads to more frequent and severe extreme weather events, such as hurricanes, droughts, heatwaves, and floods, which have devastating impacts on human and natural systems.</p> <p>6. Economic and Social Costs Relying on non-sustainable energy sources can have high economic costs due to health care expenses from pollution-related diseases, environmental cleanup costs, and damages from</p>

	<p>climate-induced disasters. Socially, communities may suffer from displacement, loss of livelihoods, and increased inequality due to the adverse effects of pollution and climate change.</p> <p>7. Energy Insecurity Fossil fuel resources are finite and subject to depletion, leading to energy insecurity. Dependence on these resources can result in volatile energy prices and geopolitical tensions, as countries compete for limited supplies. This can destabilize economies and create social unrest.</p> <p>8. Strain on Infrastructure The extraction, transportation, and processing of fossil fuels require extensive infrastructure, including pipelines, refineries, and power plants. This infrastructure is costly to build and maintain and often has significant environmental and social impacts, such as land use conflicts and community displacement.</p>
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	The percentage of renewable sources in electrical energy consumption part of energy mix (Increase the percentage of renewable sources in electrical energy consumption part of energy mix to 40% by 2035)
Nature of target	Environmental
Description of scope of target	The target applies to the company's overall energy consumption, aiming to increase the proportion of renewable energy sources. Target influences the energy suppliers and the energy-related solution suppliers and consultants
Baseline value	24.85%
Baseline year	2023
Period to which target applies	2023-2035
Indication of milestones or interim targets	Interim target (2024): 25%
Description of methodologies and significant assumptions used to define target	<p>Methodologies</p> <p>Energy Audits: Conduct regular energy audits to track progress towards the target.</p> <p>Technology Feasibility: Assess the availability and scalability of renewable energy technologies.</p> <p>Market Analysis: Monitor trends in renewable energy markets and government policies supporting renewable energy adoption.</p> <p>Assumptions</p> <p>Resource Availability: Assume continued access to funding and incentives for renewable energy projects.</p>
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on scientific research and industry data demonstrating the environmental benefits of increasing the share of renewable energy sources.
Action to manage target	Implementation of Photovoltaic installation at Schumacher Packaging Sp. z o.o.
Scope of action	Actions associated with the target are mostly focused on company-wide scope, but the target itself has the strong and inevitable influence at least onto Scope 2 energy suppliers and the clients (in the future – on the waste utilization suppliers)
Status of action	Ongoing, project acceptance stage
Time horizon of action	Medium-term
Year of completion of action	2026
How action has been taken to provide or enable remedy in relation to actual material impact	<p>Project Planning: Developed a detailed project plan including timelines, budget, and resource allocation.</p> <p>Vendor Selection: Selected vendors and contractors for PV installation through a competitive bidding process.</p> <p>Employee Training: Conducted training programs for staff on the benefits and maintenance of PV systems.</p>
Financial and other resources	<p>Capital Investment: Secured funding for the installation of PV systems.</p> <p>Operational Budget: Allocated budget for ongoing maintenance and monitoring of PV systems.</p> <p>Incentives and Subsidies: Applied for government incentives and subsidies to offset installation costs.</p>

Material risks & opportunities, and appropriate targets and actions concerning climate change

Material risk E4-MR-01

Material risk / opportunity description	Significant costs associated with climate change adaptation plan investments
Risk or opportunity	Risk
Sustainability matter	Climate change mitigation

Scenarios/forecasts that are deemed likely to materialize	Increased regulatory requirements for climate adaptation. Rising costs of raw materials and energy due to climate-related disruptions. Higher insurance premiums and risk mitigation expenses. Potential for stranded assets as fossil fuel-based infrastructure becomes obsolete.
Potential material financial effects related to sustainability matters	High initial capital expenditures (CAPEX) for implementing climate adaptation measures. Ongoing operational expenditures (OPEX) for maintaining climate resilience. Potential for reduced profitability due to increased costs. Need for securing additional financing to cover adaptation investments.
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company and indirectly - the clients, consumers and end-users
Measurable target	Annual calculation and in-depth analysis of CAPEX / OPEX in regard to ESRS E1 (Yes / No target)
Nature of target	Governance with environmental background
Description of scope of target	Medium-term
Baseline value	0
Baseline year	2023
Period to which target applies	2025
Indication of milestones or interim targets	Implementation of the changes to the system (analysis is still not conducted)
Description of methodologies and significant assumptions used to define target	Utilization of ESRS E1 guidelines for CAPEX / OPEX calculations. Regular updates based on changes in climate policy and regulatory environment. Collaboration with external consultants for accurate and up-to-date financial analysis. Assumptions include steady progress in regulatory requirements and gradual increases in climate adaptation costs.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on scientific consensus on climate change impacts and the necessity of adaptation measures.
Action 1 to manage target	Conclusion and realization of the agreement with the consultancy company with the subject – common development of the Climate Neutrality strategy and the Transition plan
Scope of action 1	Company-wide scope involving all departments to ensure comprehensive development and implementation of the strategy.
Status of action 1	Planned
Time horizon of action 1	Short-term
Year of completion of action 1	Q1 2025
How action 1 has been taken to provide or enable remedy in relation to actual material risk / opportunity	Engagement in negotiations with leading consultancy firms. Drafting of terms of reference for the consultancy agreement. Allocation of budget and resources for the development phase.
Financial and other resources (action 1)	Allocated budget for consultancy fees and related expenses. Internal team dedicated to overseeing the strategy development process. Contingency funds for unexpected costs during the planning phase.
Action 2 to manage target	Implementation of new accounting approach for correct incorporation of CAPEX / OPEX calculation with regard to ESRS norms
Scope of action 2	Company-wide, with a focus on the finance and accounting departments to ensure accurate financial reporting and compliance.
Status of action 2	Planned
Time horizon of action 2	Short-term
Year of completion of action 2	Q1 2025
How action 2 has been taken to provide or enable remedy in relation to actual material risk / opportunity	Development of a detailed implementation plan for the new accounting approach. Conduction of training sessions for controlling and accounting staff on ESRS norms. Establishment of a monitoring and evaluation framework to track progress of the action.
Financial and other resources (action 2)	Budget for training programs. Investment in accounting software and tools that support ESRS compliance. Ongoing support from external consultants to ensure proper implementation and troubleshooting.

Material risk E4-MR-02

Material risk / opportunity description	Risk of technological failure regarding climate investments
Risk or opportunity	Risk
Sustainability matter	Climate change mitigation
Scenarios/forecasts that are deemed likely to materialize	Delays in project timelines due to technological failures. Increased costs due to the need for repairs or replacement of failed technology. Reduced effectiveness of climate mitigation efforts, leading to unmet sustainability targets. Negative impact on company reputation and stakeholder trust.
Potential material financial effects related to sustainability matters	Increased capital expenditures (CAPEX) and operational expenditures (OPEX) due to technological fixes. Potential fines or penalties for failing to meet regulatory requirements or sustainability commitments. Loss of potential revenue from delayed or underperforming climate investments.

	Increased insurance premiums due to higher risk profile.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Technology failure rate (Maintain a technology failure rate below 2% for climate-related investments)
Nature of target	Governance with environmental influence
Description of scope of target	The target encompasses all climate-related technology investments across the company, including renewable energy installations, energy efficiency upgrades, and other sustainability initiatives.
Baseline value	0% (not applicable)
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	Interim target (2025): 2%
Description of methodologies and significant assumptions used to define target	Methodologies Regular monitoring and reporting of technology performance. Implementation of predictive maintenance and advanced diagnostics. Collaboration with technology providers to ensure high-quality standards. Assumptions Assumptions include consistent technological advancements and proactive risk management.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on industry best practices and scientific research on technology reliability and performance.
Action to manage target	Conclusion and realization of the agreement with the consultancy company with the subject – common development of the Climate Neutrality strategy and the Transition plan
Scope of action	Company-wide scope involving all departments to ensure comprehensive development and implementation of the strategy.
Status of action	Planned
Time horizon of action	Short-term
Year of completion of action	Q1 2025
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Engagement in negotiations with leading consultancy firms. Drafting of terms of reference for the consultancy agreement. Allocation of budget and resources for the development phase.
Financial and other resources	Allocated budget for consultancy fees and related expenses. Internal team dedicated to overseeing the strategy development process. Contingency funds for unexpected costs during the planning phase.

Material opportunity E4-MO-01

Material risk / opportunity description	Gaining customer confidence by implementing an effective climate change adaptation program
Risk or opportunity	Opportunity
Sustainability matter	Climate change mitigation
Scenarios/forecasts that are deemed likely to materialize	Enhanced customer loyalty and satisfaction due to the company's proactive approach to climate change. Increased market share as environmentally conscious consumers prefer businesses with strong sustainability commitments. Improved brand reputation and competitive advantage in the marketplace. Attraction of new customers and business partners who prioritize sustainability in their decision-making processes.
Potential material financial effects related to sustainability matters	Increase in revenue from higher sales and customer retention. Cost savings from improved operational efficiency and reduced regulatory compliance costs. Potential access to new markets and customer segments focused on sustainability. Enhanced ability to secure financing and investment from stakeholders prioritizing ESG (Environmental, Social, and Governance) criteria.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Value chain
Measurable target	75% client satisfaction with Schumacher Packaging Sp. z o.o. Climate Neutrality initiatives
Nature of target	Social with environmental background
Description of scope of target	The target focuses on customer satisfaction with the company's climate change adaptation and mitigation efforts, encompassing all products and services offered by the company.
Baseline value	Not applicable
Baseline year	Not applicable

Period to which target applies	2024-2035
Indication of milestones or interim targets	Conduct initial customer satisfaction survey with Climate Neutrality issues included to establish baseline.
Description of methodologies and significant assumptions used to define target	Methodologies Regular customer satisfaction surveys to track progress and gather feedback. Implementation of customer engagement programs focused on sustainability education and communication. Assumptions Assumptions include continuous improvement in sustainability practices and effective communication of these efforts to customers.
Target related to environmental matters is based on conclusive scientific evidence	Yes, based on industry best practices and customer research indicating a growing preference for sustainable businesses.
Action to manage target	Conclusion and realization of the agreement with the consultancy company with the subject – common development of the Climate Neutrality strategy and the Transition plan
Scope of action	Company-wide scope involving all departments to ensure comprehensive development and implementation of the strategy.
Status of action	Planned
Time horizon of action	Short-term
Year of completion of action	Q1 2025
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Engagement in negotiations with leading consultancy firms. Drafting of terms of reference for the consultancy agreement. Allocation of budget and resources for the development phase.
Financial and other resources	Allocated budget for consultancy fees and related expenses. Internal team dedicated to overseeing the strategy development process. Contingency funds for unexpected costs during the planning phase.

E2. Pollution

E2-1. Pollution related policies

Description of key contents of policy

The main strategic issues concerning pollution are a part of the environmental policy PG.01 (Group level) and P.01 (plant level).

Approach part contains of both level of Policy identical information.

Specific Approach sentence concerning pollution is:

Our goal is to avoid and reduce environmental pollution.

But actually the whole Approach part of the Environmental policy demonstrates holistic vision, so we'd prefer to cite it as a whole:

THE APPROACH OF THE GROUP TOWARDS THE ENVIRONMENTAL MANAGEMENT

The resources that our Earth provides are finite. In the case of central raw material and fossil energy sources, the end of supply is already foreseeable today. The destructive effects of economic activity, such as negative impacts on the environment and health burdens, are increasing more and more. Against this background, every responsible industrial company must act. We therefore give the highest priority to environmental protection and strive to limit our impact on the environment as far as possible.

As the Schumacher Packaging Group, we always have the future in mind and have expressly set ourselves the goal of acting in harmony with our environment in all our business activities and thus making a decisive contribution to protecting and preserving it.

We promote the environmental awareness of our employees through education and training in order to jointly protect the environment in all areas of the company and to use raw materials and energy sparingly.

As a manufacturer of corrugated and solid board packaging, we at Schumacher Packaging process renewable and natural raw materials from nature and thus produce application-specific, recyclable and environmentally friendly products. We are committed to complying with all environmental laws and regulations that are relevant and binding for us.

The protection of the environment and the economical use of natural resources are central tasks for our management and all employees.

Our goal is to avoid and reduce environmental pollution. Therefore, we regularly review all activities and processes to identify possible negative environmental impacts in order to be able to counteract and reduce them in a targeted manner.

We keep environmental impacts from waste, waste water, emissions and noise as low as possible. We are committed to working continuously to reduce the environmental impact of our operations, to avoid waste and to increase recycling and reuse rates. Our goal is to reduce energy and water consumption as a percentage of annual production volume.

In order to keep the environmental impact as low as possible even after the packaging has been used, it is delivered back to the paper mills where it is available as raw material for new paper rolls. Through environmental labels such as RESY, we inform and encourage our customers to actively participate in the recycling loop.

We are committed to working only with suppliers and contractors who follow environmental guidelines that are equivalent to our own.

The health and safety of our customers is an important aspect for us. We issue our customers with declarations of harmlessness for their products and provide information about the exact composition and the safe use as secondary packaging. We also inform them about our environmental activities.

We are actively committed to a balanced relationship between ecology and economy in order to leave an intact environment for future generations.

Plant level

In the plant-level Policy there is a top-management commitments' Scope dedicated to pollution, focusing more on water pollution.

Table E2-1-1. Plant-level Environmental Policy's top management commitment and objectives concerning pollution

TOP MANAGEMENT COMMITMENTS AND OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
8	Pollution	No quarterly exceedances of permissible levels of domestic sewage parameters	Set the reduction target and the action plan to achieve it	Technical (Maintenance) Department Corrugated Board Production Department Packaging Board Department Logistics Department

The objective is set for the first quarter of the year 2025 (the time of the next annual Policy Review).

Group level

In the group-level Policy the scope 9 is dedicated to pollution.

Table E2-1-2. Group-level Environmental Policy's top management commitment and objectives concerning pollution

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
9	Pollution	Reduction of water, air and soil pollution	1. Zero recorded cases of water pollution above legally permissible levels 2. Zero recorded cases of air pollution above legally permissible levels 3. Zero recorded cases of soil contamination above legally permissible levels 4. Development of a plan to implement a system for measuring water, air and soil pollution in the Group	1-3) Every year 4) 2024	Technical (Maintenance) Department

Description of scope of policy or of its exclusions

Scope: The policy applies to all employees of the Group in all areas where there exist environmental impacts, environmental risks and opportunities, as well as environmental dependencies. The Policy also describes the scope in which the Policy applies to other stakeholders, including suppliers, visitors to the company, employees of other companies performing work on the Group's premises, third-party drivers.

The Policy has no exclusions.

Description of most senior level in organization that is accountable for implementation of policy

The CEO of the Group Schumacher Packaging (Member of the Management Board is the organizational structure of Schumacher Packaging Sp. z o.o.) and the Head of the management board of Schumacher Packaging Sp. z o.o. are the most senior persons of Schumacher Packaging accountable for implementation of the Policy.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

Alignment with OECD Guidelines:

The OECD Guidelines for Multinational Enterprises provide comprehensive recommendations for responsible business conduct, particularly emphasizing the importance of environmental stewardship and sustainable development. Schumacher Packaging Sp. z o.o. aligns with these guidelines through its detailed plant-level and group-level environmental policies aimed at mitigating pollution.

Preventive Environmental Management:

The OECD guidelines advocate for proactive measures to prevent environmental damage. Schumacher Packaging's commitment to ensuring no quarterly exceedances of permissible domestic sewage parameters and its annual objectives to avoid water, air, and soil pollution align with this preventive approach. By setting specific targets and implementing action plans, the company adopts a forward-thinking strategy that prioritizes the prevention of pollution before it occurs.

Continuous Improvement:

Continuous improvement is a core principle of the OECD guidelines. Schumacher Packaging's policy includes annual reviews and updates to its objectives, ensuring ongoing enhancement of environmental performance. The development of a plan to implement a system for measuring pollution across water, air, and soil further

demonstrates the company's dedication to evolving its environmental management practices in line with best practices and technological advancements.

Transparency and Accountability:

The guidelines highlight the importance of transparency and accountability in environmental practices. Schumacher Packaging's clear assignment of responsibilities to various departments (Technical Maintenance, Corrugated Board Production, Packaging Board, and Logistics) ensures accountability within the organization. By publicly committing to specific environmental objectives and regularly reviewing these commitments, the company enhances its transparency regarding its environmental impact and management efforts.

Compliance with Legal Standards:

Adherence to legal environmental standards is a fundamental aspect of the OECD guidelines. Schumacher Packaging's objectives to maintain zero cases of pollution above legally permissible levels for water, air, and soil demonstrate a strong commitment to regulatory compliance. This not only meets the minimum legal requirements but also supports the broader goal of environmental protection as promoted by the OECD.

Stakeholder Engagement:

The OECD guidelines encourage enterprises to engage with stakeholders on environmental issues. While not explicitly mentioned in the provided policy details, Schumacher Packaging's structured approach to setting and reviewing environmental objectives likely involves consultation with relevant stakeholders, including regulatory bodies, local communities, and possibly customers, to ensure comprehensive and effective environmental management.

By integrating these aspects of the OECD guidelines into its environmental policies, Schumacher Packaging Sp. z o.o. showcases a framework for managing its environmental impact. The company's detailed commitments and structured objectives reflect a thorough alignment with the principles of sustainable development, continuous improvement, and responsible business conduct as advocated by the OECD.

Description of consideration given to interests of key stakeholders in setting policy

The main "silent stakeholder" in a case of pollution-related issues is the nature. The key way of taking its silent interests into account is the observance of the legal requirements and the best practices.

The other interested stakeholders are

- a) clients
- b) governmental authorities and other authorized bodies
- c) auditors
- d) local authorities.

We take their interests into account by:

- presenting the pollution results in a commonly-used format with minimum presentation of values required by the law;
- taking into account ESRS and other applicable documents;
- publishing the reports.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

1) We publish the policies at our internet site

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published sat our internet-site.

3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Disclosure of whether and how policy addresses transitioning away from extraction of virgin resources, including relative increases in use of secondary (recycled) resources

The policy explicitly promotes the use of renewable and natural raw materials, aligning with transitioning away from the extraction of virgin resources. It emphasizes producing recyclable and environmentally friendly products.

Furthermore, the policy details the recycling loop, where used packaging is returned to paper mills as raw material for new paper rolls, demonstrating a commitment to increasing the use of secondary (recycled) resources.

Disclosure of whether and how policy addresses sustainable sourcing and use of renewable resources

The policy addresses sustainable sourcing by committing to the use of renewable and natural raw materials for manufacturing corrugated and solid board packaging. The emphasis on compliance with environmental laws and regulations, as well as the commitment to work only with suppliers and contractors who follow equivalent environmental guidelines, ensures that sourcing practices are sustainable. The maintenance of FSC certification also supports sustainable sourcing and the use of renewable resources.

Description of whether and how policy addresses waste hierarchy (prevention, preparing for re-use, recycling, other recovery, disposal)

The policy aligns with the waste hierarchy through its commitment to avoiding and reducing environmental pollution, minimizing waste, and increasing recycling and reuse rates. The return of used packaging to paper mills for recycling into new paper rolls illustrates the focus on recycling. The commitment to keeping environmental impacts from waste as low as possible and continuously working to reduce these impacts supports the prevention and recycling stages of the waste hierarchy.

Description of whether and how policy addresses prioritization of strategies to avoid or minimize waste over waste treatment strategies

The policy prioritizes strategies to avoid or minimize waste over waste treatment. This is evident from its goals to reduce energy and water consumption, avoid and reduce pollution, and minimize the environmental impact of operations. The focus on regular reviews of activities and processes to identify and counteract possible negative environmental impacts further emphasizes the priority given to waste minimization strategies. The promotion of environmental awareness among employees through education and training also supports waste avoidance and minimization.

E2-2. Pollution-related activities and resources

Table E2-2-01. Actions planned and underway

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	<p>Liquidation of fuel oil tank</p> <p>Object scope: Geographically: The scope is local, focused on the specific site where the fuel oil tank is located. Operationally: This action involves the removal and proper disposal of the fuel oil tank and any associated infrastructure. Temporally: The scope is short-term, covering the period required for the safe liquidation and disposal process.</p> <p>Subject scope: External stakeholders: Environmental regulatory agencies, local community, waste management contractors. Internal stakeholders: Top-management, Quality system department, maintenance department.</p>	Planned	Short term 2024	<p>The action has been taken to provide remedy in relation to mitigate the material risk concerning possible pollution of soil.</p> <p>The remedy is supported by the prior analysis of the future of our Energy Mix and the possible risks associated with liquidation of the tank and alternative risks associated with the keeping the tank at our premises</p>	<p>Financial Resources:</p> <ul style="list-style-type: none"> - Hiring specialized waste management contractors for the safe removal and disposal of the fuel oil tank. - Labor costs for any additional subcontractors required for specific tasks (e.g., excavation, transportation). - Materials required for decontamination and cleanup (e.g., absorbents, spill kits). - Fees for transporting and disposing of the fuel oil and any contaminated soil or materials. <p>Human Resources:</p> <ul style="list-style-type: none"> - Involvement of internal stakeholders such as top-management for decision-making, the Quality System Department for ensuring compliance with safety standards, and the maintenance department for technical support and oversight. - Detailed site assessment and environmental impact analysis prior to tank removal. - Development of a comprehensive project plan, including timelines, safety protocols, and risk management strategies. <p>Documentation and Reporting:</p> <ul style="list-style-type: none"> - Maintaining thorough records of all activities, inspections, and compliance measures taken during the liquidation process.

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
2	<p>Development and implementation of the plan of monitoring the key pollution indicators</p> <p>Object scope: Geographically: The scope is regional or site-specific, depending on the areas identified for pollution monitoring. Operationally: This involves creating a comprehensive monitoring plan that includes identifying key pollution sources, setting up monitoring systems, and establishing protocols for regular data collection and analysis. Temporally: The scope is long-term, focusing on ongoing monitoring and assessment. Subject scope: External stakeholders: Environmental regulatory agencies, local community. Internal stakeholders: Top-management, Quality system department, maintenance department.</p>	Planned	Medium-term 2025		<p>Human Resources:</p> <ul style="list-style-type: none"> - Involvement of internal stakeholders such as top-management for strategic oversight, the Quality System Department for compliance and quality assurance, and the maintenance department for technical support and system upkeep. - Development of a comprehensive monitoring plan, including detailed protocols for data collection, analysis, and reporting. - Establishment of data management systems to store, process, and analyze collected data efficiently. <p>Communication and Coordination:</p> <ul style="list-style-type: none"> - Regular communication with external stakeholders such as environmental regulatory agencies to ensure compliance with legal requirements and provide updates on monitoring activities. - Coordination with local community representatives to address any concerns and share findings related to pollution levels.

Table E2-2-02. Actions completed

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	<p>The oil and lubricant warehouse has been built on the production floor.</p> <p>Object scope: Geographically: The scope is local, specific to the production floor where the warehouse has been constructed. Operationally: This involves the construction, setup, and operational integration of the warehouse within the production facility. Temporally: The scope is long-term, as the warehouse will be a permanent addition to the production floor. Subject scope: External stakeholders: Construction contractors, local building inspectors, environmental regulatory agencies. Internal stakeholders: Facility management, production management, warehouse staff, logistics and supply chain personnel.</p>	2023	<p>The action has been taken to provide remedy in relation to mitigate the material risk concerning possible pollution of soil.</p> <p>The remedy is supported by the prior analysis of the risks associated with the warehousing out of dedicated warehouse</p>	<p>Financial Resources:</p> <ul style="list-style-type: none"> - Cost of building materials (e.g., steel, concrete, insulation) for the construction of the warehouse. - Specialized materials for storage and handling of oils and lubricants. - Payments to construction contractors, including skilled labor for specialized installations. <p>Human Resources:</p> <ul style="list-style-type: none"> - Facility management overseeing the integration and operation of the warehouse. - Production management coordinating the warehouse's impact on production processes. - Warehouse staff responsible for day-to-day operations and inventory management. <p>Design and Planning:</p> <ul style="list-style-type: none"> - Engineering plans for the warehouse construction. - Environmental and safety plans addressing the storage and handling of oils and lubricants.

E2-3. Pollution targets

Target E2-01.

Relationship with policy objectives	Objective: Zero recorded cases of water pollution above legally permissible levels.
Measurable target	Number of recorded cases of water pollution exceeding legally permissible levels.
Nature of target	Environment-related target focused on preventing water pollution and ensuring compliance with legal regulations.
Description of scope of target	<p>Object scope: Geographically: The scope is local, concentrating on the specific Schumacher Packaging Sp. z o.o. plant and its impact on water quality in the surrounding area. Operationally: The scope encompasses all activities within the plant that could potentially lead to water pollution, including discharge of wastewater, runoff from storage areas, and accidental spills. Temporally: The goal is long-term, aiming for continuous compliance with legal standards over the years. Subject scope: External stakeholders: Environmental regulatory agencies, local community, water management authorities. Internal stakeholders: Employees, top-management, Quality System department.</p>
Baseline value	0 recorded cases of water pollution above legally permissible levels in 2023.
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 recorded cases of water pollution above legally permissible levels in 2024.
Description of methodologies and significant assumptions used to define target	<p>We understand the number of recorded cases of water pollution above legally permissible levels as instances where water quality monitoring indicates pollutant levels exceeding regulatory limits.</p> <p>This data is collected through:</p> <ul style="list-style-type: none"> • Routine water quality monitoring conducted internally by the Quality System department. • External monitoring and inspections by regulatory agencies.

	<ul style="list-style-type: none"> • Incident reports from employees and community members. • Collaboration with water management authorities for comprehensive assessment of water quality. <p>The methodology for measuring the target involves ongoing monitoring of water quality parameters and comparison against legally permissible levels as outlined in relevant regulations.</p> <p>Assumptions:</p> <p>a) Accurate and comprehensive reporting of water quality data is essential for identifying instances of pollution above legally permissible levels.</p> <p>b) Prompt action will be taken to investigate and address any instances of non-compliance with legal standards.</p> <p>c) Regulatory requirements related to water quality may evolve over time, necessitating continuous updates to monitoring practices and compliance measures.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>Compliance with legal standards for water quality is crucial to protect aquatic ecosystems, human health, and the environment.</p> <p>Pollution of water bodies can have significant ecological and socio-economic impacts, including loss of biodiversity, contamination of drinking water sources, and adverse effects on recreational activities.</p> <p>Regulatory agencies establish stringent standards for water quality based on scientific research and risk assessment, aiming to prevent adverse impacts on water resources and public health.</p>

Target E2-02.

Relationship with policy objectives	Objective: Zero recorded cases of air pollution above legally permissible levels
Measurable target	Number of recorded cases of air pollution exceeding legally permissible levels.
Nature of target	Environment-related target focused on preventing air pollution and ensuring compliance with legal regulations.
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its impact on air quality in the surrounding area.</p> <p>Operationally: The scope encompasses all activities within the plant that could potentially lead to air pollution, including emissions from production processes, combustion, and transportation.</p> <p>Temporally: The goal is long-term, aiming for continuous compliance with legal standards over the years.</p> <p>Subject scope:</p> <p>External stakeholders: Environmental regulatory agencies, local community, air quality management authorities.</p> <p>Internal stakeholders: Employees, management, Quality System department.</p>
Baseline value	0 recorded cases of air pollution above legally permissible levels in 2023.
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 recorded cases of air pollution above legally permissible levels in 2024.
Description of methodologies and significant assumptions used to define target	<p>We understand the number of recorded cases of air pollution above legally permissible levels as instances where air quality monitoring indicates pollutant levels exceeding regulatory limits.</p> <p>This data is collected through:</p> <ul style="list-style-type: none"> • Routine air quality monitoring conducted internally by the Quality System department. • External monitoring and inspections by regulatory agencies. • Incident reports from employees and community members. • Collaboration with air quality management authorities for comprehensive assessment of air quality. <p>The methodology for measuring the target involves ongoing monitoring of air quality parameters and comparison against legally permissible levels as outlined in relevant regulations.</p> <p>Assumptions:</p> <p>a) Accurate and comprehensive reporting of air quality data is essential for identifying instances of pollution above legally permissible levels.</p> <p>b) Prompt action will be taken to investigate and address any instances of non-compliance with legal standards.</p> <p>c) Regulatory requirements related to air quality may evolve over time, necessitating continuous updates to monitoring practices and compliance measures.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>Compliance with legal standards for air quality is crucial to protect public health and the environment.</p> <p>Air pollution can have significant adverse effects on human health, including respiratory problems, cardiovascular diseases, and exacerbation of existing conditions.</p>

	Regulatory agencies establish stringent standards for air quality based on scientific research and risk assessment, aiming to prevent adverse impacts on air quality and public health.
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Target E2-03.

Relationship with policy objectives	Objective: Zero recorded cases of soil contamination above legally permissible levels
Measurable target	Number of recorded cases of soil contamination exceeding legally permissible levels.
Nature of target	Environment-related target focused on preventing soil contamination and ensuring compliance with legal regulations.
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its impact on soil quality in the surrounding area. Operationally: The scope encompasses all activities within the plant that could potentially lead to soil contamination, including storage, handling, and disposal of chemical substances. Temporally: The goal is long-term, aiming for continuous compliance with legal standards over the years. Subject scope: External stakeholders: Environmental regulatory agencies, local community, soil quality management authorities. Internal stakeholders: Employees, management, Quality System department.
Baseline value	0 recorded cases of soil contamination above legally permissible levels in 2023.
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 recorded cases of soil contamination above legally permissible levels in 2023.
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of recorded cases of soil contamination above legally permissible levels as instances where soil quality monitoring indicates contamination levels exceeding regulatory limits. This data is collected through: <ul style="list-style-type: none"> • Routine soil quality monitoring conducted internally by the Quality System department. • External monitoring and inspections by regulatory agencies. • Incident reports from employees and community members. • Collaboration with soil quality management authorities for comprehensive assessment of soil quality. The methodology for measuring the target involves ongoing monitoring of soil quality parameters and comparison against legally permissible levels as outlined in relevant regulations. Assumptions: a) Accurate and comprehensive reporting of soil quality data is essential for identifying instances of contamination above legally permissible levels. b) Prompt action will be taken to investigate and address any instances of non-compliance with legal standards. c) Regulatory requirements related to soil quality may evolve over time, necessitating continuous updates to monitoring practices and compliance measures.
Target related to environmental matters is based on conclusive scientific evidence	Compliance with legal standards for soil quality is crucial to protect environmental health and prevent adverse impacts on ecosystems and human well-being. Soil contamination can have significant adverse effects on ecosystem health, agricultural productivity, and water quality. Regulatory agencies establish stringent standards for soil quality based on scientific research and risk assessment, aiming to prevent adverse impacts on soil quality and public health.

Target E2-04.

Relationship with policy objectives	Objective: Development of a plan to implement a system for measuring water, air and soil pollution in the Group
Measurable target	Implementation plan developed for measuring water, air, and soil pollution (Yes No target).
Nature of target	Environment-related target focused on establishing a comprehensive system for pollution measurement to align with the Group's objectives.
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its alignment with Group-wide objectives. Operationally: The scope includes the development of a plan for measuring pollution in water, air, and soil within the plant's operational boundaries.

	<p>Temporally: The goal is to establish a long-term system for pollution measurement to ensure continuous monitoring and compliance over the years.</p> <p>Subject scope: External stakeholders: Environmental regulatory agencies, local community, pollution control authorities. Internal stakeholders: Employees, management, Quality System department.</p>
Baseline value	No (0) plan to for measuring water, air, and soil pollution
Baseline year	2023
Period to which target applies	2025
Indication of milestones or interim targets	Start of implementation of the plan developed for measuring water, air, and soil pollution (0).
Description of methodologies and significant assumptions used to define target	<p>Methodology: The development of the implementation plan involves:</p> <ul style="list-style-type: none"> • Identification of key pollutants to be monitored in water, air, and soil. • Selection of appropriate measurement techniques and monitoring equipment. • Establishment of monitoring protocols and frequency of measurements. • Training of personnel responsible for conducting pollution measurements. • Integration of monitoring data into a centralized system for analysis and reporting. <p>Assumptions: a) Collaboration with environmental professionals within the Quality System department to ensure accurate and comprehensive planning. b) Compliance with regulatory requirements and standards for pollution measurement and reporting. c) Availability of resources and support from management for implementing the plan within the specified timeline.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>Establishing a system for measuring water, air, and soil pollution is essential for effective environmental management and compliance with regulatory standards.</p> <p>Scientific evidence supports the need for accurate measurement and monitoring of pollution to mitigate environmental impacts and protect human health.</p> <p>Regulatory guidelines mandate the development of pollution measurement systems to ensure transparency, accountability, and continuous improvement in environmental performance.</p>

Table E2-03-01. The Pollution Targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
E2-01	Number of recorded cases of water pollution exceeding legally permissible levels.	0	0	0
E2-02	Number of recorded cases of air pollution exceeding legally permissible levels.	0	0	0
E2-03	Number of recorded cases of soil contamination exceeding legally permissible levels.	0	0	0
E2-04	Implementation plan developed for measuring water, air, and soil pollution (Yes No target).	1	0 - Start of implementation of the plan developed for measuring water, air, and soil pollution (no plan implemented)	0

E2-4. Air, water and soil pollution

Pollution of air, water and soil

All the data is given in the following disclosure points

Emissions to air by pollutant

Schumacher Packaging Sp. z o.o. does not measure air pollution at the present time, except CO₂eq

Emissions to water by pollutant [+ by sectors/Geographical Area/Type of source/Site location]

Schumacher Packaging Sp. z o.o. does not measure water pollution subdivided by separate substances at the present time. We evaluate the total suspended solids' value, and two additional water quality parameters:

- Chemical Oxygen Demand (COD)
- Biological Oxygen Demand (BOD)

Table E2-4-01. Emissions to water by pollutant Targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
E2-05	Total Suspended Solids (TSS), mg/l	<50	<50	22,23
E2-06	Chemical Oxygen Demand (COD), mg/l	<150	<150	62,83
E2-07	Biological Oxygen Demand (BOD), mg/l	<40	<40	9,08

Emissions to soil by pollutant [+ by sectors/Geographical Area/Type of source/Site location]

Schumacher Packaging Sp. z o.o. does not measure soil pollution at the present time

Micro plastics generated

0 tonnes (this is supported by the declarations of the suppliers which supply the materials of which the Schumacher Packaging products are made of)

Microplastics used

0 tonnes (this is supported by the declarations of the suppliers which supply the materials of which the Schumacher Packaging products are made of)

Percentage of total emissions of pollutants to water occurring in areas at water risk

0%

Percentage of total emissions of pollutants to water occurring in areas of high-water stress

0%

Percentage of total emissions of pollutants to soil occurring in areas at water risk

0%

Percentage of total emissions of pollutants to soil occurring in areas of high-water stress

0%

E2-5. Substances of concern and substances of very high concern

Total amount of substances of concern that are generated or used during production or that are procured

0 tonnes

Total amount of substances of concern that leave facilities as emissions, as products, or as part of products or services

0 tonnes

Amount of substances of concern that leave facilities as emissions by main hazard classes of substances of concern

0 tonnes

Amount of substances of concern that leave facilities as products by main hazard classes of substances of concern

0 tonnes

Amount of substances of concern that leave facilities as part of products by main hazard classes of substances of concern

0 tonnes

Amount of substances of concern that leave facilities as services

0 tonnes

Total amount of substances of very high concern that are generated or used during production or that are procured by main hazard classes of substances of concern

0 tonnes

Total amount of substances of very high concern that leave facilities as emissions, as products, or as part of products or services by main hazard classes of substances of concern

0 tonnes

Amount of substances of very high concern that leave facilities as emissions by main hazard classes of substances of concern

0 tonnes

Amount of substances of very high concern that leave facilities as products by main hazard classes of substances of concern

0 tonnes

Amount of substances of very high concern that leave facilities as part of products by main hazard classes of substances of concern

0 tonnes

Amount of substances of very high concern that leave facilities as services by main hazard classes of substances of concern

0 tonnes

E2-6. Potential financial impacts related to pollution impacts, risks and opportunities

Percentage of net revenue made with products and services that are or that contain substances of concern

0%

Percentage of net revenue made with products and services that are or that contain substances of very high concern

0%

Operating expenditures (OpEx) in conjunction with major incidents and deposits (pollution)

Will be available in the next reporting period

Capital expenditures (CapEx) in conjunction with major incidents and deposits (pollution)

Will be available in the next reporting period

Provisions for environmental protection and remediation costs (pollution)

Water Pollution

Schumacher Packaging Sp. z o.o. maintains a vigilant approach to monitoring water pollution parameters to mitigate potential harm from its production facilities. Although the company has only some influence on water resources, it adheres to stringent limits for municipal sewage emissions:

Total Suspended Solids (TSS): < 50 mg/l

Chemical Oxygen Demand (COD): < 150 mg/dm³

Biological Oxygen Demand (BOD): < 40 mg/dm³

While the company has not exceeded these levels, it acknowledges the potential risk its production processes pose to water quality. Therefore, ongoing monitoring is conducted to promptly detect any deviations and take corrective actions as necessary. However, given the company's proactive approach and compliance with established limits, provisions for water pollution-related costs primarily focus on monitoring and preventive measures.

Air and Land Pollution

Schumacher Packaging Sp. z o.o. has determined that it poses no significant risks related to air and land pollution. As such, there are no specific governmental targets imposed on the company in these areas. However, to ensure environmental compliance and mitigate potential risks, the company collects environmental declarations from its suppliers. These declarations confirm that supplied materials do not contain REACH and RoHS listed substances above specified concentrations. Additionally, the company maintains Material Safety Data Sheets (MSDS) for each used substance.

Provisions for Environmental Protection and Remediation Costs

Considering the limited influence on water resources and the absence of significant risks related to air and land pollution, provisions for environmental protection and remediation costs primarily address preventive measures and compliance efforts:

Supplier Compliance Verification: Resources allocated to verifying supplier compliance with REACH and RoHS regulations. This includes reviewing environmental declarations and ensuring that materials meet specified environmental standards.

Monitoring and Reporting: Budgetary provisions for ongoing monitoring of water pollution parameters and regulatory compliance. This encompasses laboratory analyses, environmental audits, and reporting requirements.

Training and Awareness Programs: Investments in employee training and awareness programs to promote responsible environmental practices and ensure compliance with regulations. Such training are being conducted annually.

E3. Water and marine resources

E3-1. Policies related to water and marine resources

Description of key contents of policy

The main strategic issues concerning water and marine resources are a part of the environmental policy PG.01 (Group level) and P.01 (plant level).

Approach part contains of both level of Policy identical information concerning water resources.

Approach

We keep environmental impacts from waste, waste water, emissions and noise as low as possible. We are committed to working continuously to reduce the environmental impact of our operations, to avoid waste and to increase recycling and reuse rates. Our goal is to reduce energy and water consumption as a percentage of annual production volume.

Group level

In the group-level Policy the scope 6 is dedicated to the water-related issues.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
6	Water consumption	Reduction of water consumption	Reduction in water consumption compared to 2022 per 1,000 m ² of cardboard produced per 5%	2030	Technical (Maintenance) Department

Description of scope of policy or of its exclusions

Scope: The policy applies to all employees of the Group in all areas where there exist environmental impacts, environmental risks and opportunities, as well as environmental dependencies. The Policy also describes the scope in which the Policy applies to other stakeholders, including suppliers, visitors to the company, employees of other companies performing work on the Group's premises, third-party drivers.

The Policy has no exclusions.

Description of most senior level in organization that is accountable for implementation of policy

The CEO of the Group Schumacher Packaging (Member of the Management Board is the organizational structure of Schumacher Packaging Sp. z o.o.) and the Head of the management board of Schumacher Packaging Sp. z o.o. are the most senior persons of Schumacher Packaging accountable for implementation of the Policy.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

Alignment with OECD Guidelines:

The OECD Guidelines for Multinational Enterprises emphasize responsible business conduct with a strong focus on environmental sustainability and efficient resource management. Schumacher Packaging Sp. z o.o.'s group-level environmental policy concerning water resources aligns with these guidelines through its clear commitments and objectives aimed at reducing water consumption and minimizing environmental impacts.

Preventive Environmental Management:

The OECD guidelines stress the importance of proactive measures to mitigate environmental impacts. Schumacher Packaging's commitment to keeping environmental impacts from waste, wastewater, emissions, and noise as low as possible reflects this proactive approach. By continuously working to reduce these impacts and increase recycling and reuse rates, the company takes a preventive stance towards environmental management, directly aligning with the guidelines' recommendations.

Resource Efficiency:

A key principle of the OECD guidelines is the efficient use of resources. Schumacher Packaging's objective to reduce water consumption by 5% per 1,000 m² of cardboard produced compared to 2022 levels exemplifies a commitment to resource efficiency. This objective demonstrates a clear strategy to optimize water use,

which is essential for sustainable production practices and aligns with the OECD's focus on minimizing the use of natural resources.

Continuous Improvement:

Continuous improvement is a fundamental aspect of the OECD guidelines. Schumacher Packaging's policy outlines a long-term objective (set for 2030) to reduce water consumption, indicating a commitment to ongoing enhancement of environmental performance. This long-term perspective allows the company to implement incremental changes and innovations that contribute to sustained environmental benefits over time.

Quantifiable Objectives:

The OECD guidelines advocate for setting measurable environmental targets. Schumacher Packaging's specific objective to reduce water consumption by a defined percentage per production unit provides a clear, quantifiable target. This approach not only facilitates monitoring and reporting progress but also ensures accountability and transparency in environmental management practices.

Stakeholder Engagement:

While not explicitly detailed in the provided policy, the structured approach to setting and achieving environmental objectives likely involves engaging with stakeholders, including regulatory authorities, employees, and possibly suppliers. Engaging stakeholders in these initiatives can enhance the effectiveness of the policies and foster a collaborative approach to achieving environmental sustainability, which aligns with the OECD's emphasis on stakeholder engagement.

Top Management Commitment:

The OECD guidelines highlight the importance of top management's role in driving sustainable practices. The explicit commitment from Schumacher Packaging's top management to reduce water consumption signifies strong leadership and a top-down approach to environmental responsibility. This commitment ensures that sustainability goals are integrated into the company's core operations and strategic planning.

By incorporating these principles of the OECD guidelines into its environmental policy, Schumacher Packaging Sp. z o.o. demonstrates a robust commitment to sustainable water resource management. The company's clear objectives, preventive strategies, and focus on continuous improvement reflect a thorough alignment with the OECD's recommendations for responsible environmental stewardship and efficient resource use.

Description of consideration given to interests of key stakeholders in setting policy

The main "silent stakeholder" in a case of water-related issues is the nature. The key way of taking its silent interests into account is the observance of the legal requirements and the best practices.

The other interested stakeholders are

- a) clients
- b) governmental authorities and other authorized bodies
- c) auditors
- d) local authorities
- e) local communities.

We take their interests into account by:

- presenting the water-related results in a commonly-used format with minimum presentation of values required by the law;
- taking into account ESRS and other applicable documents;
- publishing the reports.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

1) We publish the policies at our internet site

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published sat our internet-site.

3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Disclosure of whether and how policy addresses water management

Schumacher Packaging's group-level environmental policy explicitly addresses water management through its commitment to reducing water consumption. The policy outlines a specific objective to reduce water consumption by 5% per 1,000 m² of cardboard produced compared to 2022 levels by 2030. This demonstrates a clear and measurable approach to managing water resources efficiently within the company's operations.

Disclosure of whether and how policy addresses the use and sourcing of water and marine resources in own operations

At this moment our policy does not explicitly detail how Schumacher Packaging addresses the use and sourcing of water and marine resources. The focus is primarily on the reduction of water consumption within production processes.

Disclosure of whether and how policy addresses water treatment

The policy does not specifically mention water treatment.

Disclosure of whether and how policy addresses prevention and abatement of water pollution

The policy does not explicitly address the prevention and abatement of water pollution.

Disclosure of whether and how policy addresses product and service design in view of addressing water-related issues and preservation of marine resources

The policy focuses on operational aspects, such as reducing water consumption and minimizing environmental impacts, without extending these considerations to product or service design.

Disclosure of whether and how policy addresses commitment to reduce material water consumption in areas at water stress

Schumacher Packaging Sp. z o.o. does not have a policy concerning commitment to reduce material water consumption in areas of water stress.

Disclosure of reasons for not having adopted policies in areas of high-water stress

We do not have production sites in the area of water stress

Disclosure of timeframe in which policies in areas of high-water stress will be adopted

We will analyze the supplier database from the water stress point of view by the end of 2025. The Policy concerning water stress will be in place by the end of 2026.

Policies or practices related to sustainable oceans and seas have been adopted

No

The policy contributes to good ecological and chemical quality of surface water bodies and good chemical quality and quantity of groundwater bodies, in order to protect human health, water supply, natural ecosystems and biodiversity, the good environmental status of marine waters and the protection of the resource base upon which marine related activities depend

Schumacher Packaging group-level and plant-level environmental policy, while primarily focused on the reduction of water consumption, implicitly supports the protection of water quality and quantity, contributing to the broader objectives of safeguarding human health, water supply, natural ecosystems, and biodiversity. Here's how the policy aligns with these goals:

Good Ecological and Chemical Quality of Surface Water Bodies:

The policy's commitment to reducing water consumption and minimizing environmental impacts from wastewater supports the protection of surface water bodies. By reducing the volume of water used and subsequently treated, there is less potential for pollutants to enter surface waters, thus contributing to their ecological and chemical quality.

Good Chemical Quality and Quantity of Groundwater Bodies:

Although the formally adopted policy does not specifically mention groundwater, the overarching goal to reduce water consumption indirectly benefits groundwater bodies (see the part of this report concerning actions undertaken). Less extraction and use of water reduce the risk of overexploitation and contamination, helping maintain good chemical quality and adequate quantities of groundwater.

Protection of Human Health and Water Supply:

By committing to reduce water consumption and environmental impacts, the policy helps ensure that water resources are preserved and protected, supporting clean and safe water supplies for human consumption. This is vital for protecting human health.

Protection of Natural Ecosystems and Biodiversity:

The reduction in water consumption and the emphasis on minimizing wastewater impacts help protect aquatic ecosystems and their biodiversity. Healthy water bodies are crucial for the survival of various species and the maintenance of biodiversity.

Good Environmental Status of Marine Waters:

While the policy does not directly address marine waters, the reduction in freshwater consumption and the emphasis on lowering wastewater impacts can have positive downstream effects. Reduced pollution load in rivers and streams can lead to improved water quality in marine environments, supporting the good environmental status of marine waters.

Protection of the Resource Base for Marine-Related Activities:

The policy's focus on sustainability and reducing water use helps preserve the overall resource base upon which marine-related activities depend. Cleaner water bodies and sustainable water use practices ensure that marine ecosystems remain productive and viable for activities such as fishing, tourism, and transportation.

In summary, Schumacher Packaging's environmental policy, through its commitment to reducing water consumption and minimizing environmental impacts, indirectly supports the broader goals of maintaining the ecological and chemical quality of water bodies, protecting human health, and preserving natural ecosystems and biodiversity. While not explicitly detailed in the policy, these outcomes align with the principles of sustainable water management and environmental protection.

The policy minimizes material impacts and risks and implement mitigation measures that aim to maintain the value and functionality of priority services and to increase resource efficiency on own operations

Schumacher Packaging group-level and plant-level environmental policy is designed to minimize material impacts and risks associated with water consumption and environmental impacts. The policy includes several elements that contribute to maintaining the value and functionality of priority services and enhancing resource efficiency within the company's operations:

Minimizing Material Impacts and Risks:

- **Reduction of Water Consumption:** The policy's objective to reduce water consumption by 5% per 1,000 m² of cardboard produced compared to 2022 levels directly minimizes the material impact on water resources. By using less water, the company mitigates risks related to water scarcity and regulatory compliance.
- **Low Environmental Impact from Wastewater:** The commitment to keep environmental impacts from wastewater low reduces the risk of pollution incidents and their associated costs and liabilities. This proactive approach helps ensure compliance with environmental regulations and protects local water bodies from contamination.

Implementing Mitigation Measures:

- **Continuous Improvement Efforts:** The policy emphasizes continuous efforts to reduce environmental impacts and increase recycling and reuse rates. These mitigation measures help in maintaining the operational value and functionality by ensuring sustainable use of resources and compliance with environmental standards.
- **Action Plan for Water Reduction:** The structured approach of setting a reduction target and creating an action plan to achieve it exemplifies a clear mitigation strategy. This not only reduces water use but also identifies and addresses potential inefficiencies in water management.

Maintaining Value and Functionality of Priority Services:

- **Operational Efficiency:** By reducing water consumption, the policy helps maintain the functionality of production processes by ensuring that water resources are used efficiently and sustainably. This supports the company's operational continuity and productivity.

- **Environmental Stewardship:** The policy's broader commitment to minimizing environmental impacts aligns with maintaining the value of the company's services. Sustainable practices enhance the company's reputation and ensure long-term viability, which is critical for ongoing operations.

Increasing Resource Efficiency:

- **Reduction Targets:** The clear objective to reduce water consumption per production unit promotes resource efficiency. By optimizing water use, the company can reduce costs associated with water procurement and treatment, thereby increasing overall resource efficiency.
- **Recycling and Reuse Initiatives:** The policy's focus on increasing recycling and reuse rates further enhances resource efficiency. By minimizing waste and reusing materials where possible, the company reduces its environmental footprint and makes more efficient use of raw materials.

Overall, Schumacher Packaging's environmental policy is structured to minimize material impacts and risks related to water use and environmental impacts. Through specific reduction targets, continuous improvement initiatives, and clear mitigation measures, the policy supports the maintenance of operational value and functionality while enhancing resource efficiency. This comprehensive approach ensures that the company not only complies with environmental regulations but also operates sustainably and efficiently.

The policy helps to avoid impacts on affected communities

To demonstrate how the policy concerning water resources helps to avoid impacts on affected communities, we can look at the specific commitments and objectives outlined in the policy and relate them to the potential benefits for local communities. Here's a structured approach:

A. Commitment to Reducing Water Consumption

Policy Action: The policy sets a specific objective to reduce water consumption by 5% per 1000 m² of cardboard produced by 2030 compared to 2022 levels.

How this helps to avoid impacts on affected communities:

A1. Preservation of Local Water Resources

Explanation: By reducing water consumption, the company minimizes its draw on local water supplies. This is crucial in areas where water resources are shared with local communities.

Impact on Communities: Ensuring that the company uses less water helps preserve water availability for local residents, agriculture, and other community needs, preventing potential water shortages.

A2. Improved Water Quality

Explanation: Reducing water consumption often goes hand-in-hand with improving water management practices, which can lead to better wastewater treatment and less pollution.

Impact on Communities: By minimizing wastewater emissions, the company reduces the risk of contaminating local water bodies, which can safeguard public health and protect ecosystems that local communities rely on for fishing, recreation, and other activities.

A3. Enhanced Ecosystem Services

Explanation: Lower water consumption helps maintain natural hydrological cycles and ecosystem services such as wetlands and rivers that support biodiversity.

Impact on Communities: Healthy ecosystems provide services like clean water, flood regulation, and recreation opportunities, all of which benefit local communities economically and culturally.

B. Continuous Improvement and Monitoring

Policy Action: The policy commits to ongoing efforts to reduce environmental impacts and continuously improve operations.

Implementation: This includes regular monitoring and reporting on water consumption and other environmental metrics.

How this helps to avoid impacts on affected communities:

B1. Transparency and Accountability

Explanation: Regular monitoring and public reporting on water consumption demonstrate the company's commitment to transparency.

Impact on Communities: This transparency builds trust with local communities, who can see the company's progress and hold it accountable. It also enables communities to better understand and manage their own water use in relation to the company's activities.

B2. Proactive Risk Management

Explanation: Continuous improvement initiatives help identify and mitigate potential risks related to water use before they become significant problems.

Impact on Communities: By proactively managing water-related risks, the company reduces the likelihood of adverse impacts on local water supplies, ensuring that communities are not unexpectedly affected by water shortages or pollution incidents.

C. Engagement with Stakeholders

Policy Action: The policy includes commitments to sharing sustainability reports and engaging with stakeholders.

Implementation: Publishing the Wroclaw Plant sustainability report and updating ESG-related content on the company website.

How this helps to avoid impacts on affected communities:

C1. Inclusive Decision-Making

Explanation: Engaging with local stakeholders, including affected communities, ensures that their concerns and needs are considered in the company’s water management practices.

Impact on Communities: Inclusive decision-making helps tailor water conservation efforts to local contexts, ensuring that both the company’s operations and community needs are balanced effectively.

C2. Education and Awareness

Explanation: Sharing sustainability reports and ESG content educates stakeholders about the company’s efforts and best practices in water management.

Impact on Communities: Increased awareness can lead to collaborative efforts between the company and the community to manage water resources sustainably, benefiting both parties.

E3-2. Activities and resources related to water and marine resources

Table E3-2-01. Actions planned and underway

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1					

Table E3-2-02. Actions completed

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Boiler supply with process water (elimination of municipal water) Scope: Water management Own workforce, Water suppliers	2023	The action has been taken to provide remedy in relation to mitigate the material risk concerning excessive use of water. The remedy is supported by the prior analysis of the economic effects and safety issues by: Investment director, Technical Manager, OH&S Specialist	Cost of new equipment Cost of works Personnel: Technical department
2	Ground water use instead of local network water (100% substitution)	2023		

E3-3. Targets related to water and marine resources

Target E3-01.

Relationship with policy objectives	Objective: Reduction in water consumption compared to 2022 per 1,000 m² of cardboard produced per 5%.
Measurable target	Percentage reduction in water consumption per 1,000,000 m ² of cardboard produced compared to the baseline year (2023).
Nature of target	Environment-related target aimed at reducing water usage to align with the Group's sustainability goals.
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its water consumption. Operationally: The target pertains to the water usage throughout the entire production process of cardboard, including manufacturing, processing, and any associated activities.

	<p>Temporally: The goal is long-term, aiming for continuous reduction in water consumption over the years.</p> <p>Subject scope:</p> <p>External stakeholders: Environmental regulatory agencies, local community, water resource management authorities.</p> <p>Internal stakeholders: Employees, management, Quality System department.</p>
Baseline value 1	199,82
Baseline value 2	0%
Baseline year	2023
Period to which target applies	2030
Indication of interim target 1	195
Indication of interim target 2	2,41%
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>The reduction in water consumption is calculated by comparing the water usage per 1,000 m² of cardboard produced in each year to the baseline year (2023). This data is collected through:</p> <ul style="list-style-type: none"> Monitoring water usage through metering systems installed throughout the production process. Regular audits and reviews of water consumption practices. Analysis of process improvements and efficiency measures implemented to reduce water usage. <p>Assumptions:</p> <p>a) Accurate recording of water consumption data through reliable metering systems and data collection methods.</p> <p>b) Implementation of water-saving initiatives and process improvements to achieve the targeted reduction.</p> <p>c) Continuous monitoring and adjustment of production processes to maintain efficiency and minimize water usage while meeting operational requirements.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>Reduction in water consumption is essential for environmental sustainability and resource conservation.</p> <p>Scientific evidence supports the need for efficient water management to mitigate environmental impacts and preserve freshwater resources.</p> <p>Regulatory standards and guidelines encourage businesses to adopt water-saving measures to minimize their ecological footprint and contribute to sustainable development.</p>

Table E3-05-01. The Water management Targets report

#	Name of the target	Target value	Interim target for 2023	2023 value
E3-01	Water consumption per 1,000,000 m ² of cardboard produced compared to the baseline year (2022). [m ³ /mln. m ²]	189,83	195	199,82
E3-02	Percentage reduction in water consumption per 1,000,000 m ² of cardboard produced compared to the baseline year (2022). %	5%	2,41%	0%

E3-4. Water consumption and discharge

Table E3-4-01. Water intake in the regions without water stress, m³

	2021	2022	2023
Surface water (total)	0	0	0
Fresh water (≤1,000 mg / l of total dissolved solids)	0	0	0
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Groundwater (total)	17520	20348	23594
Fresh water (≤1,000 mg / l of total dissolved solids)	17520	20348	23594
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Other water (total)	23997	25945	10831
Fresh water (≤1,000 mg / l of total dissolved solids)	23997	25945	10831
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Total water intake	41517	46293	34425

Table E3-4-02. Water intake in the regions with water stress, m³

	2021	2022	2023
Surface water (total)	0	0	0
Fresh water (≤1,000 mg / l of total dissolved solids)	0	0	0
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Groundwater (total)	0	0	0
Fresh water (≤1,000 mg / l of total dissolved solids)	0	0	0
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Other water (total)	0	0	0
Fresh water (≤1,000 mg / l of total dissolved solids)	0	0	0
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Total water intake	0	0	0

Table E3-4-01. Water discharge, m³

	2021	2022	2023
Total water discharge	8491	10238	7046
Water discharge by fresh water and other water			
Fresh water (≤1,000 mg / l of total dissolved solids)	8491	10238	7046
Other water (>1,000 mg / l of total dissolved solids)	0	0	0
Water discharge by treatment level			
Without treatment	0	0	0
Water that has passed through a wastewater treatment plant	8491	10238	7046

E3-5. Potential financial impacts, risks and opportunities related to water and marine resources

Disclosure of quantitative information about potential financial effects of material risks and opportunities arising from water and marine resources-related impacts

The information will be published in the next report

Disclosure of qualitative information of potential financial effects of material risks and opportunities arising from water and marine resources-related impacts

The information will be published in the next report

Description of effects considered and related impacts (water and marine resources)

The effects considered and related impacts on water and marine resources primarily revolve around Schumacher Packaging Sp. z o.o.'s efforts to reduce water consumption and minimize environmental impacts. These effects are outlined as follows:

Water Consumption Reduction: The company has set a target to reduce water consumption by 5% per 1,000 m² of cardboard produced compared to 2022 levels by 2030. This reduction target aims to mitigate the strain on local water resources and minimize the company's ecological footprint.

Environmental Impact Mitigation: By reducing water consumption, the company aims to minimize its impact on freshwater sources, including surface water bodies and groundwater. Lower water consumption leads to reduced wastewater generation, thereby minimizing pollution and preserving water quality in local ecosystems.

Resource Efficiency: The policy underscores the importance of efficient resource use, including water. By optimizing water consumption, the company enhances resource efficiency, contributing to sustainable production practices and reducing the overall ecological burden on water resources.

Stakeholder Engagement: The company engages with various stakeholders, including regulatory authorities, local communities, and environmental agencies, to ensure alignment with environmental objectives and address

concerns related to water management. Stakeholder engagement fosters collaboration and promotes transparent decision-making processes.

Disclosure of critical assumptions used in estimates of financial effects of material risks and opportunities arising from water and marine resources-related impacts

The critical assumptions used in estimating the financial effects of material risks and opportunities arising from water and marine resources-related impacts include:

Accuracy of Data: Assumption that data collected through monitoring systems and audits accurately reflect water consumption and environmental impacts.

Effectiveness of Mitigation Measures: Assumption that mitigation measures implemented to reduce water consumption and minimize environmental impacts will be effective in achieving desired outcomes.

Compliance with Regulations: Assumption that the company will remain compliant with environmental regulations and standards governing water management practices.

Economic Viability of Investments: Assumption that investments made to improve water management, such as installing metering systems and implementing process improvements, will yield positive returns and contribute to long-term cost savings.

Stakeholder Collaboration: Assumption that stakeholder engagement efforts will facilitate collaboration and support for water management initiatives, enhancing their effectiveness and ensuring sustained progress.

Description of related products and services at risk (water and marine resources)

Schumacher Packaging Sp. z o.o. primarily produces cardboard products, and the production process itself directly impact water resources through the corrugated board production process. The company also recognizes the potential indirect effects associated with water consumption throughout its operations. Therefore, the related products at risk concerning water resources include:

Cardboard Products: The manufacturing process for cardboard products may require significant water usage for various stages, including pulp production and papermaking. Reductions in water consumption directly benefit the sustainability of these products and mitigate potential risks associated with excessive water usage.

Explanation of how time horizons are defined, financial amounts are estimated and critical assumptions made (water and marine resources)

Time horizons in the context of water resources are defined as follows:

Short-term (Less than 1 year): Immediate actions and initiatives aimed at optimizing water consumption and minimizing environmental impacts, such as implementing water-saving measures and conducting regular audits and reviews.

Medium-term (1-5 years): Targeted goals and objectives set for reducing water consumption and achieving sustainable water management practices over a longer timeframe. This may include the implementation of infrastructure upgrades, process improvements, and stakeholder engagement strategies.

Long-term (5+ years): Strategic plans and objectives aimed at achieving significant reductions in water consumption and maintaining sustainable water management practices over an extended period. This may involve capital investments, technology upgrades, and ongoing monitoring and evaluation to ensure continuous improvement.

Critical assumptions made include:

Technological Advancements: Assumption that technological advancements will continue to drive improvements in water management practices, enabling the company to achieve long-term sustainability goals effectively.

Regulatory Stability: Assumption that regulatory frameworks governing water management will remain stable and supportive of sustainable practices, providing a consistent basis for compliance and investment decisions.

Market Dynamics: Assumption that market dynamics, including consumer preferences and industry trends, will prioritize sustainability and drive demand for environmentally responsible products and practices.

Stakeholder Engagement: Assumption that ongoing stakeholder engagement efforts will foster collaboration and support for water management initiatives, ensuring alignment with broader sustainability objectives and long-term success.

E3-IRO-1. - Description of the processes to identify and assess material impacts, risks and opportunities

Disclosure of whether and how assets and activities have been screened in order to identify actual and potential water and marine resources-related impacts, risks and opportunities in own operations and upstream and downstream value chain and methodologies, assumptions and tools used in screening

At Schumacher Packaging Sp. z o.o., the sustainable management of water and marine resources is a critical component of our environmental strategy. Our approach involves a thorough screening process to identify actual and potential impacts, risks, and opportunities related to water resources across our operations and upstream value chain.

Screening Process

1. Internal Operations Screening

To assess the impacts and risks within our own operations, we implement the following methodologies:

Water Usage Monitoring: We continuously monitor water consumption using advanced metering systems installed throughout our production facilities. This data is analyzed to identify trends, anomalies, and areas for improvement.

Process Audits: Regular audits of our manufacturing processes are conducted to identify inefficiencies and opportunities for reducing water usage. These audits are aligned with our internal guidelines and best practices.

Environmental Impact Assessments: They are conducted for major projects and operational changes to evaluate their potential impacts on water resources. These assessments consider factors such as water withdrawal, discharge quality, and compliance with local regulations.

2. Upstream Value Chain Screening

Screening our upstream value chain involves:

Supplier Assessments and Self-Assessments: We conduct assessments of our suppliers which (among other issues) help to understand their water management practices. This includes reviewing their water usage, treatment methods, and compliance with environmental standards.

Supplier Audits: Periodic audits of key suppliers are performed to ensure they adhere to our water sustainability criteria. These audits help us identify any potential risks related to water use and encourage suppliers to adopt more sustainable practices.

We do use such screening right now for the limited scale, but for the 2026 Schumacher Packaging plan to screen all the set of key suppliers using the published ESG reports according to CSRD requirements.

Methodologies, Assumptions, and Tools Used

1. Methodologies

Quantitative Analysis: We employ quantitative methods to measure and analyze water usage and impacts. This includes using water metering systems, data analytics tools, and statistical methods to assess consumption patterns and identify improvement areas.

Qualitative Assessments: In addition to quantitative analysis, we use qualitative methods such as stakeholder interviews, surveys, and expert consultations to gather insights on water-related risks and opportunities.

2. Assumptions

Baseline Data Accuracy: Our screening process assumes that the baseline data collected from our metering systems and audits is accurate and reliable.

Regulatory Compliance: We assume that all operations and activities comply with local and international water regulations and standards.

Continuous Improvement: The screening process is based on the assumption that continuous improvement initiatives will be implemented to enhance water efficiency and reduce impacts.

3. Tools

Water Metering Systems: Advanced metering systems are used to monitor real-time water usage across our facilities.

Excel-based Analytics: We utilize data analytics to analyze water consumption data, identify trends, and generate actionable insights.

Disclosure of how consultations have been conducted (water and marine resources)

Formalized consultation Process:

Schumacher Packaging Sp. z o.o. has conducted consultations regarding water resources through a structured process involving key internal and external stakeholders (see [SBM-2. Interests and views of stakeholders](#)). These consultations are an integral part of the company's environmental management strategy, ensuring that the company's policies and actions align with stakeholder expectations and regulatory requirements.

Regular Internal Consultations:

Regular weekly meetings and workshops with the Technical (Maintenance) Department and Environmental Management Team to discuss water management practices and sustainability goals.

Monthly the water-related indicators and targets are discussed at the top-management meetings (management board and the department managers).

Feedback Integration:

The feedback from these consultations is systematically reviewed and integrated into the environmental policy and practices of Schumacher Packaging Group and Schumacher Packaging Sp. z o.o. This ensures continuous improvement in water management and aligns with both corporate sustainability goals and stakeholder expectations.

E4. Biodiversity and ecosystems



Figure E4-0-1. Flower meadow at Schumacher Packaging Sp. z o.o. (2023)

E4-1. Biodiversity and Ecosystems Transition Plan

The plan will be developed in Q2 of the year 2025

E4-2. Biodiversity and ecosystem policies

Description of key contents of policy

The main strategic issues concerning biodiversity and ecosystems are a part of the environmental policy PG.01 (Group level) and P.01 (plant level).

Approach part contains of both level of Policy identical information, concerning biological diversity and ecological systems.

Approach

Our goal is to reduce energy and water consumption as a percentage of annual production volume.

Plant level

In the plant-level Policy there is a top-management commitments' Scope dedicated to the biodiversity and ecosystems.

TOP MANAGEMENT COMMITMENTS AND OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
7	Biodiversity and ecological systems	Creation of green areas at the plant	Sustaining the size of flower meadow areas	Procurement Department

The objective is set for the first quarter of the year 2025 (the time of the next annual Policy Review).

Group level

In the group-level Policy the scope 8 is dedicated to the biodiversity and ecosystems.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
8	Biodiversity and ecological systems	Reducing negative and increasing positive impacts on the natural environment.	1. Creation and maintenance of green areas at the group's plants 2. Consultations with experts regarding the further development of green areas. 3. Development of a biodiversity strategy 4. Develop a biodiversity and ecosystem transition plan 5. Maintaining FSC certification	03.2025	Supply Chain Manager

FSC CoC certification is a key issue in biodiversity-driven approach. Some of the links between FSC CoC certification and the biodiversity are shown below.

1. Protection of High Conservation Value Forests

FSC standards require the identification and protection of high conservation value forests (HCVFs). These forests contain significant biodiversity, including rare, threatened, and endangered species. By safeguarding these areas, FSC certification directly supports the preservation of biodiversity.

2. Maintenance of Ecosystem Services

FSC-certified forests are managed to maintain their ecological functions and services, such as water filtration, soil stabilization, and carbon sequestration. These services are critical for the health of ecosystems and the myriad of species they support.

3. Conservation of Habitat Diversity

FSC certification ensures that forest management practices preserve a variety of habitats within the forest. This includes maintaining old-growth forests, wetlands, and other key habitats that are essential for the survival of diverse species.

4. Prevention of Habitat Fragmentation

FSC standards discourage practices that lead to habitat fragmentation, such as extensive clear-cutting and the construction of roads that divide ecosystems. By maintaining larger contiguous areas of forest, FSC certification helps protect the integrity of habitats, which is crucial for species that require large territories.

5. Promotion of Sustainable Harvesting Practices

FSC certification mandates sustainable harvesting methods that minimize the impact on the forest ecosystem. Techniques such as selective logging and reduced impact logging help maintain the structure and composition of the forest, supporting its biodiversity.

6. Protection of Endangered Species

FSC standards include specific measures to protect endangered and threatened species. This includes avoiding logging in areas where these species are known to live and implementing conservation plans tailored to their needs.

7. Restoration of Degraded Areas

FSC certification encourages the restoration of degraded forest areas, promoting the recovery of native biodiversity. Reforestation and rehabilitation projects under FSC guidelines aim to restore natural habitats and the species that depend on them.

8. Encouragement of Landscape-Level Planning

FSC promotes landscape-level planning and management, ensuring that forest management practices consider the broader ecological context. This holistic approach helps maintain biodiversity corridors and connectivity between different habitat areas, which is vital for species migration and genetic diversity.

Description of scope of policy or of its exclusions

Scope: The policy applies to all employees of the Group in all areas where there exist environmental impacts, environmental risks and opportunities, as well as environmental dependencies. The Policy also describes the scope in which the Policy applies to other stakeholders, including suppliers, visitors to the company, employees of other companies performing work on the Group's premises, third-party drivers.

The Policy has no exclusions.

Description of most senior level in organization that is accountable for implementation of policy

The CEO of the Group Schumacher Packaging (Member of the Management Board is the organizational structure of Schumacher Packaging Sp. z o.o.) and the Head of the management board of Schumacher Packaging Sp. z o.o. are the most senior persons of Schumacher Packaging accountable for implementation of the Policy.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

Schumacher Packaging Sp. z o.o. aligns its biodiversity and ecosystem policies with several internationally recognized standards and initiatives, including the OECD Guidelines for Multinational Enterprises, the Taskforce on Nature-related Financial Disclosures (TNFD) standards, and the Forest Stewardship Council Chain of Custody (FSC CoC) certification.

The following details how the company's policies integrate these guidelines and standards:

a) OECD Guidelines for Multinational Enterprises:

The OECD Guidelines for Multinational Enterprises emphasize responsible environmental practices, including the conservation of biodiversity and the sustainable management of natural resources. Schumacher Packaging's biodiversity and ecosystem policies reflect these principles through several key aspects:

- **Commitment to Biodiversity and Ecosystems:**
At both the plant and group levels, Schumacher Packaging commits to creating and sustaining green areas. This aligns with the OECD's emphasis on minimizing adverse impacts on the environment and promoting positive environmental contributions.
- **Consultations and Strategy Development:**
The group-level policy includes consultations with experts and the development of a biodiversity strategy and ecosystem transition plan. These actions reflect the OECD's recommendation for enterprises to seek expert advice and continuously improve their environmental performance through strategic planning.
- **Reduction of Environmental Impacts:**
The commitment to reducing negative impacts and increasing positive impacts on the natural environment is directly in line with the OECD's guidelines for proactive environmental management and sustainable development.

b) TNFD Standards:

The Taskforce on Nature-related Financial Disclosures (TNFD) aims to provide a framework for organizations to report and act on evolving nature-related risks. Schumacher Packaging's policies align with the TNFD standards through the following measures:

- **Risk and Impact Assessment:**
By setting objectives to create and maintain green areas, consult experts, and develop a biodiversity strategy, Schumacher Packaging is identifying and managing nature-related risks and opportunities, as recommended by TNFD.
- **Integration into Business Strategy:**
The development of a biodiversity and ecosystem transition plan demonstrates the integration of nature-related considerations into the company's broader business strategy, a key aspect of the TNFD framework.
- **Transparency and Reporting:**
The policy's structured approach, including clear objectives and responsible departments, supports transparency and accountability in nature-related disclosures, in alignment with TNFD standards.

c) FSC Chain of Custody (FSC CoC) Certification:

The Forest Stewardship Council Chain of Custody (FSC CoC) certification ensures that products come from responsibly managed forests that provide environmental, social, and economic benefits. Schumacher Packaging's commitment to maintaining FSC certification as part of its group-level biodiversity objectives demonstrates alignment with FSC principles:

- **Sustainable Sourcing:**
Maintaining FSC certification indicates that Schumacher Packaging sources materials from forests that are managed to meet the highest environmental and social standards. This supports the company's

broader biodiversity and ecosystem goals by ensuring sustainable practices throughout its supply chain.

- **Biodiversity Conservation:**
The creation and maintenance of green areas, as well as the development of a biodiversity strategy, reinforce FSC's emphasis on conserving biodiversity and supporting ecosystem services.
- **Continuous Improvement:**
The FSC certification process encourages continuous improvement in forest management practices. Schumacher Packaging's policy to consult experts and develop a transition plan for biodiversity and ecosystems aligns with this principle of ongoing enhancement and adherence to high standards.

In conclusion, Schumacher Packaging's biodiversity and ecosystem policies are comprehensively aligned with the OECD Guidelines for Multinational Enterprises, TNFD standards, and FSC CoC certification. These alignments ensure that the company's environmental practices contribute to sustainable development, effective management of nature-related risks, and responsible sourcing and stewardship of natural resources.

Description of consideration given to interests of key stakeholders in setting policy

The main "silent stakeholder" in a case of biodiversity-related issues is the nature. The key way of taking its silent interests into account is the observance of the legal requirements and the best practices.

The other interested stakeholders are

- a) clients
- b) governmental authorities and other authorized bodies
- c) auditors
- d) local authorities.

We take their interests into account by:

- presenting the biodiversity-related results in a commonly-used format with minimum presentation of values required by the law;
- taking into account ESRS and other applicable documents;
- publishing the reports.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

1) We publish the policies at our internet site

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published at our internet-site.

3) Each interested party has a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Disclosure on whether and how biodiversity and ecosystems-related policies relate to matters reported in E4 AR4

The biodiversity and ecosystems-related policies align with the E4 AR4 by establishing objectives that directly contribute to the conservation and enhancement of biodiversity and ecosystems. At both the plant and group levels, the policies mandate the creation and maintenance of green areas, consultations with experts, and the development of comprehensive biodiversity strategies. These efforts are reported in E4 AR4 as part of the organization's sustainability and environmental impact initiatives.

Explanation of whether and how biodiversity and ecosystems-related policy relates to material biodiversity and ecosystems-related impacts

The biodiversity and ecosystems-related policies address material impacts by setting clear objectives aimed at mitigating negative effects and enhancing positive contributions to natural environments. At the plant level, this includes sustaining flower meadow areas, while at the group level, it involves broader initiatives like the development of a biodiversity strategy and ecosystem transition plan. These measures are designed to directly impact biodiversity positively and mitigate adverse effects on ecosystems.

Explanation of whether and how biodiversity and ecosystems-related policy relates to material dependencies and material physical and transition risks and opportunities

The policies address material dependencies and risks by committing to practices that reduce the organization's reliance on non-renewable resources and mitigate risks associated with biodiversity loss. The group-level objectives, such as the creation of green areas and the development of a biodiversity strategy, are aimed at adapting to physical risks posed by ecosystem degradation and taking advantage of opportunities for sustainable development and certification (e.g., FSC certification).

Explanation of whether and how biodiversity and ecosystems-related policy supports traceability of products, components and raw materials with significant actual or potential impacts on biodiversity and ecosystems along value chain

The policies enhance traceability by committing to sustainable procurement practices. The group-level policy includes maintaining FSC certification, which ensures that products, components, and raw materials are sourced responsibly. This supports the traceability of materials throughout the supply chain, ensuring they do not contribute to biodiversity loss.

Explanation of whether and how biodiversity and ecosystems-related policy addresses production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity

Both plant-level and group-level policies explicitly commit to creating and maintaining green areas, which are managed to support biodiversity. The group-level policy further emphasizes the development of a biodiversity strategy and ecosystem transition plan, ensuring that production and sourcing practices are aligned with the goal of enhancing biodiversity conditions.

Explanation of whether and how biodiversity and ecosystems-related policy addresses social consequences of biodiversity and ecosystems-related impacts

The policies indirectly address social consequences by promoting sustainable practices that benefit local communities and ecosystems. By committing to the creation and maintenance of green areas and consulting with experts, the policies aim to enhance the quality of life for communities and ensure the long-term viability of local ecosystems, which are essential for social well-being.

Disclosure of how policy refers to production, sourcing or consumption of raw materials

The Policy includes maintaining FSC certification, which directly relates to the sustainable sourcing of raw materials. This certification ensures that the raw materials used in production are sourced in a manner that supports the conservation of biodiversity and sustainable forest management.

Disclosure of how policy refers to policies limiting procurement from suppliers that cannot demonstrate that they are not contributing to significant conversion of protected areas or key biodiversity areas

The policies emphasize sustainable procurement practices, particularly through maintaining FSC certification. This certification requires suppliers to adhere to strict standards that prevent the conversion of protected areas and key biodiversity areas, ensuring that procurement practices do not harm critical ecosystems.

Disclosure of how policy refers to recognized standards or third-party certifications overseen by regulators

The group-level policy explicitly refers to maintaining FSC certification, a recognized standard overseen by regulators. This certification ensures that the company's practices are aligned with internationally recognized standards for sustainable forest management and biodiversity conservation.

Disclosure of how policy addresses raw materials originating from ecosystems that have been managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses

The Schumacher Packaging policy includes commitments to maintaining FSC certification and the future developing a biodiversity strategy, which both involves regular monitoring and reporting. The regular FSC certification and reporting ensures that:

- raw materials sourced from these ecosystems are managed sustainably, with continuous assessment of biodiversity status and proactive measures to enhance conditions for biodiversity;
- the authorized third parties (certification bodies not only certifying Schumacher Packaging, but also other companies in our supply chain) regularly checks the biodiversity status, either indirectly (FSC CoC auditors) or directly (FSC FM auditors).

How the policy allows the undertaking to:

(a) avoid its negative impacts on biodiversity and ecosystems in its operations and related value chain (upstream and downstream);

(b) reduce and minimize its negative impacts on biodiversity and ecosystems in its operations and throughout the value chain that cannot be avoided;

(c) restore and rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimized; and

(d) mitigate material biodiversity loss drivers as disclosed in the section, impacts, dependencies, risks and opportunities.

The above-mentioned policy outlines several commitments and objectives aimed at addressing biodiversity and ecosystem impacts throughout the company's operations and value chain. Here's a detailed analysis of how the policy aligns with the specific requirements to avoid, reduce, restore, and mitigate impacts on biodiversity and ecosystems:

(a) Avoiding Negative Impacts on Biodiversity and Ecosystems

Policy Commitments:

Creation of Green Areas: The policy commits to creating and maintaining green areas at the group's plants. This initiative helps to preserve natural habitats and biodiversity within and around the operational sites.

Consultations with Experts: Engaging with biodiversity experts ensures that operations are planned and executed with a thorough understanding of local ecosystems, enabling the company to avoid critical impacts.

How this enables the avoidance of negative impacts:

Habitat Preservation: Establishing green areas directly avoids the destruction of habitats that could result from industrial activities.

Informed Decision-Making: Expert consultations help identify sensitive areas and species that require protection, leading to operational adjustments that avoid harming these ecological resources.

(b) Reducing and Minimizing Negative Impacts

Policy Commitments:

Reducing Negative Impacts: The policy includes an objective to reduce negative impacts and increase positive impacts on the natural environment.

Sustaining Flower Meadows: At the plant level, there is a commitment to sustain the size of flower meadow areas, which are crucial for local biodiversity.

How this helps to reduce or minimize negative impacts:

Continuous Improvement: By setting objectives to continually reduce negative impacts, the company ensures ongoing efforts to minimize harm to biodiversity.

Habitat Enhancement: Maintaining and potentially expanding flower meadows provides ongoing support for pollinators and other species, minimizing the negative impacts of plant operations on local ecosystems.

(c) Restoring and Rehabilitating Degraded Ecosystems

Policy Commitments:

Development of a Biodiversity Strategy and Transition Plan: The group-level policy includes developing a comprehensive biodiversity strategy and ecosystem transition plan.

Creation and Maintenance of Green Areas: Continued focus on creating and maintaining green areas can include rehabilitating degraded sites.

How this helps to restore and rehabilitate degraded ecosystems:

Strategic Restoration Efforts: A well-developed biodiversity strategy will include specific actions for restoring and rehabilitating ecosystems that have been impacted by past operations.

Ongoing Rehabilitation: Green area initiatives can incorporate the restoration of degraded ecosystems, turning previously affected areas into thriving habitats.

(d) Mitigating Material Biodiversity Loss Drivers

Policy Commitments:

Development of a Biodiversity Strategy and Ecosystem Transition Plan: These plans will address major biodiversity loss drivers identified in the company's assessments.

Maintaining FSC Certification: FSC certification ensures sustainable forestry practices, which mitigate biodiversity loss in the company's supply chain.

How this helps to mitigate material biodiversity loss drivers:

Comprehensive Planning: The biodiversity strategy and transition plan will specifically target the drivers of biodiversity loss, ensuring that all significant factors are addressed systematically.

Sustainable Sourcing: FSC certification requires adherence to stringent environmental standards, reducing the

Third-party standard of conduct used in policy is objective and achievable based on scientific approach to identifying issues and realistic in assessing how these issues can be addressed under variety of practical circumstances

The TNFD (Taskforce on Nature-related Financial Disclosures) standard of conduct used in the attached biodiversity policy is objective and achievable based on a scientific approach and realistic assessment under various practical circumstances. Here are the key points that demonstrate this:

Scientific Approach:

Science-Based Principles: TNFD's framework is grounded in scientific evidence. It follows a scientifically anchored approach, incorporates well-established and emerging scientific evidence, and converges towards other existing science-based initiatives.

Integration of External Resources: The TNFD framework development involved a broad range of external resources, including voluntary and mandatory climate and nature-related reporting frameworks, environmental and risk management standards, government reports, scientific organizations, and NGOs.

Scenario Analysis Guidance: TNFD includes scenario analysis to help organizations develop and test the resilience of their strategies. This involves considering uncertainties and possible consequences of nature loss and climate change, ensuring decisions are informed by scientific projections.

Objective and Achievable Standards:

Market Usability: The framework is designed to be directly usable and valuable to market participants, including corporates and financial institutions. This practical focus ensures that the standards are not only scientifically sound but also feasible for implementation in real-world contexts.

Iterative Prototyping and Pilot Testing: TNFD used an open innovation approach with iterative prototyping and successive updated releases of the beta framework. This process included market feedback and pilot testing to ensure the standards are practical and achievable across various sectors and regions.

Biome-Specific Guidance: TNFD developed specific guidance for different biomes, recognizing the location-specific nature of biodiversity impacts. This ensures that the standards are applicable and realistic for different ecosystems and operational contexts.

Realistic Assessment Under Practical Circumstances:

Integrated and Adaptive Design: The framework is designed to be integrated into existing disclosures and standards and to be adaptive to changes in national and international policy commitments, standards, and market conditions. This flexibility allows organizations to realistically apply the standards in varying circumstances.

Comprehensive Risk Management: TNFD's approach considers both immediate and material financial risks as well as broader organizational and societal risks related to nature dependencies and impacts. This comprehensive view ensures that all relevant factors are accounted for, making the standards practical for diverse scenarios.

Overall, the TNFD framework's development process and principles ensure that it is grounded in scientific rigor while remaining practical and achievable for organizations. This balance between scientific validity and practical applicability makes the TNFD standards reliable for guiding biodiversity policies.

Third-party standard of conduct used in policy is developed or maintained through process of ongoing consultation with relevant stakeholders with balanced input from all relevant stakeholder groups with no group holding undue authority or veto power over content

The TNFD (Taskforce on Nature-related Financial Disclosures) framework used in the biodiversity policy is developed and maintained through a process of ongoing consultation with relevant stakeholders. This process ensures balanced input from all relevant stakeholder groups, with no group holding undue authority or veto power over the content. Here's how the TNFD framework adheres to these principles:

A. Ongoing Consultation with Relevant Stakeholders

A1. Extensive Market Consultation:

The TNFD framework was developed through a two-year open innovation process, which involved extensive market consultation and iterative prototyping. This process included gathering feedback from a broad range of stakeholders across various sectors and geographies.

A2. Global and Inclusive Engagement:

The TNFD received substantive feedback from stakeholders in over 3,400 countries, indicating a wide-reaching and inclusive consultation process.

The TNFD Forum, a global multi-stakeholder consultation body, consists of over 1,200 organizations from more than 180 countries. This forum includes representatives from all 24 business sectors identified by the World Economic Forum as having high impact or risk related to nature.

B. Balanced Input from All Relevant Stakeholder Groups

B1. Diverse Stakeholder Representation:

The development process included input from a wide array of stakeholders, such as financial institutions, corporations, governments, scientific organizations, and NGOs. This diversity ensures that the framework incorporates balanced perspectives and expertise from all relevant sectors.

Stakeholders involved in the TNFD development ranged from market participants to conservation experts and Indigenous leaders, ensuring a comprehensive and balanced approach.

B2. Iterative Feedback and Pilot Testing:

The TNFD framework underwent iterative beta releases and pilot testing with over 200 organizations. This approach allowed for continuous refinement based on feedback from diverse groups, ensuring that the framework remains practical and implementable across different contexts.

C. No Undue Authority or Veto Power

C1. Consensus-Based Development:

The TNFD's approach to framework development is based on consensus, ensuring that no single group holds undue authority or veto power over the content. This method promotes a balanced and fair input process, where all voices are considered equally.

C2. Transparency and Accountability:

The TNFD process has been transparent, with regular updates and open consultations. This transparency helps prevent any single group from exerting undue influence over the framework's development.

Third-party standard of conduct used in policy encourages step-wise approach and continuous improvement in standard and its application of better management practices and requires establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time

The plant-level and group-level policies at Schumacher Packaging Sp. z o.o. incorporate third-party standards of conduct, including those from the Taskforce on Nature-related Financial Disclosures (TNFD), that align with principles encouraging continuous improvement and the establishment of meaningful targets. Specifically:

Step-wise Approach and Continuous Improvement: The policies demonstrate a commitment to incremental progress and ongoing enhancement of biodiversity and ecosystem management practices. The plant-level policy commits to creating and sustaining green areas, such as flower meadows, with specific objectives set for the first

quarter of 2025. This step-wise approach allows for continuous assessment and refinement of practices. The TNFD framework emphasizes an iterative process of assessing and managing nature-related risks and opportunities, which supports continuous improvement.

Meaningful Targets and Milestones: Both the plant-level and group-level policies set clear, measurable objectives and milestones. The group-level policy outlines several specific actions, including the creation and maintenance of green areas, consultations with experts, development of a biodiversity strategy, and a biodiversity and ecosystem transition plan, all to be achieved by March 2025. These targets align with TNFD recommendations to establish and report on clear, actionable goals and progress indicators.

Third-party standard of conduct used in policy is verifiable through independent certifying or verifying bodies, which have defined and rigorous assessment procedures that avoid conflicts of interest and are compliant with ISO guidance on accreditation and verification procedures or Article 5(2) of Regulation (EC) No 765/2008

The policies at Schumacher Packaging Sp. z o.o. ensure that third-party standards of conduct are verifiable through rigorous, independent certification and verification processes, including adherence to TNFD standards:

Verifiability and Independent Certification: The policies emphasize the importance of verifiable standards. The group-level policy, for example, includes maintaining Forest Stewardship Council (FSC) certification, which is a recognized and independently verifiable standard for responsible forest management. FSC certification involves rigorous assessment procedures conducted by accredited third-party bodies, ensuring compliance with high standards of environmental responsibility. The TNFD framework also promotes transparency and accountability in reporting nature-related risks and impacts, which can be independently verified.

Compliance with ISO Guidance and Regulation (EC) No 765/2008: The FSC certification process and other potential third-party verifications adhere to ISO guidance on accreditation and verification procedures. These processes are designed to avoid conflicts of interest and ensure transparency and credibility. Additionally, they align with the requirements outlined in Article 5(2) of Regulation (EC) No 765/2008, which sets the framework for accreditation and market surveillance relating to the marketing of products. TNFD standards further support robust governance and verification mechanisms, ensuring that reported information is credible and reliable.

By adhering to these third-party standards, including those from TNFD, Schumacher Packaging Sp. z o.o. ensures that its policies not only meet high environmental and operational standards but also maintain credibility and trust through independent verification and certification.

Third-party standard of conduct used in policy conforms to ISEAL Code of Good Practice

Schumacher Packaging Sp. z o.o.'s biodiversity and ecosystem policies align with third-party standards that conform to the ISEAL Code of Good Practice. The ISEAL Code of Good Practice provides a globally recognized framework for setting credible and effective sustainability standards. Here's how Schumacher Packaging's policy integrates these principles:

Commitment to Sustainability Standards:

Schumacher Packaging's policy includes maintaining FSC certification, which is an ISEAL member. The FSC certification process adheres to the ISEAL Code of Good Practice, ensuring that the company's sourcing and environmental management practices meet high standards of sustainability and social responsibility.

Development and Continuous Improvement:

The policy's commitment to developing a biodiversity strategy and a biodiversity and ecosystem transition plan reflects the ISEAL principle of continuous improvement. Schumacher Packaging demonstrates a proactive approach to enhancing its environmental performance over time, which is a core element of the ISEAL Code of Good Practice.

Stakeholder Engagement and Expert Consultation:

The group-level policy includes consultations with experts regarding the development of green areas. This approach aligns with ISEAL's emphasis on involving stakeholders and experts in the development and implementation of sustainability practices, ensuring that the company's actions are well-informed and effective.

Transparency and Accountability:

The policy sets clear objectives and assigns responsibilities for their achievement, supporting transparency and accountability. The ISEAL Code of Good Practice stresses the importance of clear, measurable goals and public reporting, which Schumacher Packaging's policy embodies through its structured commitments and regular reviews.

Implementation of Best Practices:

By committing to reducing negative impacts and increasing positive impacts on the natural environment, Schumacher Packaging adheres to best practices in sustainability. The ISEAL Code of Good Practice advocates for the adoption of best practices that lead to meaningful environmental and social benefits, which is evident in the company's comprehensive approach to biodiversity and ecosystem management.

In summary, Schumacher Packaging's biodiversity and ecosystem policies conform to the ISEAL Code of Good Practice through their alignment with the FSC certification standards, commitment to continuous improvement, stakeholder engagement, transparency, and implementation of best practices. These elements ensure that the company's policies are robust, credible, and effective in promoting sustainable environmental stewardship.

FSC CoC

The FSC Chain of Custody (CoC) standard aligns with the ISEAL Code of Good Practice by adhering to principles and practices that ensure credibility, transparency, and effectiveness in certification schemes. Here's a detailed look at how the FSC CoC standard set conforms to the ISEAL Code of Good Practice:

- **Standard-Setting Procedures**

The ISEAL Code of Good Practice emphasizes inclusive, transparent, and well-documented standard-setting procedures. The FSC CoC standard conforms to this by:

Stakeholder Engagement:

FSC involves a wide range of stakeholders, including environmental NGOs, social groups, businesses, and indigenous peoples, in the standard-setting process.

Public Consultation:

Draft standards are subject to public consultation, allowing for feedback from all interested parties, ensuring that the standards reflect diverse perspectives and expertise.

Consensus Building:

FSC strives to achieve consensus among stakeholders, which aligns with ISEAL's requirement for balanced decision-making and broad support.

- **Transparency and Public Availability**

ISEAL requires that standards and procedures be publicly available and transparent. The FSC CoC standard meets this by:

Public Access:

The full text of FSC standards, including CoC standards, is available on the FSC website for public access.

Clear Documentation:

FSC provides comprehensive documentation on the development, review, and revision of its standards, ensuring stakeholders can understand and track changes.

- **Regular Review and Revision**

The ISEAL Code of Good Practice mandates regular review and revision of standards to ensure they remain relevant and effective. FSC conforms by:

Periodic Review:

FSC standards, including CoC, are reviewed periodically, typically every five years, to incorporate new scientific knowledge, technological advancements, and stakeholder feedback.

Continuous Improvement:

FSC's commitment to continuous improvement ensures that its standards evolve to address emerging issues and challenges in sustainable forestry and supply chain management.

- **Competence and Impartiality in Certification**

ISEAL emphasizes the importance of competence and impartiality in certification processes. FSC adheres to this by:

Accreditation of Certification Bodies:

FSC accredits independent certification bodies through ASI (Assurance Services International), which ensures that these bodies operate impartially and competently.

Training and Qualification:

Certification bodies and auditors undergo rigorous training and must meet specific qualifications to conduct FSC CoC audits.

- **Impact Evaluation**

ISEAL requires that standard-setting organizations evaluate the impacts of their standards. FSC complies by:

Impact Assessments:

FSC conducts impact assessments to measure the environmental, social, and economic effects of its standards, including CoC certification.

Stakeholder Feedback:

Continuous feedback from stakeholders and certification bodies is used to assess the effectiveness and impact of FSC standards, leading to data-driven improvements.

- **Conflict Resolution and Grievance Mechanisms**

ISEAL standards include provisions for conflict resolution and handling grievances. FSC's alignment includes:

Grievance Procedures:

FSC has established procedures for stakeholders to raise concerns and resolve disputes related to CoC certification.

Accessible Channels:

Multiple channels are available for stakeholders to submit grievances, ensuring that all voices can be heard and addressed appropriately.

- **Promotion of Sustainability and Good Practices**

ISEAL's core mission is to promote sustainability. FSC CoC supports this by:

Sustainable Forest Management:

FSC CoC certification ensures that forest products are sourced from sustainably managed forests, contributing to conservation and responsible use of forest resources.

Best Practices Dissemination:

FSC promotes best practices in sustainable forest management and supply chain integrity through its standards, guidance documents, and training programs.

TNFD

The TNFD (Taskforce on Nature-related Financial Disclosures) framework, as used in the attached biodiversity policy, conforms to the ISEAL Code of Good Practice through several key principles and practices. Here's a detailed breakdown of how the TNFD framework aligns with the ISEAL Code:

1. Improvement and Iteration

ISEAL Principle: Standards should be improved and updated through an iterative process based on feedback and learning.

TNFD Conformance:

Iterative Prototyping: The TNFD framework has undergone iterative prototyping, with successive updates to the beta framework based on extensive market feedback and pilot testing by over 200 organizations across various sectors and regions .

Open Innovation: This approach ensures continuous improvement and refinement, aligning with the ISEAL principle of iterative enhancement.

2. Stakeholder Engagement and Inclusivity

ISEAL Principle: Standards should be developed through a transparent, multi-stakeholder process that includes a wide range of perspectives.

TNFD Conformance:

Broad Stakeholder Involvement: The TNFD framework was developed with input from a broad range of stakeholders, including financial institutions, corporations, governments, scientific organizations, and NGOs.

Transparency: The TNFD process has been transparent, with regular updates and open consultations to incorporate diverse views and expertise.

3. Scientific and Evidence-Based Approach

ISEAL Principle: Standards should be based on sound science and evidence.

TNFD Conformance:

Scientific Foundations: TNFD's framework is grounded in robust scientific principles and integrates established scientific evidence and methodologies.

Scenario Analysis: The framework includes guidance on scenario analysis to help organizations make informed decisions based on scientific projections and models.

4. Clarity and Implementability

ISEAL Principle: Standards should be clear, unambiguous, and feasible to implement.

TNFD Conformance:

Clear Guidance: The TNFD framework provides clear, step-by-step guidance through its LEAP (Locate, Evaluate, Assess, Prepare) approach, making it straightforward for organizations to understand and implement.

Practical Tools: By incorporating practical tools and methods, such as biome-specific guidance and market usability features, the TNFD ensures that its standards are feasible for a wide range of organizations.

5. Impact and Outcome Orientation

ISEAL Principle: Standards should focus on achieving positive social, environmental, and economic outcomes.

TNFD Conformance:

Risk and Impact Management: The TNFD framework emphasizes managing nature-related risks and impacts, aiming for positive outcomes for biodiversity and ecosystems.

Continuous Improvement: The framework's focus on iterative improvement and adaptation to new scientific insights ensures ongoing positive impacts.

6. Adaptability and Responsiveness

ISEAL Principle: Standards should be adaptable and responsive to changes in the external environment.

TNFD Conformance:

Adaptive Design: The TNFD framework is designed to integrate with existing standards and adapt to changes in policy commitments, market conditions, and scientific advancements, ensuring it remains relevant and effective.

Scenario Planning: The inclusion of scenario planning helps organizations prepare for and adapt to future uncertainties and changes, enhancing resilience and responsiveness.

Biodiversity and ecosystem protection policy covering operational sites owned, leased, managed in or near protected area or biodiversity-sensitive area outside protected areas has been adopted

Yes, the only site (Schumacher Packaging Sp. z o.o. owns only one site) is situated nearby [less than 1 km] from the area protected under Natura-2000 network of nature protection areas.

[https://en.wikipedia.org/wiki/Natura_2000]

[<https://natura2000.eea.europa.eu/>]

Sustainable land or agriculture practices or policies have been adopted

Group-level

The closest scope of our environmental policy that corresponds to our land-related practices is the Scope 8 “Biodiversity and ecosystems”. We neither possess any agricultural areas as a production firm, nor our suppliers do. So in the product Upstream we have solely land practices and the policies that correspond to the mentioned practices.

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
8	Biodiversity and ecological systems	Reducing negative and increasing positive impacts on the natural environment.	1. Creation and maintenance of green areas at the group's plants 2. Consultations with experts regarding the further development of green areas. 3. Development of a biodiversity strategy 4. Develop a biodiversity and ecosystem transition plan 5. Maintaining FSC certification	03.2025	Supply Chain Manager

The objectives 1,2,5 are actually the goals that correspond to the UN SGD 15 “Life on land”. Schumacher Packaging is located relatively far from the big rivers or lakes, therefore it is quite natural for the employees and the management to associate ourselves with the land territory rather than the water-related area.

The green areas mentioned in the group level policy are in the case of the Wrocław Plant definitely our flower meadows mentioned in the plant-level environmental policy (see below).

The consultations-related objective was actually revealed above in this report, and we can repeat that this year we want to transfer our system from the green areas audit to the full-scale biodiversity audit. This will in a natural way include the issues related to our flower meadows and the strategy of their further management.

The FSC Certification scheme is the land management / biodiversity / climate scheme by its nature, and the certification against FSC CoC standards automatically widens the certification application to the whole upstream supply chain, in a part that satisfies the clients' needs in FSC-Certified material (or FSC-compatible material through FSC Control Wood scheme).

Plant level

In the plant-level Policy there is a top-management commitments' Scope dedicated to the biodiversity and ecosystems.

TOP MANAGEMENT COMMITMENTS AND OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
7	Biodiversity and ecological systems	Creation of green areas at the plant	Sustaining the size of flower meadow areas	Procurement Department

The objective is set for the first quarter of the year 2025 (the time of the next annual Policy Review).

Sustainable oceans or seas practices or policies have been adopted

No material issues (risks, opportunities, impacts) concerning ocean and seas practices were found for Schumacher Packaging Sp. z o.o., therefore we do not have a policy concerning these scopes.

Policies to address deforestation have been adopted

In this moment we have several scopes in our policies that concern deforestation. For the time being the only policies' scope related to the deforestation is the FSC-related items.

FSC Chain of Custody Certification is closely related to deforestation issue, in several ways (see below)

1. Promotion of Responsible Forest Management

The FSC CoC certification ensures that all forest products originate from forests that are managed according to FSC's rigorous environmental and social standards. These standards prohibit the conversion of natural forests to plantations or non-forest uses, directly combating deforestation.

2. Traceability and Transparency

FSC CoC certification establishes a traceable path for certified wood from the forest through every stage of processing and distribution. This transparency helps prevent illegal logging and unsustainable harvesting practices, both significant drivers of deforestation.

3. Market Pressure and Consumer Demand

By providing a mechanism for consumers to choose sustainably sourced products, FSC CoC certification creates market pressure for responsible forest management. Increased demand for FSC-certified products incentivizes forest owners to adhere to sustainable practices and discourages deforestation.

4. Prevention of Illegally Logged Timber

FSC's very rigorous and fact-based auditing process ensures that illegally logged timber does not enter the supply chain. By blocking illegal wood, which is often cheaper and a significant cause of deforestation, FSC CoC certification supports legal and sustainable forest management practices.

5. Encouragement of Forest Conservation

FSC standards require the protection of high conservation value forests and prohibit the destruction of old-growth forests. This helps maintain critical forest areas that are particularly vulnerable to deforestation and are crucial for biodiversity and climate regulation.

7. Verification of Sustainability Claims

The FSC label guarantees that the product comes from a sustainably managed source. This verification helps consumers and businesses avoid contributing to deforestation through their purchasing decisions, supporting only those products that align with deforestation-free practices.

The deforestation-related issues are the part of the Environmental Policy (at the Group Level). Secondly, we take this issues into account in the policies related to our suppliers.

PG.03. SUSTAINABLE SUPPLY CHAIN POLICY

No	SCOPE	COMMITMENT	GOALS	TERM	Responsible
2	Environmental Protection	Cooperation with the suppliers which are committed to environment protection.	1. At least 80% of our paper suppliers with the certified ISO 14001 and FSC CoC systems. 2. Carrying out audits including environmental issues for a minimum of 4 suppliers in 2024	2024	Supply Chain Manager
				2024	Head of CSR

The goal 1 is related to our FSC CoC systems’ certification requirements demanded form our upstream supply chain participants. We have such a requirement only for the first tier of our suppliers, but it is well-understood due to the network nature of FSC Chain of Custody reaching from the forest stage (FSC FM) to the customer-level. This scheme can be partially substituted by the FSC Control Wood scheme with a limitations set by the FSC Credit Scheme.

PG.01. ENVIRONMENTAL POLICY

Table

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
8	Biodiversity and ecological systems	Reducing negative and increasing positive impacts on the natural environment.	1. Creation and maintenance of green areas at the group's plants 2. Consultations with experts regarding the further development of green areas. 3. Development of a biodiversity strategy 4. Develop a biodiversity and ecosystem transition plan 5. Maintaining FSC certification	03.2025	Supply Chain Manager

E4-3 . Biodiversity and ecosystem activities and resources

The major activities are mentioned in the following tables

Table E4-3-01. The completed actions concerning biodiversity and ecosystems

No	Risk, opportunity, impact	Action Scope of action	Term of completion	Financial and other resources
E4-01C	<p>Risk: Biodiversity Loss: Without regular audits, the health of flower meadows may decline, leading to a loss of biodiversity and the degradation of ecosystem services. Completing yearly audits helps identify and address any negative changes or threats to these habitats.</p> <p>Opportunity: Continuous Improvement: Regular audits offer the opportunity to continuously improve the management of flower meadows. Insights gained from these audits can guide adjustments in maintenance practices, enhancing the health and resilience of these ecosystems.</p> <p>Impact: Sustained Biodiversity: Yearly audits ensure that flower meadows remain healthy and diverse, supporting a variety of species and contributing to overall ecosystem stability. This ongoing assessment helps maintain the ecological integrity of the company's green areas.</p>	The green areas audit conducted concerning plants and animals	2023	<p>Financial Resources: Audit Costs: Annual expenses for conducting the flower meadows audit, including fees for external auditors or specialists, travel, and accommodation costs if necessary. Maintenance Budget: Allocation of funds for any immediate remediation or enhancement actions identified during the audit.</p> <p>Other Resources: Environmental Team: Time and expertise from the company's environmental team to support the audit process, assist with data collection, and implement recommendations. Equipment and Supplies: Necessary tools and materials for conducting the audit, such as monitoring devices, sampling kits, and transportation.</p>

No	Risk, opportunity, impact	Action Scope of action	Term of completion	Financial and other resources
E4-02C	<p>Opportunity: Enhanced Biodiversity and Ecosystem Services</p> <p>Installing insect houses provides a significant opportunity to enhance local biodiversity and ecosystem services. Insect houses support pollinator populations, which are crucial for the health of flower meadows and surrounding ecosystems.</p> <p>This can lead to improved pollination of plants, increased biodiversity, and a more vibrant and resilient ecosystem. Enhanced biodiversity can also contribute to better soil health and overall environmental quality, which can have positive spill-over effects on the company's operations and community relations.</p> <p>Impact: Positive Environmental and Community Relations</p> <p>The installation of insect houses at the flower meadows demonstrates Schumacher Packaging's commitment to environmental stewardship and sustainability. This action can positively impact the company's reputation and strengthen its relationship with the local community.</p> <p>By taking visible and proactive steps to support biodiversity, Schumacher Packaging can enhance its corporate image as an environmentally responsible entity. This can lead to increased customer loyalty, improved stakeholder relationships, and potential new partnerships with environmental organizations. Additionally, it can inspire similar actions in the community, leading to broader environmental benefits.</p>	The insect houses mounted at the flower meadows at Schumacher Packaging territory	2023	<p>Financial Resources</p> <p>Initial Investment for Insect Houses:</p> <p>Purchase Costs: Acquisition of insect houses, which can vary in price depending on size, material, and quality.</p> <p>Installation Costs: Expenses related to the installation of the insect houses, which may include labor and equipment.</p> <p>Maintenance Costs:</p> <p>Ongoing Maintenance: Budget for regular inspection, cleaning, and repair of the insect houses to ensure they remain functional and effective.</p> <p>Replacement Costs: Periodic replacement of insect houses that may become damaged or worn out over time.</p> <p>Educational Programs:</p> <p>Training Materials: Development and production of educational materials to inform employees and the local community about the importance and benefits of the insect houses.</p> <p>Workshops and Events: Hosting workshops or events to engage with the community and raise awareness about biodiversity and the role of insect houses.</p> <p>Monitoring and Evaluation:</p> <p>Monitoring Equipment: Purchase of equipment needed to monitor the insect population and health, such as cameras or sensors.</p> <p>Data Analysis: Costs associated with analyzing the data collected from monitoring activities to assess the effectiveness of the insect houses.</p> <p>Other Resources</p> <p>Human Resources:</p> <p>Project Team: A dedicated team responsible for overseeing the installation, maintenance, and monitoring of the insect houses. This team may include environmental specialists, maintenance staff, and community engagement officers.</p> <p>Volunteers: Engaging volunteers from the local community or employees to assist with installation and maintenance activities.</p>

Table E4-3-02. The actions in progress and the future actions concerning biodiversity and ecosystems

No	Risk, opportunity, impact	Action Scope of action	Progress	Time horizon Year of completion	Financial and other resources
E4-01P	<p>Risk:</p> <p>Compliance Risk: Failure to conduct a comprehensive biodiversity audit may result in non-compliance with environmental regulations and standards. Engaging a specialized firm mitigates this risk by ensuring that the audit is thorough and aligns with regulatory requirements, thereby avoiding potential legal and financial penalties.</p> <p>Impact:</p> <p>Baseline Data for Improvement: The biodiversity audit provides critical baseline data, which is essential for developing effective biodiversity management strategies. This data allows the company to identify areas of improvement and track progress over time.</p>	The completion of the agreement concerning the biodiversity audit with the selected specialized firm with the experience in the biodiversity	0%	Short-term 2024	<p>Financial Resources:</p> <p>Consultancy Fees: Payment for the services of the specialized firm conducting the biodiversity audit. This includes fees for initial assessments, fieldwork, data analysis, and reporting.</p> <p>Contract Management: Costs associated with negotiating, drafting, and managing the agreement with the firm, including legal and administrative expenses.</p> <p>Other Resources:</p> <p>Internal Coordination: Time and effort from internal teams (e.g., environmental management, legal, procurement) to coordinate with the external firm and facilitate the audit process.</p> <p>Data Provision: Providing necessary internal data and access to sites for the audit team</p>

No	Risk, opportunity, impact	Action Scope of action	Progress	Time horizon Year of completion	Financial and other resources
E4-02P	<p>Risk: Biodiversity Loss: Without regular audits, the health of flower meadows may decline, leading to a loss of biodiversity and the degradation of ecosystem services. Completing yearly audits helps identify and address any negative changes or threats to these habitats.</p> <p>Opportunity: Continuous Improvement: Regular audits offer the opportunity to continuously improve the management of flower meadows. Insights gained from these audits can guide adjustments in maintenance practices, enhancing the health and resilience of these ecosystems.</p> <p>Impact: Sustained Biodiversity: Yearly audits ensure that flower meadows remain healthy and diverse, supporting a variety of species and contributing to overall ecosystem stability. This ongoing assessment helps maintain the ecological integrity of the company's green areas.</p>	The flower meadows yearly audit completion	0%	Short-term 2024	<p>Financial Resources: Audit Costs: Annual expenses for conducting the flower meadows audit, including fees for external auditors or specialists, travel, and accommodation costs if necessary. Maintenance Budget: Allocation of funds for any immediate remediation or enhancement actions identified during the audit.</p> <p>Other Resources: Environmental Team: Time and expertise from the company's environmental team to support the audit process, assist with data collection, and implement recommendations. Equipment and Supplies: Necessary tools and materials for conducting the audit, such as monitoring devices, sampling kits, and transportation.</p>
	<p>Risk: Strategic Misalignment: Without a clear biodiversity and ecosystems strategy, the company may struggle to align its operations with broader environmental goals. This misalignment could result in missed opportunities for sustainability and reputational damage.</p> <p>Opportunity: Long-term Sustainability: Developing a biodiversity and ecosystems strategy provides a roadmap for sustainable practices. This strategic approach helps integrate biodiversity considerations into all aspects of operations, promoting long-term ecological and business sustainability.</p> <p>Impact: Guided Actions: A well-defined strategy guides the company's actions towards achieving its biodiversity goals. It sets clear priorities and targets, ensuring that efforts are focused and effective.</p>	The development of the biodiversity and ecosystems' strategy	10%	Medium-term 2025	<p>Financial Resources: Consultation Fees: Costs for hiring external experts or consultants to assist in the development of the biodiversity and ecosystems strategy. Workshops and Meetings: Expenses for organizing internal and external workshops, meetings, and stakeholder consultations.</p> <p>Other Resources: Strategic Planning Team: Involvement of a cross-functional team comprising environmental experts, operations managers, and strategic planners to develop the strategy. Research and Data Analysis: Resources dedicated to researching best practices, analyzing current biodiversity data, and identifying key areas for improvement.</p>
	<p>Opportunity: Adaptive Management: Developing a transition plan enables the company to adopt an adaptive management approach. This allows for flexibility and adjustments based on monitoring and feedback, ensuring that biodiversity initiatives remain relevant and effective over time.</p> <p>Impact: Strategic Transformation: A transition plan facilitates the strategic transformation of the company's biodiversity practices. It outlines specific actions, timelines, and responsibilities, ensuring a smooth and efficient shift towards improved biodiversity management.</p>	The development of the biodiversity and ecosystems' transition plan		Medium-term 2025	<p>Financial Resources: Planning and Development Costs: Budget for the comprehensive development of the transition plan, including costs for consultants, project management, and detailed planning. Implementation Funds: Initial allocation of funds required for the early stages of implementing the transition plan, such as pilot projects or initial investments in biodiversity initiatives.</p> <p>Other Resources: Project Management Team: A dedicated team responsible for overseeing the development and implementation of the transition plan, ensuring alignment with overall business goals. Training and Capacity Building: Resources for training employees and building internal capacity to execute the transition plan effectively. Monitoring and Evaluation Tools: Investment in tools and systems for ongoing monitoring, evaluation, and reporting of the transition plan's progress and impact.</p>

Examples of biodiversity- and ecosystems-oriented actions:

1) Flower meadows at the site

[<https://www.facebook.com/watch/?v=654059522815888>]

2) Insect houses at the flower meadows

[<https://www.facebook.com/SchumacherPackagingPolska/videos/1142464073320599/>]

2.1. Master class for employees on making insect houses

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0NogwZaWZpbVKHxkXizbMw8nx5o9sUSpY YtZR7hZQ6qV14VAn3mHyBNxgurw1P7BI>]

3) Forest Holiday with tree planting

[<https://www.facebook.com/watch/?v=187352047033064>]

4) Arbor Day

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0WgBpFVfQZnyup9HxLQxws3iaBwghxw5X 7Wzt1uD4TtgiJpKLbdfh3G9DgeUaMec4I>]

E4-4. Targets related to biodiversity and ecosystems

Target E4-01.

Relationship with policy objectives	Objective: Consultations with experts regarding the further development of green areas.
Measurable target 1	Number of consultations conducted with experts for the development of green areas.
Measurable target 2	The development plan accepted by the top-management (Yes / No target)
Nature of target	Environment-related target
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its surrounding green areas. Operationally: The scope involves seeking expert advice and guidance for the enhancement and development of green spaces within the plant premises. Temporally: The goal is both short and long-term, with consultations being ongoing to ensure continuous improvement in green area development. Subject scope: External stakeholders: Environmental experts, landscape architects, conservationists. Internal stakeholders: Management, Quality System department, employees involved in facility planning and environmental management.
Baseline value 1	1
Baseline value 2	0
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	2023: Initiate consultations with experts for green area development. Annual review of consultation progress and adjustments as needed. Interim target 1 (2024): 3 Interim target 2 (2024): 1
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of consultations with experts as the total number of formal meetings or discussions held with environmental professionals and relevant stakeholders regarding the development of green areas within the plant premises. This data is collected through documentation of expert recommendations and proposed actions for green area development. The methodology for measuring the target involves tracking the number of consultations conducted annually and ensuring that expert advice is considered in the decision-making process for green area enhancement. Assumptions: a) We must rely on the availability and willingness of environmental experts to participate in consultations: scheduling and coordinating meetings may require flexibility. b) The end-of-the-year issue may apply if consultations occur towards the end of the year but are officially documented in the following year. c) The expertise provided by consultants is essential for informing effective strategies for green area development and promoting environmental sustainability within the plant premises.
Target related to environmental matters is based on conclusive scientific evidence	Consultations with environmental experts are crucial for ensuring that green area development aligns with ecological sustainability principles and enhances biodiversity within the plant premises. Expert recommendations help address potential environmental challenges and identify opportunities for optimizing green spaces to benefit both the ecosystem and the local community.

Target E4-02.

Relationship with policy objectives	Objective: Sustaining the size of flower meadow areas
Measurable target	Total area of flower meadows - 7300 m ² (2024 value = 2023 value)
Nature of target	Environment-related target

Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and surrounding areas where flower meadows are located.</p> <p>Operationally: The scope involves the preservation and maintenance of existing flower meadow areas to sustain their size and ecological value.</p> <p>Temporally: The goal is long-term, ensuring the continuous presence and health of flower meadow habitats over the years.</p> <p>Subject scope:</p> <p>External stakeholders: Environmental conservation organizations, local community, wildlife enthusiasts.</p> <p>Internal stakeholders: Management, Quality System department, employees involved in land management and conservation efforts.</p>
Baseline value	7300
Baseline year	2023
Period to which target applies	2025
Indication of milestones or interim targets	7300
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the sustained size of flower meadow areas as the total area of existing flower meadows maintained over time. This data is collected through:</p> <ul style="list-style-type: none"> Regular field surveys conducted by environmental professionals within the Quality System department. Monitoring of vegetation cover and biodiversity within flower meadow areas. Documentation of land management practices and conservation efforts. <p>The methodology for measuring the target involves annual data collection from the aforementioned sources and comparing the total area of flower meadows against the baseline measurement.</p> <p>Assumptions:</p> <p>a) We must rely on accurate and comprehensive field surveys: changes in flower meadow size may occur gradually and require diligent monitoring.</p> <p>b) The end-of-the-year issue may apply when changes in flower meadow size are observed within one year but officially documented in the next year.</p> <p>c) Environmental conditions and external factors may influence the health and growth of flower meadow habitats, necessitating adaptive management practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>a) Ecological Importance of Flower Meadows:</p> <p>Scientific research has shown that flower meadows provide crucial habitats for pollinators, including bees, butterflies, and other insects. Maintaining flower meadows helps support biodiversity and ecosystem resilience.</p> <p>b) Conservation Benefits of Flower Meadow Management:</p> <p>Proper land management practices, such as mowing schedules and removal of invasive species, are based on scientific evidence and contribute to the long-term sustainability of flower meadow areas.</p> <p>c) Regulatory and Conservation Guidelines:</p> <p>Environmental regulations and conservation guidelines emphasize the importance of protecting and managing natural habitats like flower meadows. Compliance with these standards is essential for preserving biodiversity and ecosystem services.</p>

Target E4-03.

Relationship with policy objectives	Objective: Develop a biodiversity and ecosystem strategy and transition plan
Measurable target	Completion of the biodiversity and ecosystem strategy and transition plan (Yes No target).
Nature of target	Environment-related target
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant and its surrounding ecosystem.</p> <p>Operationally: The scope involves the development of a comprehensive strategy and transition plan to promote biodiversity and ecosystem health within the plant premises.</p> <p>Temporally: The goal is both short and long-term, with the strategy serving as a roadmap for continuous improvement in biodiversity management.</p> <p>Subject scope:</p> <p>External stakeholders: Environmental experts, conservation organizations, local community.</p> <p>Internal stakeholders: Management, Quality System department, employees involved in environmental management and sustainability initiatives.</p>
Baseline value	0% completion of the biodiversity and ecosystem strategy and transition plan in 2023.
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	100% completion of the biodiversity and ecosystem strategy and transition plan

<p>Description of methodologies and significant assumptions used to define target</p>	<p>Methodology: We understand the completion of the biodiversity and ecosystem strategy and transition plan as the development of a detailed document outlining specific actions, initiatives, and timelines for promoting biodiversity and ecosystem health within the plant premises. This plan will be developed through:</p> <ul style="list-style-type: none"> • Collaboration with environmental professionals within the Quality System department. • Consultation with external experts and stakeholders to gather insights and recommendations. • Review of scientific literature and best practices in biodiversity management. <p>The methodology for measuring the target involves tracking the progress of plan development and ensuring that it aligns with the objectives outlined in the group-level policy.</p> <p>Assumptions: a) We must rely on the availability and expertise of environmental professionals to guide the development of the strategy and transition plan. b) The end-of-the-year issue may apply if plan development spans multiple years but is officially documented in the following year. c) The strategy and transition plan will serve as a comprehensive roadmap for implementing biodiversity initiatives, ensuring compliance with regulatory requirements and promoting sustainable environmental practices within the plant premises.</p>
<p>Target related to environmental matters is based on conclusive scientific evidence</p>	<p>The development of a biodiversity and ecosystem strategy and transition plan is essential for promoting sustainable practices, enhancing ecosystem resilience, and mitigating environmental risks within the plant premises.</p> <p>The plan will draw on scientific evidence and regulatory standards to guide biodiversity conservation efforts and foster a healthy and thriving ecosystem for the benefit of both the company and the surrounding environment.</p>

Target E4-04.

<p>Relationship with policy objectives</p>	<p>Objective: Maintaining FSC CoC certification</p>
<p>Measurable target</p>	<p>Successful FSC audit from the accredited certification body</p>
<p>Nature of target</p>	<p>Environment-related target focused on maintaining certification standards for sustainable forest management.</p>
<p>Description of scope of target</p>	<p>Object scope: Geographically: The scope is local, concentrating on the specific Schumacher Packaging Sp. z o.o. plant and its adherence to FSC certification standards. Operationally: The scope encompasses all activities within the plant that relate to the handling, processing, and sourcing of forest products, ensuring compliance with FSC standards. Temporally: The goal is ongoing, ensuring continuous compliance with FSC certification standards over the years. Subject scope: External stakeholders: FSC auditors, environmental organizations, customers, suppliers. Internal stakeholders: Management, employees, Quality System department, procurement department.</p>
<p>Baseline value</p>	<p>1 successful audit</p>
<p>Baseline year</p>	<p>2023</p>
<p>Period to which target applies</p>	<p>2030</p>
<p>Indication of milestones or interim targets</p>	<p>Annual assessment of compliance with FSC certification requirements. Implementation of corrective actions as necessary to address non-conformities.</p> <p>Interim target (2024): 1 successful audit</p>
<p>Description of methodologies and significant assumptions used to define target</p>	<p>Methodology: We understand compliance with FSC certification requirements as the fulfillment of all criteria outlined in the FSC certification standard related to sustainable forest management and chain of custody. This compliance is ensured through:</p> <ul style="list-style-type: none"> • Regular internal audits conducted by the Quality System department. • External audits and assessments by FSC-accredited certification bodies. • Documentation review and verification of procurement practices to ensure the use of FSC-certified materials. • Training programs to raise awareness among employees about FSC standards and requirements. <p>The methodology for measuring the target involves ongoing monitoring of compliance status and verification against FSC certification criteria.</p> <p>Assumptions: a) Accurate and comprehensive reporting of compliance status is essential to identify any deviations from FSC certification requirements.</p>

	<p>b) Timely corrective actions will be taken to address any non-conformities identified during internal or external audits.</p> <p>c) Regulatory requirements and FSC certification standards may evolve over time, necessitating continuous updates to practices and procedures to maintain compliance.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>FSC certification is recognized globally as a standard for responsible forest management and sustainable sourcing of forest products.</p> <p>Compliance with FSC certification requirements ensures that forest resources are managed in an environmentally responsible and socially beneficial manner, contributing to biodiversity conservation and mitigating climate change.</p> <p>Maintaining FSC certification demonstrates the company's commitment to sustainability and environmental stewardship, enhancing its reputation and market competitiveness.</p>

Table E4-4-01. The Biodiversity and Ecosystems Targets report

#	Name of the target	Target value	Interim target for 2023	2023 value
E4-01.1	Number of consultations conducted with experts for the development of green areas.	3	3	1
E4-01.2	The development plan accepted by the top-management (Yes / No target)	1 (Yes)	1 (Yes)	0 (No)
E4-02	Total area of flower meadows sustained (2024 value = 2023 value)	7300 m ²	7300 m ²	7300 m ²
E4-03	Develop a biodiversity and ecosystem strategy and transition plan	100%	100%	0%
E4-04	Successful FSC audit from the accredited certification body	1	1	1

Table E4-4-02. Additional targets related to biodiversity and ecosystems

No	Name of the indicator	2021	2022	2023	Goal 2023	Data type	Was the goal 2023 met	Goal 2024
E4-05	The denoted cases of the invasive species at the Schumacher Packaging site	0	0	0	0	Integer	Yes	0
E4-06	The number of green areas audits undertaken during the year	1	1	1	1	Integer	Yes	1
E4-07	The number of the fines and penalties concerning biodiversity and ecosystems imposed by the authorized governmental agencies	0	0	0	0	Integer	Yes	0

E4-5. Impact metrics related to biodiversity and ecosystems change

Table E4-5-1. Biodiversity metrics

#	Indicator	2021	2022	2023	Data type
E4-5-01	Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting	1	1	1	Integer
E4-5-02	Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting, m ²	182349	182349	182349	Area
E4-5-03	Total use of land area	182349	182349	182349	Area
E4-5-04	Total sealed area	32610,37	32610,37	32610,37	Area
E4-5-05	Nature-oriented area on site, m ²	103 555,40	103 444,9	103 444,9	Area
E4-5-06	Nature-oriented area off site, m ²	0	0	0	Area
E4-5-07	Number of invasive alien species	0	0	0	Integer
E4-5-08	Area covered by invasive alien species, m ²	0	0	0	Area
E4-5-09	Disclosure of quantitative information about potential financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies	n/a	n/a	n/a	Monetary

Disclosure of land-use based on Life Cycle Assessment

Overview

This disclosure presents the land-use impact of Schumacher Packaging Sp. z o.o. based on a Life Cycle Assessment (LCA). In this report we present LCA which evaluates the environmental impacts associated with all stages of our product life cycle, limited to our own operations. This assessment specifically addresses land-use impacts, providing insight into our footprint and the steps we are taking to manage and mitigate these impacts.

Scope of LCA

The LCA conducted for the time being covers the stage of manufacturing and warehousing: Land use within our production facilities, including building infrastructure and supporting logistics.

Key Findings

Total Land Use:

2021: 182,349 m²

2022: 182,349 m²

2023: 182,349 m²

Sealed Area (Impervious Surfaces):

2021: 32,610.37 m²

2022: 32,610.37 m²

2023: 32,610.37 m²

Nature-Oriented Area On-Site:

2021: 103,555.40 m²

2022: 103,444.90 m²

2023: 103,444.90 m²

Nature-Oriented Area Off-Site:

2021: 0 m²

2022: 0 m²

2023: 0 m²

Historical Land Conversion:

The land under our plant was converted from greenfield to industrial use between 1997 and 1999. Continuous growth in industrial buildings and road infrastructure occurred until 2019, increasing landscape fragmentation.

Changes and Improvements in Land Use

Ecological Enhancements:

In 2019, a transformation plan was adopted to enhance the ecological value of non-industrial areas. Flower meadows and tree areas were introduced, covering approximately 5,230 m².

Biodiversity Efforts:

The introduction of scientifically managed flower meadows and trees has increased habitat diversity and improved both structural and functional connectivity of the ecosystem.

These measures support various species and ecological processes, contributing to higher biodiversity on our site.

Management of Invasive Species:

No invasive alien species were recorded from 2021 to 2023.

Regular monitoring and audits ensure early detection and management of potential invasive species threats.

Land-Use Change Metrics

Initial State:

Before 1997: Predominantly greenfield.

Current State:

Industrial buildings and road infrastructure: 32,610.37 m² sealed area.

Nature-oriented areas: 103,444.90 m² on-site.

Path Forward

We remain committed to reducing our land-use impact and enhancing biodiversity. Future initiatives include:

Further Ecological Enhancements:

Continued transformation of grass lawns into ecologically valuable habitats.

Expansion of nature-oriented areas on-site and potential off-site conservation projects.

Sustainable Land Management:

Implementation of biosecurity measures to prevent invasive species introduction.

Regular audits and updates to our ecological management plans to ensure sustainable practices.

Stakeholder Engagement:

Ongoing education and collaboration with employees and the local community to promote biodiversity and sustainable land-use practices.

Disclosure of metrics considered relevant (land-use change, freshwater-use change and (or) sea-use change)

Introduction

Schumacher Packaging Sp. z o.o. recognizes the significant environmental impacts associated with land-use, freshwater-use changes. This disclosure outlines our metrics and management strategies in these areas, reflecting our commitment to sustainable operations and ecological stewardship.

Land-Use Change

1. Historical Land Conversion:

1997-1999: The site was converted from greenfield to industrial use.

1999-2019: Continuous expansion of industrial buildings and road infrastructure.

Post-2019: Introduction of ecological enhancements, including flower meadows and tree areas.

2. Current Land Use Metrics:

Total Use of Land Area:

2021: 182,349 m²

2022: 182,349 m²

2023: 182,349 m²

Total Sealed Area:

2021: 32,610.37 m²

2022: 32,610.37 m²

2023: 32,610.37 m²

Nature-Oriented Area On-Site:

2021: 103,555.40 m²

2022: 103,444.90 m²

2023: 103,444.90 m²

Nature-Oriented Area Off-Site:

2021-2023: 0 m²

3. Ecological Enhancements:

2020: First flower meadow planted (nowadays equal to 7,300 m²).

2020: Trees and additional plants introduced, enhancing habitat diversity.

4. Impact on Ecosystem Connectivity:

Improved structural and functional connectivity through diversified habitats and ecological corridors.

Freshwater-Use Change

1. Water Consumption Metrics:

2021: 41517 m³

2022: 46293 m³

2023: 34425 m³

(Actual values are based on the company's records)

2. Freshwater Management Strategies:

Water Efficiency Improvements: Implementing technologies and practices to reduce water usage in manufacturing processes.

Local communities resources: Water Non-use of municipal water

3. Impact on Local Water Resources:

Continuous monitoring of water usage to ensure sustainable consumption levels.

Collaboration with local communities within our training programs.

Sea-Use Change – these issues were decided to be irrelevant for our company

Disclosure of conversion over time of land cover

Disclosure of changes over time in management of ecosystem

Historically speaking, the soil under the nowadays plant Schumacher Packaging Sp. z o.o. was converted from greenfield to the land dedicated to industrial production, in the period from 1997 to 1999. From that time, the area and the percentage of the land occupied by the industrial objects (buildings, temporary tent or metallic warehouses, workshops, etc.,) were constantly growing. The area occupied by the road infrastructure was also growing, due to

the increase of the logistics needs of Schumacher Packaging Sp. z o.o. The area occupied by the industrial buildings and the road infrastructure has got its current format in 2019, after the last extension of the enterprise' sealed area.

The format of the management of the area not used for industrial goals was monotonous before 2019. The non-industrial area was presented mostly by grass lawns.

In the year 2019 there was a plan adopted of transformation of grass lawns.

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0msdL63odWWFgZGcU9Q69MzFd8i2mm35cDLV7RBUjv6ieFKdPB7s4427eJbksvpBiI>]

On the internet page attached we can see visualization of the initial zoning plan concerning green areas at the production site.

As we see, the green areas according to the plan had to be transformed into:

- flower meadows;
- areas with the trees.

The first flower meadow was planted in 2020:

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02ikZAVZv3154pR6H3oNug2MrdTGmyuX2xyHja7THmRF1FkVYGdNJZ6rAWmqRcjiHhI>].



Figure E4-5-1. First Schumacher Packaging Sp. z o.o. flower meadow (2020)

Also at fall 2020 there were trees planted:

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02EJpvQqFRDAB5zbwvpvZTLX9UzotFcNxBXk532sXvVt77MQB7DFNAyzynwBxFNLVfRI>].

Right now the territory of Schumacher Packaging Sp. z o.o. is not only industrial landscape with grass lawns. The area of approximately 7300 m² is occupied by scientifically managed and regularly audited flower meadows. There are a lot of trees and other plants at the territory.

Disclosure of changes in spatial configuration of landscape

Disclosure of changes in ecosystem structural connectivity

Structural Connectivity refers to the physical arrangement and spatial configuration of different landscape elements that facilitate or impede movement of species and ecological flows.

Changes in Structural Connectivity:

Industrial Expansion:

From 1997 to 1999, greenfield areas were converted to land dedicated to industrial production. This period marked the beginning of significant changes in the landscape structure.

Continuous growth of industrial objects (buildings, warehouses, workshops) and road infrastructure from 1999 to 2019 increased the fragmentation of the landscape, potentially reducing the structural connectivity of natural habitats.

Transformation of non-industrial areas:

Prior to 2019, non-industrial areas were primarily grass lawns, offering limited habitat diversity and connectivity for wildlife.

The 2019 plan aimed to enhance ecological value by transforming grass lawns into flower meadows and areas with trees, improving structural connectivity by introducing diverse vegetation types.

Implementation of Ecological Enhancements:

In 2020, the first flower meadow was planted, covering an area of approximately 7300 m². This increased the heterogeneity of the landscape, creating new habitat patches that facilitate species movement and ecological flows. Trees and other plants were also introduced in the fall of 2020, further enhancing structural connectivity by providing vertical stratification and additional habitat corridors.

Current Landscape Configuration:

The current landscape of Schumacher Packaging Sp. z o.o. includes a mix of industrial buildings, road infrastructure, flower meadows, and tree-covered areas.

The introduction of flower meadows and trees has significantly improved the structural connectivity of the ecosystem by creating continuous and diverse habitat patches that support various species and ecological processes.

Disclosure of Functional Connectivity

Functional Connectivity refers to how well different landscape elements facilitate ecological flows and species movements, taking into account the behavior and mobility of species.

Changes in Functional Connectivity:

Initial Industrial Development:

The initial conversion of greenfield land to industrial use (1997-1999) likely disrupted existing ecological flows and species movements, reducing functional connectivity.

The expansion of industrial buildings and road infrastructure up to 2019 further impeded natural movement pathways for wildlife.

Adoption of Ecological Management Plan:

The 2019 ecological management plan aimed to restore and enhance functional connectivity by transforming grass lawns into more ecologically valuable habitats.

The introduction of flower meadows and tree-covered areas created new corridors and stepping stones for species, improving their ability to move across the landscape.

Ecological Improvements:

The planting of the first flower meadow in 2020 provided habitat for pollinators and other species, facilitating ecological flows and species interactions.

The addition of trees and other plants in the fall of 2020 created vertical and horizontal habitat connectivity, further enhancing functional connectivity.

Current Functional Connectivity:

The current landscape, with its scientifically managed flower meadows and diverse vegetation, supports a higher level of functional connectivity compared to the pre-2019 landscape.

Regular audits and scientific management ensure that these habitats continue to provide essential ecological functions, supporting species movements and interactions across the landscape.

In conclusion, the transformation of Schumacher Packaging Sp. z o.o.'s landscape from a predominantly industrial area with monotonous grass lawns to a more ecologically diverse environment has significantly enhanced both structural and functional connectivity. This shift supports a more resilient and biodiverse ecosystem.

Disclosure of how pathways of introduction and spread of invasive alien species and risks posed by invasive alien species are managed

Management of Pathways of Introduction and Spread of Invasive Alien Species (IAS)

Identification of Potential Pathways:

Industrial Activities:

The conversion of greenfield to industrial land and the expansion of industrial infrastructure from 1997 to 2019 introduced numerous pathways for invasive species through construction materials, machinery, and transportation vehicles.

Logistics and Transportation:

Increased road infrastructure and logistics needs facilitated the movement of goods and materials, which can unintentionally introduce invasive species via vehicles, packaging, and shipping containers.

Management Strategies:

Risk Assessment and Monitoring:

We must conduct thorough risk assessments before introducing new plant species for flower meadows or tree planting to ensure they are not invasive. We will discuss this issue with the flower meadows supplier in 2024. Regular monitoring and audits of the introduced species and habitats to detect and respond to any signs of invasive species promptly.

Biosecurity Measures:

In the future (2025-2026) we would discuss the implementation of biosecurity protocols for construction materials and machinery to prevent the accidental introduction of invasive species.

Schumacher Packaging also discusses establishing cleaning and inspection procedures for vehicles and equipment used in logistics to minimize the risk of spreading invasive species.

Habitat Management:

Maintenance of diverse and resilient habitats that can resist invasion by promoting native species and biodiversity. We regularly inspect and manage newly established and older flower meadows and tree areas to ensure they do not harbor invasive species. This is the responsibility of the third-party auditor, whom Schumacher Packaging Sp. z o.o. hires.

Community and Staff Education:

We educate employees about the risks of invasive species and the importance of biosecurity measures.

To raise awareness among the local community about invasive species we introduced the biodiversity module within our new project – Cardboard Patronage. The educational materials were produced in a form of eduBOX Biodiversity, which includes the information on the invasive species.



Figure E4-5-2. eduBOX Biodiversity

Risks Posed by Invasive Alien Species and Their Management

Risk Identification:

Ecosystem Disruption:

Invasive species can outcompete native species, leading to a loss of biodiversity and disruption of local ecosystems.

Economic Impact:

The presence of invasive species can affect industrial operations, increase maintenance costs, and potentially harm the local economy.

Health and Safety Concerns:

Some invasive species can pose direct health risks to humans, such as allergens or toxins, or indirectly by impacting the availability of resources.

Risk Management:

Early Detection and Rapid Response:

Implement an Early Detection and Rapid Response system to quickly identify and manage invasive species before they become established.

Train staff to recognize signs of invasive species and establish protocols for immediate action when they are detected.

Collaboration and Coordination:

We collaborate with local authorities, environmental organizations, and other stakeholders to share information and coordinate efforts to manage invasive species.

Regulatory Compliance:

Adhere to regulations regarding the control and management of invasive species.

Ensure compliance with guidelines and best practices for preventing the introduction and spread of invasive species in industrial and ecological projects.

Number of invasive alien species

0

Area covered by invasive alien species

0 m²

Disclosure of metrics considered relevant (state of species)

A total of 69 species of flowering plants were found:

Table E4-5-2. Flowering plant species found

Polish name	Latin name
1. Babka lancetowata	1. Plantago lanceolata
2. Babka średnia	2. Plantago media
3. Bniec biały	3. Silene latifolia
4. Brodawnik jesienny	4. Scorzoneroideis autumnalis
5. Chaber bławatek	5. Centaurea cyanus
6. Chaber driakiewnik	6. Centaurea scabiosa
7. Chaber łąkowy	7. Centaurea jacea
8. Chaber nadreński	8. Centaurea stoebe
9. Ciecioraka pstra	9. Securigera varia
10. Cykoria podróżnik	10. Cichorium intybus
11. Driakiew żółta	11. Scabiosa ochroleuca
12. Dziewanna pospolita	12. Verbascum nigrum
13. Dziewanna wielkokwiatowa	13. Verbascum densiflorum
14. Dziurawiec zwyczajny	14. Hypericum perforatum
15. Esparceta siewna	15. Onobrychis viciifolia
16. Farbownik lekarski	16. Anchusa officinalis
17. Fiołek polny	17. Viola arvensis
18. Goździk kartuzek	18. Dianthus carthusianorum
19. Gwiazdnica pospolita	19. Stellaria media
20. Iglica pospolita	20. Erodium cicutarium
21. Komonica zwyczajna	21. Lotus corniculatus
22. Koniczyna biała	22. Trifolium repens
23. Koniczyna łąkowa	23. Trifolium pratense
24. Kostrzewa owcza	24. Festuca ovina
25. Krwawnik pospolity	25. Achillea millefolium
26. Krwiściąg lekarski	26. Sanguisorba officinalis
27. Krwiściąg mniejszy	27. Sanguisorba minor
28. Lebidka pospolita	28. Origanum vulgare
29. Len trwały	29. Linum perenne
30. Lepnica biała	30. Silene latifolia
31. Lepnica rozdeta	31. Lepidoptera
32. Lnica pospolita	32. Communia lini
33. Lucerna nerkowata	33. Medicago lupulina
34. Macierzanka zwyczajna	34. thymum commune
35. Maczek kalifornijski	35. California papaver
36. Mak wątpliwy	36. Dubium papaver
37. Marchew zwyczajna	37. Daucus carota
38. Mikołajek płaskolistny	38. Eryngium planum
39. Miłek letni	39. Aestas mella
40. Mniszek lekarski	40. Taraxacum officinale
41. Mydlnica lekarska	41. Saponaria officinalis
42. Nawłóć pospolita	42. Solidago virgaurea
43. Nostrzyk biały	43. Alba sarta
44. Nostrzyk żółty	44. Crocus sertulae
45. Oset kędzierzawy	45. Crispus carduus
46. Oset nastroszony	46. Carduus acanthoides
47. Ostrożeń polny	47. Cirsium arvense

Polish name	Latin name
48. Ostróżka polna	48. <i>Consolida regalis</i>
49. Pokrzywa zwyczajna	49. <i>Urtica communis</i>
50. Powój polny	50. <i>Convolvulus arvensis</i>
51. Przytulia właściwa	51. <i>Galium verum</i>
52. Rezeda żółta	52. <i>Reseda lutea</i>
53. Rumian barwierski	53. <i>Cota tinctoria</i>
54. Rzepik pospolity	54. <i>Agrimonia eupatoria</i>
55. Sałata kompasowa	55. <i>Lactuca serriola</i>
56. Skrzyp polny	56. <i>Equisetum arvense</i>
57. Sparceta siewna	57. <i>Onobrychis viciifolia</i>
58. Starzec jakubek	58. <i>Jacobaea vulgaris</i>
59. Starzec zwyczajny	59. <i>Senecio vulgaris</i>
60. Szałwia łąkowa	60. <i>Salvia pratensis</i>
61. Szczeń pospolita	61. <i>Dipsacus fullonum</i>
62. Ślaz dziki	62. <i>Malva sylvestris</i>
63. Świerznica polna	63. <i>Ager scabies</i>
64. Wiesiołek dwuletni	64. <i>vespere primrose</i>
65. Wilczomlec sosnka	65. <i>Euphorbia cyparissias</i>
66. Wrotycz pospolity	66. <i>Tanacetum vulgare</i>
67. Wyka kosmata	67. <i>Vicia villosa</i>
68. Złocień zwyczajny	68. <i>Glebionis segetum</i>
69. Żmijowiec zwyczajny	69. <i>Echium vulgare</i>

The following insect species were found:

Table E4-5-03. Insect species found

Butterflies - Lepidoptera:
1. <i>Pieris brassicae</i>
2. <i>Lycaena tityrus</i>
3. <i>Lycaena phlaeas</i>
4. <i>Issoria lathonia</i>
5. <i>Cupido argiades</i>
6. <i>Polyommatus icarus</i>
7. <i>Celastrina argiolus</i>
8. <i>Scotopteryx chenopodiata</i>
9. <i>Maniola jurtina</i>
10. <i>Aglais io</i>
11. <i>Coenonympha pamphilus</i>
12. <i>Agriphila geniculea</i>
13. <i>Timandra comae</i>
Hymenoptera:
1. European paper wasp - <i>Polistes dominula</i>
2. European honey bee - <i>Apis mellifera</i>
3. red-tailed bumblebee - <i>Bombus lapidarius</i>
4. garden bumblebee - <i>Bombus hortorum</i>
5. shrill carder bee - <i>Bombus sylvarum</i>
6. common carder bee - <i>Bombus pascuorum</i>
Flies - Diptera:
1. long hoverfly - <i>Sphaerophoria scripta</i>
2. common drone fly - <i>Eristalix tenax</i>

Mantidae:
1. european mantis - <i>Mantis religiosa</i>

Pollinating insects not shown in person during the audit are summarized below, along with their host plants growing in the study meadows, which are likely already using the area or are highly likely to appear in the near future.

Table E4-5-03. Insect species which are likely already using the area or are highly likely to appear in the near future

Motyle Butterflies - Lepidoptera	Plants pollinated by this species (Polish names in this table– Latin names are above in this report)
<i>Adela violella</i>	Dziurawiec zwyczajny
Fruczak gołąbek <i>Macroglossum stellatarum</i>	Chaber bławatek, chaber driakiewnik, chaber nadreński, gwiazdnica pospolita, żmijowiec zwyczajny
Kraśnik <i>Zygaena sp.</i>	Komonica zwyczajna, koniczyna czerwona, koniczyna łąkowa, koniczyna biała, macierzanka zwyczajna, mikołajek płaskolistny, sparceta
Lśniak szmaragdek <i>Adscita statices</i>	Driakiew żółta, świerzbica polna, marchew zwyczajna
Miernik kędziorek <i>Thalera fimbrialis</i>	Dziurawiec zwyczajny, marchew zwyczajna, krwawnik pospolity, wrotycz pospolity, wilczomlec sosnka, komonica pospolita, macierzanka zwyczajna
Oblaczek granatek <i>Amata phegea</i>	Oset, brodawnik jesienny, babka lancetowata
Paż królowej <i>Papilio machaon</i>	Marchew zwyczajna
Płomienka złotowianka <i>Pyrausta aurata</i>	Lebiodka pospolita, macierzanka zwyczajna, mięta, szafwia łąkowa
Rusałka ceik <i>Nymphalis c-album</i>	Pokrzywa zwyczajna
Rusałka kratkowiec <i>Araschnia levana</i>	Pokrzywa zwyczajna, marchew zwyczajna
Rusałka osetnik <i>Vanessa cardui</i>	Oset, pokrzywa zwyczajna
Sadzanka rumienica <i>Phragmatobia fuliginosa</i>	Brodawnik jesienny, wrotycz pospolity, żmijowiec zwyczajny, koniczyna biała, babka lancetowata, pokrzywa zwyczajna
Zawisak powojowiec <i>Agrius convolvuli</i>	Powój polny, ślaz dziki, sparceta
Zmrocznik wilczomleczek <i>Hyles euphorbiae</i>	Wilczomlec sosnka

Disclosure of paragraph in another environment-related standard in which metric is referred to

Metrics Alignment with TNFD Standards

E4-5-01: Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting

TNFD Correspondence:

Standard/Indicator: TNFD Risk and Opportunity Assessment

Relevant Section: Metrics and Targets related to impact on biodiversity areas.

E4-5-02: Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Risk and Opportunity Assessment

Relevant Section: Metrics and Targets related to impact on biodiversity areas.

E4-5-03: Total use of land area (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Disclosure of land-use and land cover change.

E4-5-04: Total sealed area (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Disclosure of changes in land cover and impervious surfaces.

E4-5-05: Nature-oriented area on-site (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Disclosure of land-use and habitat conservation measures.

E4-5-06: Nature-oriented area off-site (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Disclosure of habitat restoration and off-site conservation efforts.

E4-5-07: Number of invasive alien species

TNFD Correspondence:

Standard/Indicator: TNFD Risk Management and Mitigation

Relevant Section: Disclosure of management of invasive species.

E4-5-08: Area covered by invasive alien species (m²)

TNFD Correspondence:

Standard/Indicator: TNFD Risk Management and Mitigation

Relevant Section: Disclosure of impacts and management of invasive species.

E4-5-09: Disclosure of quantitative information about potential financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

TNFD Correspondence:

Standard/Indicator: TNFD Financial Impact Disclosure

Relevant Section: Disclosure of financial impacts related to biodiversity and ecosystem services.

Additional Disclosures

Disclosure of land-use based on Life Cycle Assessment (LCA)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: LCA-based land-use change disclosures.

Disclosure of metrics considered relevant (land-use change, freshwater-use change, and/or sea-use change)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Comprehensive environmental impact disclosures.

Disclosure of conversion over time of land cover

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Land cover change disclosures over time.

Disclosure of changes over time in the management of the ecosystem

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Ecosystem management and stewardship.

Disclosure of changes in spatial configuration of landscape

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Landscape configuration and connectivity.

Disclosure of changes in ecosystem structural connectivity

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Structural connectivity and habitat fragmentation.

Disclosure of functional connectivity

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: Functional connectivity and species movement.

Disclosure of how pathways of introduction and spread of invasive alien species and risks posed by invasive alien species are managed

TNFD Correspondence:

Standard/Indicator: TNFD Risk Management and Mitigation

Relevant Section: Management of invasive species pathways.

Disclosure of metrics considered relevant (state of species)

TNFD Correspondence:

Standard/Indicator: TNFD Metrics and Targets

Relevant Section: State of species and biodiversity health.

E4-6. Potential financial impacts related to biodiversity and ecosystems, threats and opportunities

Disclosure of quantitative information about potential financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

Data will be disclosed in the next report

Disclosure of qualitative information about potential financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

Data will be disclosed in the next report

Description of effects considered, related impacts and dependencies (biodiversity and ecosystems)

Data will be disclosed in the next report

Disclosure of critical assumptions used in estimates of financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

Data will be disclosed in the next report

Description of related products and services at risk (biodiversity and ecosystems)

Data will be disclosed in the next report

Explanation of how time horizons are defined, financial amounts are estimated and critical assumptions made (biodiversity and ecosystems)

Data will be disclosed in the next report

E4-SMB-3. Material impacts, risks and opportunities and their interaction with strategy and business model

List of material sites in own operation

The plant has only one site (that one in the close vicinity of Wroclaw). It is material from the point of view of many factors. The main of these is the fact that our enterprise is situated in a radius of less than one kilometer from one of the Natura-2000 sites.

Activities related to sites located in or near biodiversity-sensitive areas negatively affect these areas where conclusions or necessary mitigation measures have not been implemented or are ongoing

As for now, we did not find any material impact directly coming out own operations which would influence biodiversity-sensitive areas.

Breakdown of material sites located in or near biodiversity-sensitive area

The only biodiversity-sensitive area is Las Leśnicki (Lesnitski Forest)

[https://pl.wikipedia.org/wiki/Las_Le%C5%9Bnicki]

Disclosure of biodiversity-sensitive areas impacted

Area belonging to Natura 2000. It is situated in the close vicinity of Wroclaw Plant.

Material impacts, risks, opportunities

Table E4-SMB-3. Material impacts, risks and opportunities concerning biodiversity and ecosystems

Standard	Material Positive Impacts	Material Negative Impacts	Material Risks	Material Opportunities
E4 Biodiversity and ecosystems	Creation of habitats for insects and plants around the production facility to encourage animals (insects) to settle and breed a variety of species specific to the areas.	Using natural resources: The production of corrugated board requires a large amount of natural resources, such as wood, which can affect forestation and biodiversity.	Significant costs associated with biodiversity and ecosystems adaptation plan investments	Positive perception of the company by customers as the FSC CoC Certification holders

Material impacts, and appropriate targets and actions concerning biodiversity and ecosystems

Material impact E4-MI-01

Material impact description	Creation of habitats for insects and plants around the production facility to encourage animals (insects) to settle and breed a variety of species specific to the areas.
Positive or negative	Positive
Sustainability matter	Impacts on the state of species
Effects of the impact	<p>Increased Biodiversity: Flora and Fauna Diversity: Establishing habitats will promote a diverse range of plant and insect species, which in turn can attract other wildlife, contributing to a richer local ecosystem. Pollinator Support: Providing habitats for pollinators like bees and butterflies will enhance pollination activities, supporting local plant growth and agricultural productivity.</p> <p>Enhanced Ecosystem Services: Pollination: Improved habitats for pollinators will increase pollination rates, benefiting surrounding agricultural areas and natural vegetation. Soil Health: Diverse plant species contribute to soil health by preventing erosion, enhancing soil fertility, and maintaining moisture levels. Pest Control: A balanced ecosystem can help control pest populations naturally, reducing the need for chemical pesticides.</p> <p>Environmental Benefits: Carbon Sequestration: Increased plant biomass will enhance carbon sequestration, helping mitigate climate change impacts.</p>

	<p>Air Quality: Vegetation acts as a natural air filter, absorbing pollutants and improving local air quality.</p> <p>Educational and Community Engagement:</p> <p>Educational Opportunities: The habitat creation project can serve as a learning resource for local schools and environmental groups, promoting awareness and education about biodiversity and conservation.</p> <p>Community Involvement: Involving the community in the project can foster a sense of ownership and responsibility towards local environmental stewardship.</p> <p>Regulatory and Compliance Benefits:</p> <p>Compliance with Environmental Regulations: Proactively enhancing local biodiversity can help the facility meet or exceed regulatory requirements related to environmental impact and sustainability.</p> <p>Certification and Recognition: The initiative can contribute to obtaining environmental certifications (e.g., ISO 14001) and recognition from sustainability programs.</p> <p>Operational and Economic Benefits:</p> <p>Sustainable Landscaping: Native plants typically require less maintenance and water than non-native species, reducing landscaping costs.</p> <p>Resource Efficiency: Healthier ecosystems can lead to more efficient use of natural resources, potentially lowering operational costs over time.</p> <p>Corporate Reputation and Brand Value:</p> <p>Positive Public Image: Demonstrating a commitment to biodiversity and environmental sustainability enhances corporate reputation and can strengthen relationships with stakeholders, including customers, investors, and regulatory bodies.</p> <p>Competitive Advantage: Companies with strong environmental initiatives are increasingly favored by consumers and investors, providing a potential competitive edge in the market.</p>
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Realization of 1 initiative annually related to habitats for insects and plants around the production facility
Nature of target	Environmental and ecological enhancement through habitat creation and support for biodiversity.
Description of scope of target	The scope includes designing, implementing, and maintaining initiatives aimed at creating and supporting habitats for insects and plants around the production facility. This involves engaging with local environmental groups and stakeholders, monitoring biodiversity outcomes, and adapting strategies as necessary to maximize positive impacts.
Baseline value	1
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	Interim target (2024): 1 initiative
Description of methodologies and significant assumptions used to define target	<p>Methodologies: The target is defined using habitat suitability models, biodiversity surveys, and ecological impact assessments. These methodologies help in understanding the current state of biodiversity and setting realistic, achievable goals.</p> <p>Assumptions: It is assumed that the creation of habitats will lead to a measurable increase in local biodiversity and that the community will positively engage with and support these initiatives.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>Increased Biodiversity:</p> <p>Flora and Fauna Diversity: Studies show that creating habitats such as wildflower meadows, hedgerows, and other native plant areas can significantly increase local biodiversity.</p> <p>Pollinator Support: Pollinators like bees and butterflies are crucial for pollination services.</p> <p>Enhanced Ecosystem Services:</p> <p>Pollination: The presence of diverse pollinators is linked to improved crop yields and plant reproduction. Animal (insect) pollination enhances the production of 3/4 of the leading global crops used for food production .</p> <p>Soil Health: Diverse plant communities contribute to soil health by improving soil structure, fertility, and moisture retention.</p> <p>Pest Control: Natural enemies of pests thrive in biodiverse environments, providing biological pest control. Diversified cropping systems support greater biodiversity of natural enemies, reducing pest populations .</p> <p>Environmental Benefits:</p> <p>Carbon Sequestration: Vegetation, especially trees and perennial plants, plays a significant role in carbon sequestration. Soil carbon sequestration can offset fossil fuel emissions by up to 15% annually.</p> <p>Air Quality: Plants improve air quality by absorbing pollutants such as carbon dioxide, sulfur dioxide, and nitrogen oxides.</p>

	<p>Educational and Community Engagement: Educational Opportunities: Educational programs centered on biodiversity can significantly enhance community knowledge and engagement. Environmental education programs increase ecological literacy and promote pro-environmental behavior among participants. Community Involvement: Engaging communities in biodiversity projects fosters a sense of ownership and stewardship. Some scientific investigations showed that community involvement in urban gardening projects enhances social capital and community resilience.</p> <p>Regulatory and Compliance Benefits: Compliance with Environmental Regulations: Enhancing biodiversity can help meet various environmental regulations and standards, such as the EU Biodiversity Strategy for 2030 which aims to restore biodiversity by setting legally binding targets . Certification and Recognition: Initiatives supporting biodiversity can contribute to achieving environmental certifications like ISO 14001, which emphasizes continual improvement in environmental performance .</p>
Action to manage target	Manufacture and installation of insect drinkers from environmentally friendly materials
Scope of action	Design and create drinkers using sustainable, non-toxic materials. Position drinkers strategically around the facility to maximize their utility for local insect populations.
Status of action	Planned
Time horizon of action	Short-term (within 1 year)
Year of completion of action	2024
How action has been taken to provide or enable remedy in relation to actual material impact	The action of installing insect drinkers provides a direct, immediate benefit to local insect populations, ensuring they have access to necessary resources. This supports their survival and encourages breeding, thereby enhancing local biodiversity.
Financial and other resources	Financial Resources: Budget allocation for the purchase of materials, manufacturing costs, and installation labor. Other Resources: Involvement of environmental experts, collaboration with local biodiversity groups, and utilization of volunteer efforts from the community and employees.

Material impact E4-MI-02

Material impact description	Using natural resources: The production of corrugated board requires a large amount of natural resources, such as wood, which can affect forestation and biodiversity.
Positive or negative	Negative
Sustainability matter	Impacts on the extent and condition of ecosystems
Effects of the impact	Deforestation: Increased wood extraction for corrugated board production can lead to deforestation, which directly reduces forest cover and disrupts habitats. Loss of Biodiversity: Deforestation and forest degradation can result in the loss of species that depend on forest ecosystems, negatively affecting biodiversity. Soil Degradation: Removal of trees can lead to soil erosion and loss of soil fertility, further impacting ecosystem health. Water Cycle Disruption: Forests play a crucial role in maintaining the water cycle. Deforestation can alter local water cycles, affecting water availability and quality.
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Value chain
Measurable target	Keeping the FSC MIX and FSC REC content on a level >80% of the supply
Nature of target	Environmental
Description of scope of target	This target applies to all wood and wood-derived materials used in the production of corrugated board. It aims to ensure that over 90% of these materials are sourced from forests certified by the Forest Stewardship Council (FSC) or from recycled sources.
Baseline value	88,555% FSC MIX and FSC REC content
Baseline year	2023
Period to which target applies	2023-2030
Indication of milestones or interim targets	Interim target (2024): Achieve 87% FSC MIX and FSC REC content. Interim target (2026): Achieve 89% FSC MIX and FSC REC content.
Description of methodologies and significant assumptions used to define target	Methodology Supply Chain Analysis: Conduct a detailed analysis of the supply chain to identify the current percentage of FSC-certified and recycled content. Regular audits and supplier assessments are part of this methodology. Supplier Engagement: Engage with suppliers to increase the availability of FSC-certified and recycled materials. This includes setting procurement standards and providing training on sustainable sourcing. Assumption It is assumed that the market availability of FSC-certified and recycled wood will remain stable or improve, and that suppliers will comply with the FSC standards consistently.

Target related to environmental matters is based on conclusive scientific evidence	Yes, the target is based on scientific studies demonstrating the positive impacts of FSC certification on forest conservation and biodiversity.
Action to manage target	Policy Implementation: Implement procurement and environmental policies that prioritize FSC-certified and recycled materials.
Scope of action	Global supply chain of the company, with a focus on regions where wood resources are sourced.
Status of action	Ongoing
Time horizon of action	Short-term
Year of completion of action	Q1 2025
How action has been taken to provide or enable remedy in relation to actual material impact	Sustainable Forest Management: Promote and support sustainable forest management practices among suppliers. Certification Programs: Encourage suppliers in obtaining FSC certification.
Financial and other resources	Human Resources: Assign dedicated sustainability officers to oversee the implementation and progress of the target.

Material risks & opportunities, and appropriate targets and actions concerning biodiversity and ecosystems

Material risk E4-MR-01

Material risk / opportunity description	Significant costs associated with biodiversity and ecosystems adaptation plan investments
Risk or opportunity	Risk
Sustainability matter	Biodiversity and ecosystems
Scenarios/forecasts that are deemed likely to materialize	Increased Regulatory Pressure: Governments may implement stricter regulations regarding biodiversity conservation, leading to increased compliance costs. Stakeholder Expectations: Growing expectations from stakeholders, including investors, customers, and local communities, for companies to demonstrate commitment to biodiversity preservation. Climate Change Impact: Climate change may exacerbate biodiversity loss, necessitating additional investment in adaptation and mitigation measures.
Potential material financial effects related to sustainability matters	Capital Expenditure: Significant upfront costs for implementing biodiversity and ecosystem adaptation plans, including habitat restoration and sustainable sourcing practices. Operational Costs: Ongoing costs for monitoring, reporting, and maintaining biodiversity initiatives. Reputational Costs: Potential loss of reputation and market share if the company fails to meet biodiversity and ecosystem conservation expectations.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Number of persons within the company trained in the area of biodiversity and ecosystems
Nature of target	Environmental and social
Description of scope of target	This target applies to all employees within the company, focusing on enhancing their understanding and capability in managing biodiversity and ecosystem-related issues.
Baseline value	1
Baseline year	2023
Period to which target applies	2023-2030
Indication of milestones or interim targets	Interim target (2024): Train 2 additional employees in biodiversity and ecosystems.
Description of methodologies and significant assumptions used to define target	Methodologies Training Needs Analysis: Conduct an analysis to identify the training needs related to biodiversity and ecosystems within the company. Course Development: Develop and implement training courses in collaboration with environmental experts and institutions. Regular Evaluation: Continuously evaluate the effectiveness of training programs and make necessary adjustments. Assumptions It is assumed that the company will have access to relevant training resources and that employees will be willing to participate in these programs.
Target related to environmental matters is based on conclusive scientific evidence	Yes, the importance of employee training in biodiversity and ecosystem management is supported by scientific evidence highlighting the role of informed and engaged staff in achieving sustainability goals
Action to manage target	Training and self-development of 2 additional persons from own workforce in the area of biodiversity and ecosystems
Scope of action	Company-wide, with particular emphasis on departments directly involved in environmental management and sustainability initiatives.
Status of action	Planned
Time horizon of action	Short-term (1 year) for initial training, followed by ongoing training over the period up to 2030.
Year of completion of action	2030

How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Capacity Building: Enhance the capacity of the workforce to address biodiversity and ecosystem challenges through education and training. Stakeholder Engagement: Involve stakeholders in training initiatives to ensure comprehensive understanding and support. Adaptive Management: Apply the knowledge gained from training to adapt and improve biodiversity and ecosystem management strategies.
Financial and other resources	Training Budget: Allocate funds for the development and implementation of biodiversity training programs. Partnerships: Establish partnerships with academic institutions and environmental organizations to support training efforts. Human Resources: Dedicate personnel to oversee the training program and ensure its integration into the company's broader sustainability strategy.

Material opportunity E4-MO-01

Material risk / opportunity description	Positive perception of the company by customers as the FSC CoC Certification holders
Risk or opportunity	Opportunity
Sustainability matter	Impacts on the state of species
Scenarios/forecasts that are deemed likely to materialize	Increased Customer Loyalty: Customers may prefer products from certified companies, leading to increased customer loyalty and repeat business. Market Differentiation: Holding FSC CoC Certification can differentiate the company from competitors, attracting environmentally conscious consumers. Enhanced Brand Value: Positive public perception can enhance the overall brand value and reputation of the company.
Potential material financial effects related to sustainability matters	Revenue Growth: Increased sales due to customer preference for certified products. Market Share Expansion: Potential to capture a larger market share in environmentally conscious segments. Pricing Power: Ability to command premium prices for certified products.
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term (1-5 years)
Occurrence of impact (Company Product Value Chain)	Company and Product. To some extent also value chain
Measurable target	Keeping the FSC MIX and FSC REC content on a level >80% of the supply
Nature of target	Environmental
Description of scope of target	This target applies to all wood and wood-derived materials used in the production of corrugated board. It aims to ensure that over 90% of these materials are sourced from forests certified by the Forest Stewardship Council (FSC) or from recycled sources.
Baseline value	88,555% FSC MIX and FSC REC content
Baseline year	2023
Period to which target applies	2023-2030
Indication of milestones or interim targets	Interim target (2024): Achieve 87% FSC MIX and FSC REC content. Interim target (2026): Achieve 89% FSC MIX and FSC REC content.
Description of methodologies and significant assumptions used to define target	Methodology Supply Chain Analysis: Conduct a detailed analysis of the supply chain to identify the current percentage of FSC-certified and recycled content. Regular audits and supplier assessments are part of this methodology. Supplier Engagement: Engage with suppliers to increase the availability of FSC-certified and recycled materials. This includes setting procurement standards and providing training on sustainable sourcing. Assumption It is assumed that the market availability of FSC-certified and recycled wood will remain stable or improve, and that suppliers will comply with the FSC standards consistently.
Target related to environmental matters is based on conclusive scientific evidence	Yes, the target is based on scientific studies demonstrating the positive impacts of FSC certification on forest conservation and biodiversity.
Action to manage target	Policy Implementation: Implement procurement and environmental policies that prioritize FSC-certified and recycled materials.
Scope of action	Global supply chain of the company, with a focus on regions where wood resources are sourced.
Status of action	Ongoing
Time horizon of action	Short-term
Year of completion of action	Q1 2025
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Sustainable Forest Management: Promote and support sustainable forest management practices among suppliers. Certification Programs: Encourage suppliers in obtaining FSC certification.
Financial and other resources	Human Resources: Assign dedicated sustainability officers to oversee the implementation and progress of the target.

Own operations affect threatened species

As far as we understand the situation on a basis of impact, risk and opportunities analysis we do not see any indication of our material impact on threatened species.

E4-IRO-1. Description of the processes to identify and assess material impacts, risks and opportunities

Disclosure of whether and how actual and potential impacts on biodiversity and ecosystems at own site locations and in value chain have been identified and assessed

Right now we did not analyze our supply chain from the perspective of biodiversity. We will start such analysis in Q3-Q4 2024.

At this moment we are focused on the Wrocław Plant location in Krępsice. We will start the analysis of the close vicinity of the plant in Q3 2024.

The evaluation we conducted was primarily based on our audit data and on data linking biodiversity and other environmental areas, which we have collected and presented in this report. Here is a detailed account of our approach and findings:

Site-Level Biodiversity and Ecosystem Impact Assessment

1. Initial Baseline Assessment:

Historical Land-Use Change: Conversion from greenfield to industrial land (1997-1999) and continuous industrial expansion until 2019.

Current Landscape Configuration: Mix of industrial buildings, road infrastructure, flower meadows, and tree-covered areas.

2. Ecological Enhancements:

Flower Meadows and Tree Planting: Introduction of flower meadows (5,230 m²) and tree planting in 2020 to enhance habitat diversity.

Biodiversity Audits: Regular audits to monitor the health and diversity of newly established habitats.

3. Biodiversity Metrics:

Species Inventory: Detailed records of plant and insect species found on-site, including flowering plants and pollinators.

Invasive Species Monitoring: No invasive alien species detected to date.

4. Ecological Connectivity Improvements:

Structural Connectivity: Enhanced through the creation of diverse vegetation patches.

Functional Connectivity: Improved by providing corridors and habitats that support species movement and ecological processes.

Value Chain Biodiversity Impact Assessment (Planned)

1. Supply Chain Analysis (Q3-Q4 2024):

Scope: Comprehensive review of our supply chain to identify potential impacts on biodiversity.

Criteria: Evaluation of suppliers' environmental practices, including land-use, resource extraction, and impact on local ecosystems.

Engagement: Collaboration with suppliers to promote sustainable practices and mitigate biodiversity impacts.

2. Proactive Measures:

Supplier Audits, Evaluation, Self-Estimation: Implementation of regular biodiversity impact assessments for key suppliers.

Sustainable Sourcing: Prioritization of suppliers committed to biodiversity conservation.

3. Collaborative Efforts:

Stakeholder Engagement: Working with local communities, environmental organizations, and regulatory bodies to address biodiversity concerns.

Industry Initiatives: Participation in industry-wide sustainability programs focused on biodiversity conservation.

Ongoing and Future Initiatives

1. Continuous Monitoring and Improvement:

Regular Audits: Ongoing biodiversity and ecosystem health assessments at our Wrocław Plant.

Adaptive Management: Implementing findings from audits to continuously improve our biodiversity management practices.

2. Expansion of Biodiversity Initiatives:

New Projects: Exploring opportunities to enhance biodiversity at other plant locations.

Educational Programs: Raising awareness among employees and the local community about biodiversity and conservation efforts.

3. Long-Term Commitments:

Biodiversity Goals: Setting and achieving long-term biodiversity targets as part of our overall sustainability strategy.

Reporting and Transparency: Regularly updating stakeholders on our progress and findings through detailed sustainability reports.

Disclosure of whether and how dependencies on biodiversity and ecosystems and their services have been identified and assessed at own site locations and in value chain

Our company recognizes the critical importance of understanding dependencies on biodiversity and ecosystems and their services. To this end, we have undertaken a detailed assessment using the LEAP (Locate, Evaluate, Assess, Prepare) framework as prescribed by the Taskforce on Nature-related Financial Disclosures (TNFD).

The LEAP framework is designed to help organizations understand and disclose both their dependencies and impacts on nature. Dependencies are an integral part of the LEAP analysis, as identifying and assessing these dependencies is crucial for understanding the full range of nature-related risks and opportunities.

Here's how dependencies are integrated into the LEAP framework:

Locate (L):

Identify and map locations where the organization has significant dependencies on nature. This includes both direct operations and across the value chain.

Evaluate (E):

Evaluate the nature and scale of the dependencies. This step involves assessing how much the organization relies on ecosystem services such as water, pollination, soil fertility, and climate regulation.

Assess (A):

Assess the risks and opportunities arising from these dependencies. This includes understanding how changes in the availability or quality of ecosystem services could impact the organization.

Prepare (P):

Prepare and implement strategies to manage and mitigate risks associated with dependencies and to capitalize on opportunities.

Below is an outline of our approach and findings:

LEAP Analysis Framework

1. Locate (L): Identifying and Mapping Dependencies

Own Site Location: Wrocław Plant (Krepcice):

Water Dependency: Reliance on local freshwater sources for manufacturing processes and cooling systems.

Pollination Services: Dependence on local insect pollinators for maintaining the health and productivity of flower meadows.

Soil Health: Need for fertile and stable soil for landscaping and the growth of vegetation within the plant premises.

Value Chain:

Value Chain:

Wood and Paper Products: Dependence on forest ecosystems for sustainable timber and paper supplies.

Agricultural Inputs: Reliance on biodiversity-rich areas for sourcing natural raw materials used in packaging.

Water Usage: Dependence on clean water sources across the supply chain for processing and manufacturing activities.

Ecosystem Services: Broad dependence on ecosystem services such as erosion control, climate regulation, and waste assimilation provided by natural landscapes.

2. Evaluate (E): Evaluating the Nature and Scale of Dependencies

Own Site Location:

Water Dependency: Evaluation of water usage patterns and the impact on local freshwater ecosystems.

Pollination Services: Assessment of the presence and health of pollinator species and their role in maintaining floral biodiversity.

Soil Health: Monitoring soil quality and its influence on vegetation growth and ecosystem stability.

Value Chain:

Raw Material Sourcing: Analysis of supplier practices regarding sustainable forestry and agricultural methods.

Water Usage: Evaluation of water footprint across the supply chain and potential impacts on local and regional water resources.

Ecosystem Services: Assessment of the dependence on various ecosystem services and their contributions to operational sustainability.

3. Assess (A): Assessing the Risks and Opportunities

Own Site Location:

Water Risks: Potential for water scarcity or pollution affecting operations.

Pollination Risks: Decline in pollinator populations leading to reduced biodiversity and ecosystem health.

Soil Degradation: Risks of soil erosion or contamination affecting plant health and landscape aesthetics.

Value Chain:

Supply Chain Disruptions: Risks from unsustainable practices leading to depletion of natural resources and impacting supply continuity.

Water Risks: Vulnerability to water scarcity and quality issues in supplier locations.

Ecosystem Service Disruption: Potential loss of essential ecosystem services impacting overall sustainability and operational efficiency.

4. Prepare (P): Preparing for Action and Mitigation

Own Site Location:

Water Management: Implementing water conservation measures and technologies to reduce dependency on local water sources.

Pollinator Support: Enhancing habitat for pollinators through planting native species and reducing pesticide use.

Soil Conservation: Practices to maintain and improve soil health, such as composting, and erosion control measures.

Value Chain:

Sustainable Sourcing: Engaging with suppliers to adopt sustainable practices and certifications (e.g., FSC CoC and FSC FM for timber products).

Water Stewardship: Promoting water stewardship practices among suppliers to ensure sustainable water use and management.

Ecosystem Service Enhancement: Collaborating with stakeholders to support ecosystem restoration projects and maintain essential services.

Possible Dependencies on Biodiversity and Ecosystem Services

1. Freshwater Ecosystems:

Dependency on clean water for manufacturing processes and cooling systems.

2. Forest Ecosystems:

Sourcing of sustainable timber and paper products.

3. Soil Health:

Fertile soil for vegetation growth and landscape management.

4. Climate Regulation:

Forests and vegetation contributing to carbon sequestration and climate regulation.

5. Waste Assimilation:

Natural ecosystems aiding in the breakdown and assimilation of waste products.

E5. Resource use and the circular economy



Figure E5-0-1. Paper waste packaging machine at Schumacher Packaging Sp. z o.o.

E5-1. Policies related to resource use and the circular economy

Description of key contents of policy

The main strategic issues concerning circular economy are a part of the environmental policy PG.01 (Group level) and P.01 (plant level).

Approach part contains of both level of Policy identical information.

Approach

We keep environmental impacts from waste, waste water, emissions and noise as low as possible. We are committed to working continuously to reduce the environmental impact of our operations, to avoid waste and to increase recycling and reuse rates. Our goal is to reduce energy and water consumption as a percentage of annual production volume.

In order to keep the environmental impact as low as possible even after the packaging has been used, it is delivered back to the paper mills where it is available as raw material for new paper rolls. Through environmental labels such as RESY, we inform and encourage our customers to actively participate in the recycling loop.

Plant level

In the plant-level Policy there are the top-management commitments' Scopes dedicated to resource use and the circular economy. Some of the scopes are directly related to resources & circular economy, some – to some extent covering the resource use and the circular economy issues.

TOP MANAGEMENT COMMITMENTS AND OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
9	Substance management	We store, use and dispose of substances in accordance with the requirements of the law and the Plant's procedures	0 instances of exceeding requirements for storage, use and disposal of substances	Technical (Maintenance) Department Corrugated Board Production Department Packaging Board Department Logistics Department

No	SCOPE	COMMITMENT	OBJECTIVES	Responsible
10	Waste management	We maintain a waste management system	0 complaints from waste recipients for poor sorting of waste	All departments
11	Lifecycle and disposal of products	We take care of the environmental performance of packaging	Maintain waste rate of waste paper below 12%	R&D
12	Stakeholder environmental awareness	Make the sustainability report available to stakeholders on a regular basis	Publish the plant's sustainability report (including ESRS environmental requirements) for 2023 on the company website	Head of CSR Quality Management System Department

The objective is set for the first quarter of the year 2025 (the time of the next annual Policy Review).

Group level

In the group-level Policy there are the top-management commitments' Scopes dedicated to resource use and the circular economy. Some of the scopes are directly related to resources & circular economy, some – to some extent covering the resource use and the circular economy issues.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
10	Substance management	We store, use and dispose of substances in accordance with legal requirements and Group procedures	Zero cases of exceeding the requirements for the storage, use and disposal of chemical substances	2025	Technical Department
11	Resource use and the circular economy	We maintain a system for managing materials and other resources, we minimize waste and we care of the eco-friendliness of packaging.	1. Zero complaints from waste recipients about poor sorting. 2. Introducing measurement and establishing a target level for the amount of waste	2025	Technical Department
12	Awareness environmental stakeholders	Regularly share the sustainability report with interested parties	1. Publish the 2023 Wroclaw Plant sustainability report on the company website 2. Publish the plant's sustainability report (taking into account ESRS environmental requirements) for 2023 on our website	06.2024 10.2024	Head of CSR
13	Promotion of pro-ecological solutions for customers	Promotion of pro-ecological packaging and ESG solutions	1. Updating ESG-related content on the company website 2. Promotion of sustainable packaging on social media 3. Promotion of ESG behavior on social media 4. Updating CSR presentations for customers and suppliers	1. Every year 2-4. Every quarter	Head of CSR

Description of scope of policy or of its exclusions

Scope: The policy applies to all employees of the Group in all areas where there exist environmental impacts, environmental risks and opportunities, as well as environmental dependencies. The Policy also describes the scope in which the Policy applies to other stakeholders, including suppliers, visitors to the company, employees of other companies performing work on the Group's premises, third-party drivers.

The Policy has no exclusions.

Description of most senior level in organization that is accountable for implementation of policy

The CEO of the Group Schumacher Packaging (Member of the Management Board is the organizational structure of Schumacher Packaging Sp. z o.o.) and the Head of the management board of Schumacher Packaging Sp. z o.o. are the most senior persons of Schumacher Packaging accountable for implementation of the Policy.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

The implementation of the policy shown above aligns with several aspects of the OECD Guidelines for Multinational Enterprises (MNEs). Here's how the policy respects and incorporates these guidelines:

A. Environmental Protection (Chapter VI of OECD Guidelines)

A1. Continuous Improvement of Environmental Performance

Policy Action: The policy commits to continuously reducing environmental impacts from operations, including waste, wastewater emissions, and noise.

OECD Alignment: This reflects the OECD guideline encouraging enterprises to continually seek to improve corporate environmental performance at the level of the enterprise and, where appropriate, of its supply chain.

A2. Waste Management and Recycling

Policy Action: The policy outlines objectives to avoid waste, increase recycling and reuse rates, and ensure that used packaging is returned to paper mills for recycling.

OECD Alignment: This supports the guideline on promoting the sustainable use of resources and ensuring that the generation of waste is minimized and properly managed.

A3. Substance Management

Policy Action: The policy includes a commitment to store, use, and dispose of substances in accordance with legal requirements and group procedures, aiming for zero cases of non-compliance.

OECD Alignment: This is in line with the guideline that encourages enterprises to manage chemicals and hazardous substances in a way that prevents harm to human health and the environment.

B. Disclosure (Chapter III of OECD Guidelines)

B1. Transparency and Reporting

Policy Action: The policy includes commitments to publish the sustainability report for the Wrocław Plant on the company website and update ESG-related content regularly.

OECD Alignment: This aligns with the guideline on disclosure, which advises enterprises to be transparent about their activities, structure, financial situation, and performance, including environmental and social issues.

Consumer Interests (Chapter VIII of OECD Guidelines)

B2. Promotion of Sustainable Practices to Customers

Policy Action: The policy includes objectives to promote pro-ecological packaging and ESG solutions, and to regularly update and share CSR presentations with customers and suppliers.

OECD Alignment: This supports the guideline that recommends enterprises provide accurate information on their products, including on their environmental impacts, and promote sustainable consumption patterns.

C. General Policies (Chapter II of OECD Guidelines)

C1. Integration of Sustainable Development

Policy Action: The policy demonstrates a clear integration of environmental sustainability into business operations, reflecting top management's commitment to eco-friendly practices.

OECD Alignment: This aligns with the guideline encouraging enterprises to contribute to sustainable development and respect internationally recognized standards.

C2. Stakeholder Engagement

Policy Action: The policy mandates regular sharing of sustainability reports with interested parties, promoting transparency and stakeholder engagement.

OECD Alignment: This supports the guideline on engaging in meaningful dialogue with stakeholders affected by the company's policies and decisions.

Implementation and Monitoring with OECD guideline' alignment

The policy outlines specific responsibilities and timeframes for achieving these commitments, which is crucial for effective implementation and aligns with the OECD guideline encouraging enterprises to establish and maintain systems of environmental management appropriate to their circumstances.

Summary

The implementation of the policy conforms to the OECD Guidelines for Multinational Enterprises by promoting continuous environmental improvement, ensuring transparency and stakeholder engagement, managing substances responsibly, supporting sustainable consumption, and integrating sustainable development into business operations. These actions collectively help the company adhere to internationally recognized standards and contribute to broader environmental and social goals.

Description of consideration given to interests of key stakeholders in setting policy

Description of consideration given to interests of key stakeholders in setting policy. We as Schumacher Packaging Group have taken in consideration:

- the “silent stakeholder” – natural environment – is taken into account by abiding the legal regulations and inspiring by the best practices (either in formal BATs, or know to us from different sources);
- the clients which are interested in compliance to law or in the better financial and economical outcomes of their activities. The clients’ voice is most frequently been directly express by either of two ways: either sustainability questionnaires or direct product requirements;
- the public opinion (including all our customers and end-users) interested in the circular economy-wise results of the enterprises’ activities. We take it into account through the publicly available polls’ results.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

- 1) We publish the policies at our internet site
[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]
- 2) The key Policies issues are in the sustainability reports published sat our internet-site.
- 3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies’ issue.

Disclosure of whether and how policy addresses transitioning away from extraction of virgin resources, including relative increases in use of secondary (recycled) resources

The policy at both the plant and group levels demonstrates a commitment to transitioning away from the extraction of virgin resources and increasing the use of secondary (recycled) resources:

Plant Level Policy:

Scope 11: Lifecycle and Disposal of Products: The objective to maintain a waste rate of waste paper below 12% indicates a focus on recycling and reducing the reliance on virgin materials. By minimizing waste and promoting the reuse of materials, the policy supports the transition to a circular economy.

Group Level Policy:

Scope 11: Resource Use and the Circular Economy: This commitment emphasizes the management of materials and the minimization of waste. By maintaining a system for managing materials and minimizing waste, the policy encourages the use of recycled resources and the reduction of virgin material extraction. The goal to achieve zero complaints from waste recipients about poor sorting further supports this transition by ensuring effective recycling processes.

Disclosure of whether and how policy addresses sustainable sourcing and use of renewable resources

The policies address sustainable sourcing and the use of renewable resources through specific commitments and objectives:

Plant Level Policy:

Scope 12: Stakeholder Environmental Awareness: By making the sustainability report available to stakeholders and including environmental requirements, the policy promotes transparency and accountability in resource use, encouraging sustainable sourcing practices.

Group Level Policy:

Scope 13: Promotion of Pro-Ecological Solutions for Customers: The promotion of sustainable packaging and ESG solutions highlights a commitment to sustainable sourcing and the use of renewable resources. Regular updates to ESG-related content and promotion on social media support the company's efforts to prioritize renewable resources in its operations.

Description of whether and how policy addresses waste hierarchy (prevention, preparing for re-use, recycling, other recovery, disposal)

The policy at both levels aligns with the principles of the waste hierarchy by prioritizing waste prevention, reuse, recycling, and other recovery methods before disposal:

Plant Level Policy:

Scope 10: Waste Management: The commitment to maintaining a waste management system with zero complaints from waste recipients about poor sorting reflects an emphasis on proper waste segregation and recycling, thus aligning with the waste hierarchy principles.

Scope 11: Lifecycle and Disposal of Products: Maintaining a low waste rate of waste paper (below 12%) demonstrates a focus on recycling and reducing waste at the source.

Group Level Policy:

Scope 11: Resource Use and the Circular Economy: This scope emphasizes minimizing waste and managing materials efficiently, which aligns with the waste hierarchy by prioritizing waste prevention and recycling. The objective to introduce measurement and establish a target level for waste further supports this approach.

Description of whether and how policy addresses prioritization of strategies to avoid or minimize waste over waste treatment strategies

The policies prioritize strategies to avoid or minimize waste, focusing on proactive measures rather than just waste treatment:

Plant Level Policy:

Scope 11: Lifecycle and Disposal of Products: By aiming to keep the waste rate of waste paper below 12%, the policy emphasizes minimizing waste generation at the source rather than relying solely on waste treatment.

Group Level Policy:

Scope 11: Resource Use and the Circular Economy: The commitment to minimize waste and manage materials effectively prioritizes waste prevention and resource efficiency over waste treatment. The focus on zero complaints from waste recipients about poor sorting indicates an emphasis on proper waste segregation and recycling practices, reducing the need for waste treatment.

E5-2. Activities and resources related to resource use and the circular economy

Table E5-2-01. Actions planned and underway

No	Disclosure of key action, Scope of action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Continuation of the project to reduce paper waste, lowering the rate of the desired level of waste Scope: Circular economy Own workforce / paper suppliers / clients / consumers / end-users	Underway	Long-term 2035	Resource Efficiency: Reducing paper waste directly impacts the efficiency of resource use within the company. By lowering the waste rate, Schumacher Packaging Sp. z o.o. ensures that a greater proportion of the raw materials (paper) are used in the final product rather than being discarded as waste. This enhances overall material efficiency and reduces the environmental footprint associated with paper production and disposal.	Financial Resources: Project Management Costs: Salaries for project managers and team members dedicated to the waste reduction initiative. Technology and Equipment: Investment in technology or equipment that helps in optimizing paper usage and reducing waste, such as advanced cutting and printing machinery. Training and Development: Costs associated with training employees on best practices for minimizing waste and using equipment efficiently. Monitoring and Evaluation Tools: Expenses for tools and software to track waste reduction progress and measure success. Other Resources: Employee Time and Effort: Commitment from staff to actively participate in waste reduction activities and adhere to new procedures. Process Optimization: Time spent on analyzing current processes and identifying areas for improvement to reduce paper waste.

Table E5-2-01. Actions completed

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Storage of pressed and bundled waste paper in a designated warehouse, opened only for loading waste paper for shipment	2023	Improved Waste Management: Proper storage of pressed and bundled waste paper in a designated warehouse helps in managing waste more efficiently. It ensures that waste paper is kept in a controlled environment, reducing the risk of contamination or damage. This organized storage facilitates easier handling, transportation, and recycling of waste paper.	Financial Resources: Infrastructure Costs: Investment in building or modifying a designated warehouse for storing pressed and bundled waste paper. Operational Costs: Ongoing costs for maintaining the warehouse, including utilities, security, and regular cleaning. Storage Equipment: Purchase of necessary equipment for safe and efficient storage, such as racks, pallets, and bundling machines. Logistics and Handling: Costs associated with the transportation and handling of waste paper to and from the warehouse. Other Resources: Safety Training: Training for warehouse staff on safety procedures and compliance with environmental regulations.
2	Use of non-conforming formats as pallet protection (caps, spacers, corners)	2023	Waste Minimization: Utilizing non-conforming formats (which might otherwise be discarded) as pallet protection components helps in minimizing waste. This action repurposes materials that do not meet standard specifications for primary use but are still functional for secondary applications. By finding alternative uses for these materials, the company reduces the amount of waste generated and enhances overall sustainability.	Financial Resources: Conversion Costs: Expenses related to converting non-conforming formats into usable pallet protection elements, which might include cutting, trimming, or modifying these materials. Storage and Handling: Costs for storing non-conforming formats until they are used, as well as handling costs associated with integrating these materials into the palletizing process. Other Resources: Employee Training: Training for staff on how to effectively use non-conforming formats as pallet protection, ensuring proper implementation and maximizing material reuse. Design and Engineering: Efforts from design and engineering teams to create effective solutions for repurposing non-conforming materials as protective elements.

Current financial resources allocated to action plan (Capex)

Data will be disclosed in the next report

Current financial resources allocated to action plan (Opex)

Data will be disclosed in the next report

Future financial resources allocated to action plan (Capex)

Data will be disclosed in the next report

Future financial resources allocated to action plan (Opex)

Data will be disclosed in the next report

Description of application of circular business practices

1) Sustainable business model

The first and the key practice of our enterprise is the type of our business which involves vertical integration. In our case that mean that we as a company have the key paper suppliers from our own capital group: Schumacher Packaging GmbH. This is the decision which does not only helps us to make business more client-oriented (due to the geographic closeness of paper mills to the corrugated board factories), but also increases the level of sustainability (namely circular business practices). All the available paper waste that we generate, comes to our paper mills as a raw material: Schumacher Packaging paper mills produce the paper only from waste paper as a raw material. Vice versa, the main paper suppliers for Schumacher Packaging Sp. z o.o. are the paper mills:

- Schumacher Packaging Plant Grudziadz;

- Schumacher Packaging Plant Myszkow.

These two paper mills act as one legal entity Schumacher Packaging Zaklad Grudziadz Sp. z o.o., which is a part of Schumacher Packaging Group. This, along with the fact that not only Schumacher Packaging Sp. z o.o. is a client of Schumacher Packaging Zaklad Grudziadz Sp. z o.o. as a paper supplier within the Group (others are: Plant Ebersdorf, Plant Bydgoszcz, Plant Greven), makes the Group an example of circular economy principles' application:

Paper production → Board production → Waste generation → Paper production from the paper waste

2) *Minimization of transport packaging (minimization of use of material)*

Designing packaging in a way that makes it possible to match the shape of the package with the contents to the highest degree. One of our slogans is "Stop transporting air!"

This is one of the major direction of our cooperation with the e-shops, as one of our clients – Polish marketplace Allegro.

3) *Reuse of paper*

The main activity we would like to highlight in this regard is the use of cardboard waste that has been generated in the production process, to form protective elements for pallets with the product.

It's no secret that pallets are transported to customers' warehouses in floors, which means that pallets at the bottom can be subject to minor damage. It's just that said damage is not at all that minor for such sensitive products as corrugated packaging. On top of that, there is also the issue of damage during transportation and internal storage.

To prevent this, production plants additionally protect pallets with so-called "corners", "caps", etc.

If previously such protection elements were produced from new cardboard, now we use waste for this. Of course, not all waste is suitable (e.g., due to legislation, we cannot use printed packaging for this purpose, as it may be covered by copyright, or use in this way may be contrary to the agreement between Schumacher Packaging and the customer).

But most unprinted cardboard waste is suitable for such use.

This project helps the company reduce waste; we anticipate a reduction in paper waste of up to 0.5% per year from this, which is a huge scale of reduction.

Description of actions taken to prevent waste generation

There are several ways that we use to prevent waste generation.

- 1) The above-mentioned minimization of transport packaging volume.
- 2) The work of planning department whose one of the main objectives is to make the best possible layout of the packaging formats on the corrugator machine.
- 3) R&D

Description of Optimization of waste management

One of our key actions which is planned as regular long-lasting effort is the decrease of the material used for the packaging production. It is clear that the best way to reduce waste is to rethink the product.

In terms of the standard "reduce – reuse – recycle" set of options, the decrease of the usage of material is associated with the Reduce option. That is the most preferable variant of innovation because we do not need to generate waste, but in contrary we do prevent waste from its appearance.

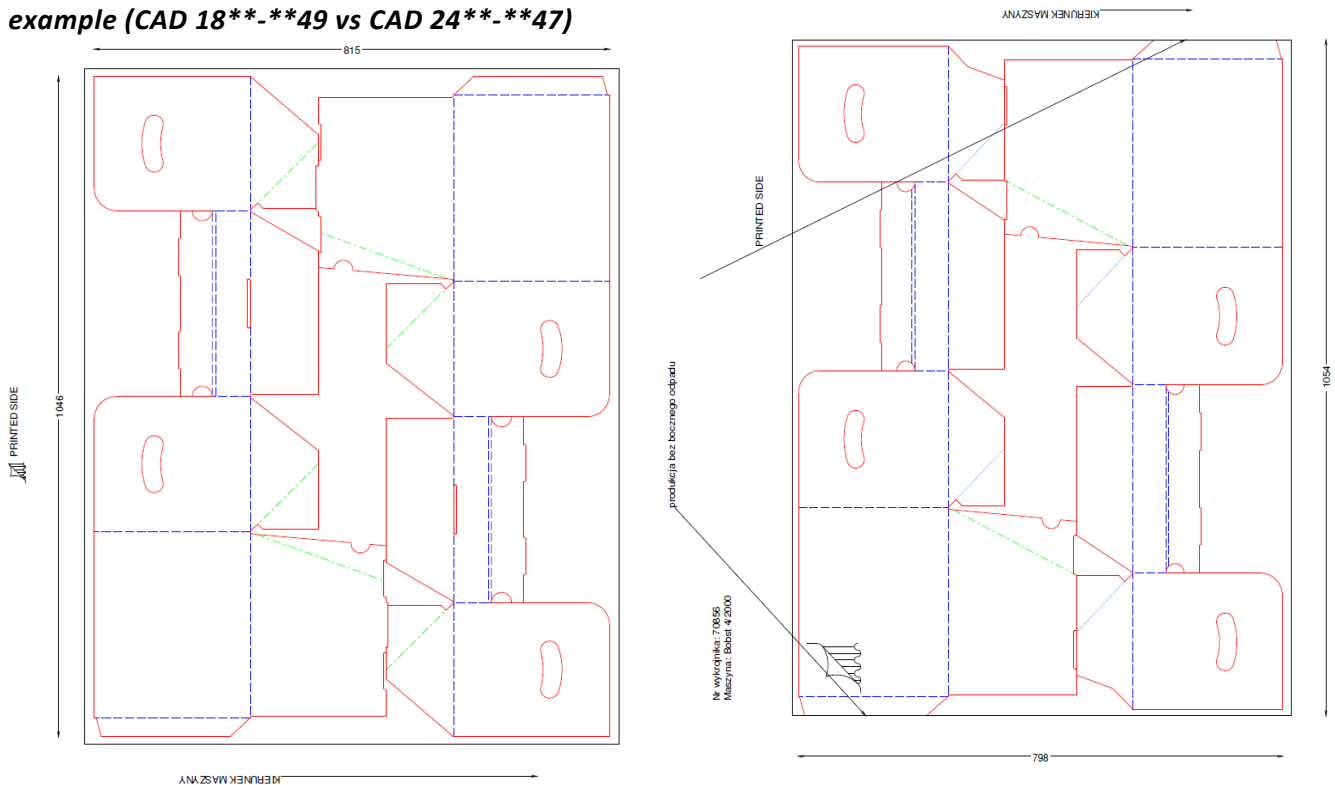
We have many examples of this action, so we will show one of that, without mentioning any confidential information.

Table E5-2-03. The material reduction example for one of the products (2023 vs 2022 variant)

	YEAR 2022	YEAR 2023
Drawing	CAD 18**-**49	CAD 24**-**47
Format size [mm·mm]	845 x 1067	823 x 1054
Gross area [m ²]	0,904	0,870

In this case we can clearly see that due to R&D optimization seen on the attached Figures, the material saving reaches $S_m = (0,904 - 0,870) / 0,904 = 0,0376 \approx 3,76\%$

Figure E5-2-01. The R&D material reduction example (CAD 18-**49 vs CAD 24**-**47)**



The example of the R&D action

One of our key actions which is planned as regular long-lasting effort is the decrease of the material used for the packaging production. It is clear that the best way to reduce waste is to rethink the product.

In terms of the standard “reduce – reuse – recycle” set of options, the decrease of the usage of material is associated with the Reduce option. That is the most preferable variant of innovation because we do not need to generate waste, but in contrary we do prevent waste from its appearance.

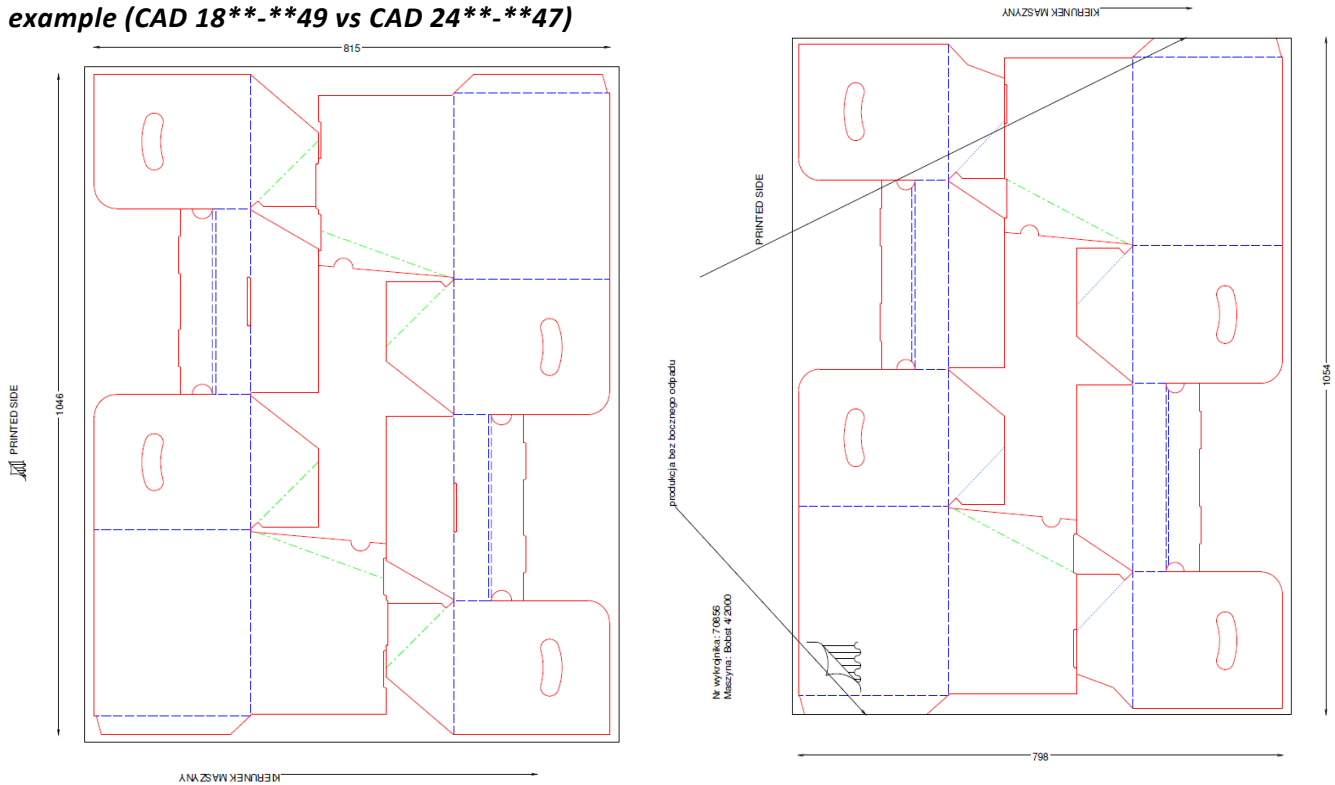
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Figure E5-2-01. The R&D material reduction example (CAD 18-**49 vs CAD 24**-**47)**



Description of other stakeholders involved in collective action (resource use and circular economy)

The best example of the other stakeholders involvement in the circular economy is Schumacher Packaging Sp. z o.o. cooperation with the company (marketplace) Allegro.

E5-3. Resource use and circular economy targets

Tracking effectiveness of policies and actions through targets

Target E5-01.

Relationship with policy objectives	Objective: 0 instances of exceeding requirements for storage, use and disposal of substances
Measurable target	Number of instances exceeding storage, use, and disposal requirements for chemical substances
Nature of target	Environment-related target (with a strong governance influence, due to the compliance issues)
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant. Operationally: The scope concerns the entire operational process within the plant, including storage, use, and disposal of all chemical substances used in production. Temporally: The goal is long-term, ensuring continuous compliance over the years. Subject scope: External stakeholders: Environmental regulatory agencies, local community, waste management contractors. Internal stakeholders: Employees, management, Quality System department.
Baseline value	0 instances
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 instances (measured annually)
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of instances exceeding requirements as the number of recorded instances where the plant fails to meet regulatory and company standards for the storage, use, and disposal of chemical substances. This data is collected through:

	<p>- Internal audits conducted by the quality system department.</p> <p>- External audits and inspections by authorized regulatory bodies.</p> <p>- Incident reports from employees and whistleblower procedures.</p> <p>- Regular monitoring and review of compliance documentation and procedures.</p> <p>The methodology for measuring the target involves annual data collection from the aforementioned sources and calculating the total number of non-compliance instances.</p> <p>Assumptions:</p> <p>a) We must rely on accurate and comprehensive reporting of incidents: non-compliance instances can be hidden through omission, negligence, or lack of understanding.</p> <p>b) The end-of-the-year issue may apply when a non-compliance instance is discovered in one year but officially registered in the next year.</p> <p>c) Regulatory requirements may evolve over time, requiring continuous updates to compliance practices and monitoring systems.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>a) Toxicity and Hazardous Nature of Chemicals:</p> <p>- Many chemical substances used in industrial processes are hazardous and can pose significant risks to human health and the environment if not managed properly. Scientific studies have shown that exposure to toxic chemicals can lead to serious health issues such as respiratory problems, skin irritations, and long-term diseases like cancer.</p> <p>b) Environmental Impact of Chemical Spills:</p> <p>- Improper storage, use, and disposal of chemicals can lead to spills and leaks, which contaminate soil, water, and air. Scientific research has demonstrated that chemical contamination can devastate local ecosystems, harm wildlife, and disrupt the natural balance of environments.</p> <p>c) Regulatory Standards and Guidelines:</p> <p>- Regulatory bodies like the European Chemicals Agency (ECHA) establish stringent standards for the handling of chemicals based on extensive scientific research. Compliance with these standards is critical to prevent adverse environmental and health impacts. These regulations are continually updated to reflect the latest scientific findings.</p>

Target E5-02.

Relationship with policy objectives	Objective: Zero complaints from waste recipients for poor sorting of waste
Measurable target	Number of complaints from waste recipients regarding poor sorting of waste
Nature of target	Environmental-related target (with a strong governance influence, due to compliance and operational efficiency issues)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant.</p> <p>Operationally: The scope concerns the entire waste management process within the plant, including sorting, handling, and disposal of all waste generated during production.</p> <p>Temporally: The goal is long-term, ensuring continuous compliance and operational efficiency over the years.</p> <p>Subject scope:</p> <p>External stakeholders: Waste management contractors, local community, environmental regulatory agencies.</p> <p>Internal stakeholders: Employees, management, Quality System department</p>
Baseline value	0 complaints
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 complaints (measured annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the number of complaints as the number of recorded instances where waste recipients (e.g., waste management contractors) report issues related to poor sorting of waste. This data is collected through:</p> <ul style="list-style-type: none"> • Internal audits conducted by the Quality System department. • Feedback and complaints from waste management contractors. • Incident reports from employees and whistleblower procedures. • Regular monitoring and review of waste management practices and compliance documentation. <p>The methodology for measuring the target involves annual data collection from the aforementioned sources and calculating the total number of complaints received.</p> <p>Assumptions:</p> <p>a) We must rely on accurate and comprehensive reporting of complaints: complaints can be hidden through omission, negligence, or lack of understanding.</p> <p>b) The end-of-the-year issue may apply when a complaint is discovered in one year but officially registered in the next year.</p> <p>c) Regulatory requirements and waste management best practices may evolve over time, requiring continuous updates to sorting and handling procedures.</p>

Target related to environmental matters is based on conclusive scientific evidence	<p>a) Importance of Proper Waste Sorting: Proper waste sorting is essential to minimize environmental impact and ensure compliance with waste management regulations. Scientific studies have shown that incorrect sorting can lead to increased landfill use, pollution, and resource wastage.</p> <p>b) Environmental Impact of Poor Waste Management: Improperly sorted waste can contaminate recycling streams, leading to more waste ending up in landfills or incinerators. This can cause significant environmental damage, including soil and water contamination and increased greenhouse gas emissions.</p> <p>c) Regulatory Standards and Guidelines: Regulatory bodies, such as the European Environment Agency (EEA), establish stringent standards for waste sorting and management based on extensive scientific research. Compliance with these standards is critical to prevent adverse environmental impacts. These regulations are continually updated to reflect the latest scientific findings and best practices.</p>
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Target E5-03.

Relationship with policy objectives	Objective: Maintain waste rate of waste paper below 12%
Measurable target	Percentage of waste paper in relation to total paper used
Nature of target	Environmental-related target (with a strong operational influence, due to efficiency and sustainability issues)
Description of scope of target	<p>Object scope: Geographically: The scope is local, focusing on the specific Schumacher Packaging Sp. z o.o. plant. Operationally: The scope concerns the entire paper handling process within the plant, including procurement, usage, and waste management of all paper products. Temporally: The goal is long-term, ensuring continuous compliance and efficiency over the years.</p> <p>Subject scope: External stakeholders: Environmental regulatory agencies, waste management contractors, local community. Internal stakeholders: Employees, top-management, Quality System department, Production departments, R&D department, Planning department.</p>
Baseline value	12% waste rate
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	Interim target (2024): 12% or lower
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the waste rate of waste paper as the percentage of total paper used that is discarded as waste. This data is collected through:</p> <ul style="list-style-type: none"> • Internal audits conducted by the Quality System department. • External audits and inspections by authorized regulatory bodies. • Incident reports and feedback from employees. • Regular monitoring and review of paper usage and waste management practices. <p>The methodology for measuring the target involves annual data collection from the aforementioned sources and calculating the total percentage of waste paper in relation to the total paper used.</p> <p>Assumptions: a) We must rely on accurate and comprehensive reporting of waste: waste paper instances can be hidden through omission, negligence, or lack of understanding. b) The end-of-the-year issue may apply when waste is recorded in one year but officially registered in the next year. c) Regulatory requirements and waste management best practices may evolve over time, requiring continuous updates to waste management practices and monitoring systems.</p>
Target related to environmental matters is based on conclusive scientific evidence	<p>a) Environmental Impact of Paper Waste: Paper waste contributes significantly to landfill use and deforestation. Scientific studies have shown that reducing paper waste can mitigate environmental impacts such as greenhouse gas emissions, deforestation, and water usage. Proper waste management practices ensure that paper waste is minimized and recycled efficiently.</p> <p>b) Efficiency and Sustainability of Resource Use: Efficient use of resources, including paper, is crucial for sustainable operations. Research indicates that reducing waste not only conserves natural resources but also enhances operational efficiency and cost-effectiveness.</p>

Target E5-04.

Relationship with policy objectives	Objective: Promotion of sustainable packaging on social media
Measurable target	Promotion of concrete sustainable packaging solutions at 2 types of internet-resources : - https://schumacher-ps.pl/

	- social media of Schumacher Packaging and Schumacher Packaging Poland
Nature of target	Environment-related target (with strong social influence, especially including ESRS S4-related issues)
Description of scope of target	Object scope: Geographically: The scope is global, focusing on all social media platforms used by Schumacher Packaging Sp. z o.o. Operationally: The scope involves the creation, scheduling, and dissemination of social media content related to sustainable packaging. Temporally: The goal is long-term, with ongoing efforts to maintain and increase the promotion over the years. Subject scope: External stakeholders: Customers, clients, affected communities, environmental organizations, social media users. Internal stakeholders: Marketing department, Quality System department, top-management, marketing department.
Baseline value	2 target places for publication (posts) of sustainable packaging-oriented information.
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	2 target places for publication (posts) of sustainable packaging-oriented information.
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of social media posts promoting sustainable packaging as the total count of posts made on all official social media accounts that focus on sustainable packaging practices, products, and initiatives. This data is collected through: <ul style="list-style-type: none"> • Social media analytics tools tracking the number and engagement of posts. • Internal reports from the marketing and social media teams. • Feedback and interaction metrics from followers and stakeholders. The methodology for measuring the target involves quarterly data collection from the aforementioned sources and calculating the total number of promotional posts. Assumptions: a) We must rely on accurate and comprehensive reporting of social media activity: posts and engagement can be influenced by platform algorithms and audience behavior. b) Social media trends and platform algorithms may change, requiring continuous adaptation of the content strategy. c) The relevance and appeal of sustainable packaging content may vary, necessitating regular updates and creative approaches to maintain engagement.
Target related to environmental matters is based on conclusive scientific evidence	a) Environmental Benefits of Sustainable Packaging: Scientific studies have shown that sustainable packaging significantly reduces environmental impact by decreasing waste, lowering carbon footprints, and conserving resources. Promoting these benefits raises awareness and encourages adoption among consumers and businesses. b) Regulatory and Industry Standards: Regulatory guidelines and industry standards for environmental communication (including EU directive concerning greenwashing) emphasize transparency and accuracy. Adhering to these standards in social media promotion builds credibility and trust with stakeholders.

Table E5-3-01. The resource use and circular economy targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
E5-01	Number of instances exceeding storage, use, and disposal requirements for chemical substances	0	0	0
E5-02	Number of complaints from waste recipients regarding poor sorting of waste	0	0	0
E5-03	Percentage of waste paper in relation to total paper used	12,0%	12,0%	12,5%
E5-04	Promotion of concrete sustainable packaging solutions at 2 types of internet-resources : - https://schumacher-ps.pl/ - social media of Schumacher Packaging and Schumacher Packaging Poland	2 target publication places	2 target publication places	2 target publication places

E5-4. Resource impact

Disclosure of information on material resource inflows

The main resource inflows dedicated to the production are:

- Paper.
- Inks.

- Starch.
- Glue.

Other key resource inflows dedicated to the product packaging are:

- Wooden pallets.
- Plastics.
- Wire for wrapping waste paper.

Overall total weight of products and technical and biological materials used during the reporting period

a) Total product weight (82373.35 t)

b) Key material weight figures:

Weight of the paper used (84250690 kg)

Wooden pallets (4157251.5 kg)

Plastics (80801.82 kg)

Wire for wrapping waste paper (30000 kg)

Starch (1680 t)

Inks (154972.4 kg)

Cleaning agents (9961 kg)

Tablet salt (27000 kg)

Percentage of biological materials (and biofuels used for non-energy purposes)

Taking into account materials of wood origin, as paper and pallets – 99%

The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging)

10744,66 t (Waste paper)

Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials

97%

Description of methodologies used to calculate data and key assumptions used

Mostly the data are taken from the following data sources:

- clients' data sources;
- weighting data.

Weighting at Schumacher Packaging Sp. z o.o. is made with the help of scales which are calibrated through the regular intervals, which is organized and monitored by the Quality department.

The paper is being weighted both at the suppliers' premises and at Schumacher Packaging Sp. z o.o. The discrepancies between the data from the company's data and the suppliers' data are mostly coming from the different humidity at two sites. These discrepancies are being communicated between the suppliers and Schumacher Packaging Sp. z o.o. and then settled.

Additionally weighting of paper is (up to the FSC CoC Set of Standards) within the responsibilities in a FSC Chain of Custody.

E5-5. Resource outflow

Description of the key products and materials that come out of the undertaking's production process

Key Products

Corrugated Board Packaging

Regular Slotted Containers: These are the most common type of corrugated boxes used for shipping and storage. They are typically made from a single piece of corrugated board and feature flaps that meet in the center when closed.

Die-Cut Boxes: Customized boxes that are cut into specific shapes and sizes using a die-cutting machine. These can include intricate designs for display packaging or specialized forms for unique products.

Heavy-Duty Packaging: Designed to handle high-stress conditions and heavy loads, these boxes are made with reinforced corrugated board to provide extra strength and durability.

Shelf-Ready Packaging: These are designed for easy placement on store shelves, often featuring perforations or tear-away sections for quick and convenient display of products.

Printed Packaging: Corrugated boxes with high-quality printed graphics for branding and marketing purposes. These can include multi-color prints, complex designs, and high-resolution images.

Key Materials

Corrugated Board

Single-Wall Corrugated Board: Composed of one layer of fluted paper sandwiched between two liners. It is commonly used for standard shipping boxes.

Double-Wall Corrugated Board: Consists of two layers of fluted paper and three liners, providing extra strength and durability for heavier items.

Key Production Process Highlights

Corrugating: The paper is then processed into corrugated board by gluing fluted (wavy) paper between liner boards. This can be done in single, double, or triple layers for varying levels of strength.

Printing: The corrugated or solid boards are printed with designs, logos, and other information as required by the customer. High-quality printing techniques ensure vibrant and durable prints.

Cutting and Shaping: Using die-cutting machines, the printed boards are cut and shaped into the desired forms, whether they are standard box shapes or custom designs.

Assembly: The cut and printed boards are then assembled into final products, either as flat-packed boxes or as fully constructed rigid boxes.

Disclosure of the expected durability of the products placed on the market, in relation to the industry average for each product group

Due to the nature of the product as a cardboard packaging the markets do not expect from the cardboard producers the longer durability times. No durability factors are not used in the industry. The only parameters we use that can be used as durability factors to some extent, only taking into account the period of:

- packaging transport to the client warehouse
- packaging of the clients' product and other client-side operations
- transport of the packaged products to the supermarkets / malls / customers
- unboxing.

These tests include:

1. Edge Crush Test (ECT)

The Edge Crush Test measures the edgewise compressive strength of corrugated board. It evaluates the board's ability to resist crushing forces applied to its edges, which is crucial for determining how well a box will hold up under stacking and shipping conditions.

2. Box Compression Test (BCT)

The Box Compression Test assesses the compressive strength of a finished corrugated box. This test simulates stacking loads and measures the maximum load a box can withstand before failing. It is critical for understanding how well a box will perform under the weight of stacked products during storage and transport.

3. Bursting Strength Test (BST)

The Bursting Strength Test evaluates the resistance of the corrugated board to rupture when a force is applied perpendicularly to its surface. This test is important for determining the ability of the board to withstand punctures and impacts during handling and shipping.

None of these test foresees durability time estimate due to the reasons described above in this article.

Disclosure of the reparability of products

In the case of cardboard packaging, it is very difficult or economically not feasible to repair such kind of product. The difficulty concerns the case of for instance mechanical damage or oil impregnation. Internally, when the Quality Department finds the case of the packaging that can be repaired, we try to repair it. Reparation is feasible if the non-conformance is quite simple, like white dots on a red background, or lack of glue. In this case the employees of Quality department or the production departments repair the packaging in situ.

The rates of recyclable content in products

Normally varies from 70 to 100%.

Mean value for the year 2023 is 93,67%.

The rates of recyclable content in products packaging

Normally varies from 70 to 100%.

Description of methodologies used to calculate data (resource outflows)

The data concerning the data on recyclability are coming from our suppliers. Sometimes in a case of FSC Rec certified materials, these data are also checked by the auditors throughout the FSC Chain of Custody. Sometimes we can rely only to the suppliers' data (in a case of FSC Mix or non-FSC material).

We do not concentrate at the moment at the packaging recyclability data collection and only use rough estimates on a basis of suppliers' data.

Total Waste generated

10559,1225 tons

*Hazardous waste diverted from disposal***Table E5-5-02. Hazardous waste recovered by recovery operations in metric tons (t)**

	2021			2022			2023		
	On-site	Off-site	Total	On-site	Off-site	Total	On-site	Off-site	Total
Preparation for reuse	0	0	0	0	0	0	0	0	0
Recycling	0	0	0	0	0	0	0	0	0
Other recovery operations	0	7,005	7,005	0	4,1	4,1	0	1,44	1,44
Total	0	7,005	7,005	0	4,1	4,1	0	1,44	1,44

Hazardous waste diverted from disposal due to preparation for reuse

2,17 tons [080312* - ink waste hazardous substances]

Hazardous waste diverted from disposal due to recycling

2,171 tons [080312*- ink waste hazardous substances; 160213*- lamp tubes]

Hazardous waste diverted from disposal due to other recovery operations

0 tons

*Non-hazardous waste diverted from disposal***Table E5-5-03. Non-hazardous waste recovered by recovery operations in metric tons (t)**

	2021			2022			2023		
	On-site	Off-site	Total	On-site	Off-site	Total	On-site	Off-site	Total
Preparation for reuse			0			0			0
Recycling	0	13294,826	13294,826	0	11731,51	11731,51	0	10382,0225	10382,0225
Other recovery operations	0	33,78	33,78	0	30,58	30,58	0	19,02	19,02
Total			13328,606			11762,09			10401,0425

Non-hazardous waste diverted from disposal due to preparation for reuse

13 tons (usage as safeguard elements of the paper)

Non-hazardous waste diverted from disposal due to recycling

10744,66 t

Non-hazardous waste diverted from disposal due to other recovery operations

0

*Hazardous waste directed to disposal***Table E5-5-04. Hazardous waste sent for disposal in metric tons (t)**

	2021			2021			2023		
	On-site	Off-site	Total	On-site	Off-site	Total	On-site	Off-site	Total
Combustion (with energy recovery)	0	0	0	0	0	0	0	0	0

Incineration (without energy recovery)	0	0	0	0	0	0	0	0	0
Storage	0	0	0	0	0	0	0	0	0
Other disposal operations	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0

Non-hazardous waste directed to disposal

Table E5-5-05. Non-hazardous waste sent for disposal in metric tons (t)

	2021			2021			2023		
	On-site	Off-site	Total	On-site	Off-site	Total	On-site	Off-site	Total
Combustion (with energy recovery)		33,78	33,78		30,58	30,58		19,02	19,02
Incineration (without energy recovery)			0			0			0
Storage		173,6	173,6		161,36	161,36		0	0
Other disposal operations			0			0			0
Total			207,38			191,94			19,02

Disclosure of composition of waste

Disclosure of materials that are present in waste

Table E5-5-01. Waste by composition, in metric tons (t)

Waste by category	2021			2022			2023		
	Waste generated	Recovered waste	Waste diverted for disposal	Waste generated	Recovered waste	Waste diverted for disposal	Waste generated	Recovered waste	Waste diverted for disposal
Paper	13244,386	13244,386	0	11691,16	11691,16	0	10341,4825	10341,4825	0
Ink sludge	173,6	0	173,6	161,36	0	161,36	145,32	145,32	0
Metals	24,9	24,9	0	22,99	22,99	0	26,44	26,44	0
Plastic	25,54	25,54	0	17,36	17,36	0	14,1	14,1	0
Wood	33,78	33,78	0	30,58	30,58	0	19,02	19,02	0
Fabrics/sorbents	16,34	0	16,34	13,1	0	13,1	11,32	0	11,32
Oils	7,005	7,005	0	4,1	4,1	0	1,44	1,44	0
Total	13525,551	13335,611	189,94	11940,65	11766,19	174,46	10559,1225	10521,3625	11,32

Disclosure of waste streams relevant to undertaking's sector or activities

The production of cardboard packaging generates several waste streams, each with specific characteristics and disposal considerations. Here's a detailed breakdown of the key waste streams:

1. Paper waste stream
2. Ink sludge waste stream
3. Plastic packaging waste stream (elements of plastic packaging to pack cardboard packaging)

1. Paper Waste Stream

Source:

Paper waste primarily arises from the initial stages of production, including cutting, trimming, and processing of raw materials (cardboard, recycled paper).

Rejects from the paper machine, including off-spec paper, broke (scrap paper), and trimmings.

Characteristics:

Composed mainly of cellulose fibers, with varying amounts of additives like starch, clay, and other fillers.

High recyclability, often reintroduced into the production cycle to make recycled paper or cardboard.

Management and Disposal:

Recycling: Most paper waste is collected and recycled. It can be pulped and reused in the production process.

Composting: Some paper waste, particularly non-recyclable grades, can be composted.

Landfill: As a last resort, though it's less preferred due to environmental concerns and landfill space constraints.

2. Ink Sludge Waste Stream

Source:

Generated from the printing processes used in the decoration and labeling of cardboard packaging.

Ink residues from the cleaning of printing presses and ink formulation processes.

Characteristics:

Composed of pigments, resins, solvents, and various chemical additives.

Potentially hazardous due to the presence of heavy metals, volatile organic compounds (VOCs), and other toxic substances.

Management and Disposal:

Treatment and Disposal: Ink sludge often requires specialized treatment to remove hazardous components before disposal. It can be incinerated or sent to hazardous waste landfills.

Recycling: In some cases, components of the ink sludge can be recovered and reused, though this is less common due to the complexity of the waste.

3. Plastic Packaging Waste Stream

Source:

Plastic films, tapes, and other packaging materials used to protect and bundle cardboard packaging during storage and transportation.

Plastic strapping, shrink wrap, and protective padding.

Characteristics:

Typically made from polyethylene (PE), polypropylene (PP), and other common plastics.

Non-biodegradable and can persist in the environment for long periods if not properly managed.

Management and Disposal:

Recycling: Many types of plastic packaging waste can be recycled. Collection programs and facilities are essential for processing these materials.

Reuse: Some plastic packaging materials can be reused if they remain intact and uncontaminated.

Incineration: In some cases, plastic waste is incinerated to recover energy, although this process can generate harmful emissions if not properly controlled.

Landfill: Non-recyclable plastic waste may end up in landfills, contributing to long-term environmental pollution.

Total amount of radioactive waste

0 tons

Description of methodologies used to calculate data (waste generated)

The calculation of the data concerning waste is based on the weighting practices

Disclosure of the company's engagement in product end-of-life waste management

The company's influence on the product's waste management differs depending on the kind of waste.

The common scheme of the waste management at Schumacher Packaging Sp. z o.o.

The most common case is our engagement in the:

- concluding agreements with the organizations that recycle waste or utilize it using other means,
- waste collection,
- waste segregation,
- temporary waste warehousing,
- supporting the above-mentioned waste management organizations in collecting the waste from Schumacher Packaging.

The scheme of the paper waste management

- waste collection (including complicated transport schemes and the waste accounting scheme),
- waste segregation,
- waste packaging,

- temporary waste warehousing,
- transport of the paper waste to the Schumacher Packaging paper mills.

The scheme of the ink sludge management

- concluding agreements with the organizations that recycle waste or utilize it using other means,
- ink sludge collection,
- drying of ink sludge,
- temporary waste warehousing,
- supporting the above-mentioned waste management organizations in collecting the ink sludge from Schumacher Packaging.

E5-6. Potential financial implications of resource use and the impacts, risks and opportunities of a circular economy

Disclosure of quantitative information about potential financial effects of material risks and opportunities arising from resource use and circular economy-related impacts

Disclosure of qualitative information of potential financial effects of material risks and opportunities arising from resource use and circular economy-related impacts

Description of effects considered and related impacts (resource use and circular economy)

Disclosure of critical assumptions used in estimates of financial effects of material risks and opportunities arising from resource use and circular economy-related impacts

Description of related products and services at risk (resource use and circular economy)

Explanation of how time horizons are defined, financial amounts are estimated and of critical assumptions made (resource use and circular economy)

E5-IRO-1. Description of the process to identify and assess material impacts, risks and opportunities

Disclosure of methodologies, assumptions and tools used in the screening in order to identify actual and potential impacts, risks and opportunities in own operations and upstream and downstream value chain

Information about process for conducting consultations (resource and circular economy)

Disclosure of business units associated to resource use and circular economy material impacts, risks and opportunities

Disclosure of material resources used

Disclosure of material impacts and risks of staying in business as usual

Disclosure of material opportunities related to circular economy

Disclosure of material impacts and risks of transition to circular economy

Disclosure of stages of value chain where resource use, risks and negative impacts are concentrated

S. Social - Social issues

S1. Own workforce



Figure S1-0-1. The company event at Schumacher Packaging Sp. z o.o.

S1-SBM-2 – Interests and views of stakeholders

Suggested views and interests

Governmental Inspection Authorities:

Suggested Views: Prioritize compliance with legal regulations and standards related to labor, health, safety, and environmental practices.

Interests: Ensuring that the company's operations adhere to regulatory requirements, conducting regular inspections to identify and rectify any non-compliance issues, and promoting a safe and healthy work environment for employees.

Families of Employees:

Suggested Views: Concerned about the well-being, safety, and job security of their family members who are employed by the company.

Interests: Ensuring that the company provides a safe working environment, fair employment practices, opportunities for career growth and development, and effective communication regarding any changes or developments that may affect their loved ones' employment.

Local Communities:

Suggested Views: Interested in the company's impact on the local economy, environment, and social fabric of the community.

Interests: Seeking transparency, responsible corporate behavior, and contributions to community development, including job creation, environmental conservation efforts, support for local initiatives, and minimizing negative externalities such as pollution or disruptions to the community.

Employee Representatives:

Suggested Views: Advocate for the rights, interests, and well-being of the workforce, including fair wages, benefits, working conditions, and job security.

Interests: Representing employee concerns and grievances to management, promoting workplace safety and employee rights, and ensuring that employees have a voice in decision-making processes.

Employees:

Suggested Views: Seek job satisfaction, fair treatment, opportunities for career advancement, work-life balance, and a supportive work environment.

Interests: Having meaningful work, fair compensation and benefits, opportunities for skill development and advancement, recognition for contributions, a safe and healthy workplace, and open communication channels with management.

Company Management:

Suggested Views: Focus on achieving business objectives, profitability, and sustainability while balancing the interests of various stakeholders.

Interests: Maximizing shareholder value, ensuring operational efficiency, managing risks effectively, complying with legal and regulatory requirements, fostering employee engagement and satisfaction, and maintaining positive relationships with stakeholders.

Materiality analysis in order to better understand the stakeholders' views and interests

The analysis is shown in the appropriate section of this report (SBM-2).

S1-1. Own workforce policies

Policies to manage material impacts, risks and opportunities related to its own workforce

The company has got the policy related to management of material impacts, risks and opportunities concerning own employees. It has a name PG.07. Labor and Human Rights policy. The special part, as it was mentioned before, is a part of Migrant Workers Rights Policy PG.08.

Description of key contents of policy

The content is typical to Schumacher Packaging policies and looks like as follows:

- Scope;
- Responsible for the Supervision of the Policy;
- How the strategic direction is supported by this Policy;
- Policy validity period;
- The Approach;
- The Commitments and Objectives
- The signatures of the highest management level persons responsible for the implementation of the mentioned Policy.

The approach part defines the approaches of the Group towards main elements concerning human rights and labor rights of our own employees. The main set of approach elements is based on the Declaration on the human rights and also on the main labor rights which complements the Human rights declaration.

Description of scope of policy or of its exclusions

The scope of the policy: The policy applies to all employees of the Group and is valid for all operations of Schumacher Packaging. It encompasses the management of material impacts of our operations on our employees. The policy also addresses associated material risks and opportunities, with a particular focus on ensuring the health, well-being, good living standards of our own workforce. By the end of 2023 Schumacher Packaging did not determined any exclusions from the scope of the Policy.

Description of most senior level in organization that is accountable for implementation of policy

The members of the headquarters' Management Board and other headquarters-associated managers are responsible for implementation of the separate elements of the Policy.

The highest level of the persons responsible is the Head of the Management Board.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

1. Universal Declaration of Human Rights (in full)
2. OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (Mostly Part IV: "Human Rights")
3. Charter of Fundamental Rights of the European Union

We as a firm have integrated the main principles and approaches of the above-mentioned documents into our Policies and the applicable Codes.

Description of consideration given to interests of key stakeholders in setting policy

Description of consideration given to interests of key stakeholders in setting policy. We as Schumacher Packaging Group have taken in consideration:

- the own personnel which has direct contracts which Schumacher Packaging;
- the own personnel which has contracts with the temporary work employment agencies;
- as a special part of these groups, Schumacher Packaging has a separate policy contacting some special approach elements and commitments concerning migrant workers.

The interests of these groups of our stakeholders were taken into account in the following ways:

- a) the compliance to the basic laws charters, declarations and other documents concerning labor and human rights;
- b) daily communication with the employees that was impressed in the Policies described above;
- c) the results of the commission work “Management Board – Employees”;
- d) the whistleblower procedure use cases (Zero in 2023).

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

- 1) The policy has been communicated to own workforce through the initial and regular training.
- 2) We publish the policies at our internet site
[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]
- 3) The key Policies issues are in the sustainability reports published sat our internet-site.
- 4) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies’ issue.

Disclosure of explanations of significant changes to policies adopted during reporting year

The main change is the adoption of the group-level policies (including the mentioned PG.07 and PG.08) which has the influence on all the Plants of the Group. The local Plants policies (which are not obligatory for each plant of the Group, but in a case of Schumacher Packaging Wroclaw they are commonly used) must be aligned with the group level policies by the 1Q, 2024.

Description of relevant human rights policy commitments relevant to own workforce

The first set of commitments is formulated within the Labor and Human Rights Policy (Group level – PG.07):

Table S1-1-01. Labor and Human Rights Policy’ top-management commitments

No	SCOPE	COMMITMENT	OBJECTIVES	TERM
1	Right to life and liberty Everyone has the right to life, liberty and security of person	Schumacher Packaging is committed to protect people’s lives, health, liberty and security	a) The update of the Group OH&S Policy b) The update of the Group Information Security Policy	2024 2024
2	Prohibition of slavery and the slave trade No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.	We do not allow cases of forced or compulsory labor or human trafficking	a) 0 proved cases of forced or compulsory labor at suppliers and within the Group b) 0 proved cases of human trafficking at suppliers and within the Group	2025
3	Prohibition of torture No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.	Our Group does not allow tortures	0 proved cases of tortures at suppliers and within the Group	2025
4	Equality before the law All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of the Humans Rights Declaration and against any incitement to such discrimination	We do not discriminate against employees in any way	a) 0 proved cases of discrimination at suppliers and within the Group b) 0 proved cases of harassment and mobbing	2025

No	SCOPE	COMMITMENT	OBJECTIVES	TERM
5	Sphere of freedom of the individual No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks	Schumacher Packaging does not interfere with the privacy, family, home or correspondence, do not attack honor and reputation of the employees or other stakeholders of our Group	0 proved cases of discrimination at suppliers and within the Group	2025
6	Freedom of thought, conscience and religion Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.	We as a company respect the rights to freedom of thought, conscience and religion. We allow the manifestation of the thoughts or beliefs publicly, besides the cases of the law violation or the cases of contradiction to the other clauses of this Policy	0 proved cases of persecution concerning freedom of thought, conscience or religious beliefs at suppliers and within the Group	2025
7	Freedom of expression and information Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.	The employees of our Group have a freedom of expression and information, except for cases when this right is in contradiction with the law or the other clauses of this Policy	0 proved cases of persecution concerning freedom of expression and information	2025
8	Freedom of assembly and association Everyone has the right to freedom of peaceful assembly and association. No one may be compelled to belong to an association.	The employees are free to join the associations of their choice. Schumacher Packaging do not oblige employees to join any associations	0 proved cases of violations of regulations concerning the freedom of associations	2025
9	Right to work, equal pay Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.	Schumacher Packaging cares about the employees during all the period of employment and does not let the regulations concerning employment or dismissal to be violated	0 proved cases of the law violation concerning dismissal from work 0 proved cases of the law violation concerning working conditions	2025
10	Right to work, equal pay Everyone, without any discrimination, has the right to equal pay for equal work.	We are determined to the decrease of the pay gap, longing for its minimization	Group-level gender pay gap less or equal to 10% by 2030	2030
11	Right to work, equal pay Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.	Schumacher Packaging pays remuneration and other means of social protection that enables our employees and their families live worthy lives	a) The plant-level salary medians are at least equal to the regional medians. b) Plants grant social protection measures depending on country or land.	2030
12	Right to work, equal pay Everyone has the right to form and to join trade unions for the protection of his interests.	The employees are free to form or join the trade unions	0 violations of regulations of law regulating the human rights concerning the trade unions	2025
13	Right to rest and leisure Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay	We are committed to compliance with the law regulating work-life balance	0 violations of regulations of law regulating work-life balance	2025
14	Right to welfare Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.	We are committed to keeping the employees' salary on a level that gives a possibility of living adequate for the health and well-being of the employee and of his family	Maintaining the average salary at a level higher than the national minimum wage	2030

No	SCOPE	COMMITMENT	OBJECTIVES	TERM
15	Right to welfare Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection	We comply with all legal provisions regarding the protection of motherhood, fatherhood and childhood	0 violations of regulations regarding the protection of motherhood, fatherhood and childhood	2025
16	Right to education Everyone has the right to education	We provide employees with opportunities for professional development and the training in the area of ESG	1) Annual training of each employee concerning ESG and OH&S 2) Minimum 10% of the personnel undergo the professionally-oriented trainings	2027
17	Prohibition of child labor.	We do not allow cases of child labor	0 proved cases of child labor at suppliers and within the Group	2025
18	Prohibition of bullying and harassment	We prevent cases of harassment, mobbing; we are ready to respond to such cases	0 proved cases of bullying and harassment	2025
19	Career management	We provide employees with opportunities for career development	The employees are undergoing annual conversations with manager to determine progress in improving competency levels and to identify a possible career path	2025

The second set of commitments is formulated within the Migrant Workers Rights Policy (Group level – PG.08):
Migrant Workers Rights Policy

Table S1-1-02. Migrant Workers Rights Policy' top-management commitments

No	SCOPE	COMMITMENT	OBJECTIVES	TERM
1	Access to medical care	All migrant workers, including those employed by temporary employment agencies, have access to occupational medicine under the same conditions as local employees	0 cases of denial of access to occupational medicine for migrant workers	2025
2	Access to education	All migrant workers, including those employed by temporary employment agencies, have initial and periodic training in the same scope as local employees.	0 cases of migrant workers being omitted from compulsory training	2025
3	Access to procedures for reporting violations	All migrant workers, including those employed by temporary employment agencies, are subject to the whistleblower protection procedure	0 cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers	2025
4	Salaries	All migrant workers, including those employed by temporary employment agencies, receive the same pay for identical work	0 cases of unequal treatment of migrant workers in matters of remuneration	2025

Example of non-discriminative practices:

Sample Job offer of Schumacher Packaging Sp. z o.o. which is shared through our Social Media and the popular Polish internet-site for finding job. The job offer complies with Schumacher Packaging Policy regarding non-discrimination and equality.

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0fJG5YkEXQj3VFdjGyTmfLYcpiSpG3YqwbA7wWf4S5jLDrWi1UYAhkwmZfgFPFhaVI>]

[<https://www.pracuj.pl/praca/mlodzy-kontroler-jakosci-krepice-pow-sredzki,oferta,1002637593?s=1a9d311e&searchId=MTY4NjU2NjY3ODQxNi4zNTM4>]

Disclosure of general approach in relation to respect for human rights including labour rights, of people in its own workforce

As it has been mentioned above, the main approach elements in the area of human and labor rights are the part of the Labor and Human Rights Policy (PG.07). The Policy includes the following approach elements:

Fair and Ethical Labor Practices, including Work-Life Balance and Working Hours: Schumacher Packaging ensures that all its employees are provided with fair wages, safe working conditions, and opportunities for professional growth and development.

The company strictly adheres to labor laws and regulations in all the regions where it operates. We understand the critical importance of maintaining a healthy work-life balance for the well-being and productivity of our employees. We are committed to creating a work environment that respects and prioritizes reasonable working hours in accordance with the law, ensuring that our team members can thrive both professionally and personally.

Non-discrimination and Inclusion: Schumacher Packaging promotes a workplace culture that is inclusive and free from discrimination. We value diversity and actively work to create an environment where people of all backgrounds are respected and included.

Child and Forced Labor: The company has a zero-tolerance policy for child and forced labor in our operations, as well in the operations of our suppliers.

Supply Chain Responsibility: Schumacher Packaging extends its commitment to human rights and labor standards to our suppliers. We work closely with suppliers to ensure they meet the same ethical standards in the area of labor and human rights. We diligently screen and monitor our supply chain to ensure that no irresponsible labor and human rights practices are involved in the production of the raw materials, tools and in the conduction of services.

Rights of Women: We proudly stand as advocates for equality and diversity, recognizing the fundamental importance of upholding and promoting the rights of women in our workplace and beyond. We believe in fostering an inclusive environment that champions gender equality, empowering women to thrive both personally and professionally.

Rights of Minorities: We acknowledge the significant importance of upholding and safeguarding the rights of minority individuals. We view diversity not only as a fundamental value but as a dynamic catalyst that propels innovation, creativity, and excellence throughout our organization. Our dedication is unwavering in ensuring the protection of minority rights, extending our commitment to cultivating a culture of inclusion, fairness, and mutual respect both within our workplace and in the broader community. The rights of migrant workers are the main topic of the Migrant Workers Rights Policy.

Community Engagement: Beyond our own operations, Schumacher Packaging actively engages with the communities where we operate. We support local development initiatives and strive to have a positive impact on the communities we are a part of.

Transparency and Reporting: The company regularly publishes corporate social responsibility reports that detail their efforts in promoting labor and human rights. These reports are easily accessible to the public and stakeholders. Beginning from 2025 we will publish ESRS-compatible reports.

Continuous Improvement: Schumacher Packaging is dedicated to ongoing improvement in labor and human rights practices. We conduct regular audits, assessments, and seek feedback from employees, partners, and other stakeholders to make necessary adjustments and enhancements to our approach.

The approach elements in the area of human and labor rights of the migrant workers are the part of Migrant Workers Rights Policy (PG.08). The Policy includes the following approach elements:

Transparent Hiring Practices: We ensure transparent and fair hiring practices for migrant workers. This includes providing clear information on job offers, wages, working conditions, and contract terms.

Ethical Recruitment: We partner with ethical recruitment agencies that follow international labor standards and ethical recruitment guidelines.

Labor Rights Education: We provide comprehensive training and information to migrant workers about their rights, working conditions, and legal protections in the host country. This empowers them to assert their rights and seek assistance when necessary.

Safe and Decent Working Conditions: We ensure that working conditions meet or exceed local and international labor standards. This includes addressing issues like health and safety and working hours.

Non-Discrimination: We implement policies and practices that promote diversity and inclusion. We ensure that migrant workers are not subjected to discrimination based on their nationality, ethnicity, or any other factors.

Fair Wages and Benefits: We pay migrant workers fair wages in accordance with local labor laws and industry standards. Provide access to benefits such as healthcare, social security, and retirement plans.

Grievance Mechanisms: We establish clear and accessible grievance mechanisms that allow workers to raise concerns and seek resolution without fear of retaliation. Ensure that these mechanisms are well-publicized and understood by all workers.

Supply Chain Responsibility: We encourage our suppliers to employ migrant workers to extend responsible labor practices to the entire supply chain, from recruitment agencies to subcontractors, ensuring that all parties involved adhere to ethical standards.

Reporting and Transparency: We will from 2025 publish regular reports on CSR efforts related to migrant worker issues, including progress made, challenges faced, and improvements implemented.

Continuous Improvement: We commit to an ongoing process of improvement in addressing migrant worker issues, learning from past experiences, and adapting to changing circumstances.

Disclosure of general approach in relation to engagement with people in its own workforce

As it can be seen, we engage a lot of stakeholders within the above-mentioned approach. This naturally includes the own workforce. The main points of engagement are described in our internal Code of Conduct (K.OO).

a) Engagement through the adherence to the internationally recognized sets of principles

We manage the company with respect for human rights, adhering to the principles of the Universal Declaration of Human Rights and the Charter of Fundamental Rights of the European Union, Labor and Human Rights Policy

b) Ability to report any complaints and prohibition of retaliation (Whistleblowers procedure)

We enable employees and all stakeholders to report all complaints and grievances, guaranteeing a fair hearing and no retaliation

c) Adherence to data protection principles

The company's data collection and application system is based on the principles of RODO

d) Continuous maintenance of dialogue between employees and management

We hold regular face-to-face meetings between employees and management, and use all possible channels to make the dialogue between employees and management effective and timely.

Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

Policy Framework: Schumacher Packaging clearly articulates the company's commitment to respecting human rights in all aspects of its operations. This can be embodied in a formal Human Rights Policies that are aligned with international set of approaches and commitments such as the UN and EU principles on Human Rights.

Due Diligence Process: We outline the company's approach to identifying, assessing, and addressing human rights risks throughout its value chain. This should involve ongoing risk assessments, stakeholder engagement, and impact assessments to understand where and how the company may be linked to human rights abuses.

Whistleblowing and Remediation Mechanisms: We have the procedures in place for keeping the state of readiness in face of possible human rights issues and addressing human rights abuses when they occur. This involves establishing accessible grievance mechanisms for affected individuals and communities, as well as providing means for remedy, such as compensation or rehabilitation.

Capacity Building: We highlight efforts to build the capacity of employees and business partners to understand and respect human rights. This includes training programs, guidance materials, and partnerships with external organizations with expertise in human rights.

Transparency and Reporting: We commit to transparency by regularly reporting on the company's human rights performance. This includes disclosing (by annual reporting) human rights impacts, actions taken to address them, and lessons learned. Reporting is made to be clear, comprehensive, and accessible to stakeholders.

Collaboration and Engagement: We emphasize the importance of collaboration with stakeholders, including civil society organizations, governments, and affected communities, to address human rights challenges effectively. We engage in meaningful dialogue and consultation to understand diverse perspectives and incorporate feedback into decision-making processes.

Disclosure of whether and how policies are aligned with relevant internationally recognized instruments

The Policies which were mentioned above, are aligned with at least 3 international instruments, namely:

1. Universal Declaration of Human Rights
2. OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
3. Charter of Fundamental Rights of the European Union

The way of implementation of the statements of the Universal Declaration of Human Rights and the EU Charter of Human Rights is following. Each appropriate* statement of the Universal Declaration and the EU charter is taken into account in Commitments' Section of the Labor and Human Rights Policy. The overall approach of the Declaration and the Charter is taken into account in Approach Section of the Labor of Human Rights Policy. The Human Rights of one specific vulnerable group of the personnel, namely foreign (migrant) workers, are described in the Migrant Workers Rights Policy.

**By the appropriate statement we mean the statement which is appropriate to the privately-owned production company.*

In turn, the alignment of the policies with the OECD Guidelines will be cleared out below. There are 6 human right principles involved in OECD Guidelines, namely:

1. Respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.
 - The Policies address the negative human rights impacts issues. One of the Policies (Migrant Workers Rights Policy) was developed to specifically address the set of impacts related to the foreign employees.
2. Within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur.
 - The Labor and Human Rights Policy contains the “Continuous Improvement” article: “Schumacher Packaging is dedicated to ongoing improvement in labor and human rights practices. We conduct regular audits, assessments, and seek feedback from employees, partners, and other stakeholders to make necessary adjustments and enhancements to our approach”, which discloses the approach towards the addressing the negative impacts. The Commitments' Section also contains the Objectives which must be analyzed annually in order to understand the level of fulfillment and to react to negative impacts which caused the not reaching the desired level of objectives set.
3. Seek ways to prevent or mitigate adverse human rights impacts that are directly linked to their business operations, products or services by a business relationship, even if they do not contribute to those impacts.
 - The Policies are written in a way to be resilient. For example, the mitigation of negative impacts can be done by the improving the processes by executing the corrective actions resulting from reacting on not meeting the Policies' objectives.
4. Have a publicly available policy commitment to respect human rights.
 - The two Policies are set (as it was previously shown): Labor and Human Rights Policy and Migrant Workers Rights Policy.
5. Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts.
 - We execute regular self-checks, including audits, as it was shown above. We also execute suppliers' audits and the estimation of our suppliers by self-assessment, Schumacher Packaging own assessment and the Integrity Next analysis. By completing and publishing this report we complete the Due Diligence.
6. Provide for or co-operate through legitimate processes in the remediation of adverse human rights impacts where they identify that they have caused or contributed to these impacts.
 - The cooperation is ensured by the statements in the Policies which state the shared responsibility within the supply chain and by the article concerning the other interested parties, including women and the vulnerable (at risk) stakeholders, such as for example foreign employees.

Policies explicitly address trafficking in human beings, forced labour or compulsory labour and child labour

In the Commitments Section of the Labor and Human Rights Policy there is a clear commitments with the measurable objectives, which are focused on human trafficking, child, forced and compulsory labor.

Table S1-1-03. Top-management commitments concerning trafficking in human beings, forced labour or compulsory labour and child labour

No	SCOPE	COMMITMENT	OBJECTIVES	TERM
2	Prohibition of slavery and the slave trade No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.	We do not allow cases of forced or compulsory labor or human trafficking	a) 0 proved cases of forced or compulsory labor at suppliers and within the Group b) 0 proved cases of human trafficking at suppliers and within the Group	2025
17	Prohibition of child labor.	We do not allow cases of child labor	0 proved cases of child labor at suppliers and within the Group	2025

Additionally, in the Approach Section of the above-mentioned Policy there is an approach defined concerning the issues of child, forced and compulsory labor:

Child and Forced Labor: The company has a zero-tolerance policy for child and forced labor in our operations, as well in the operations of our suppliers.

Workplace accident prevention policy or management system is in place

We have implemented the OH&S policy which has the accident prevention policy integrated.

Specific policies aimed at elimination of discrimination are in place

The policy PG.07 “Labor and Human Rights Policy” involves the specific policies aimed at elimination of discrimination.

In the approach section these elements are:

Non-discrimination and Inclusion: Schumacher Packaging promotes a workplace culture that is inclusive and free from discrimination. We value diversity and actively work to create an environment where people of all backgrounds are respected and included.

Rights of Women: We proudly stand as advocates for equality and diversity, recognizing the fundamental importance of upholding and promoting the rights of women in our workplace and beyond. We believe in fostering an inclusive environment that champions gender equality, empowering women to thrive both personally and professionally.

Rights of Minorities: We acknowledge the significant importance of upholding and safeguarding the rights of minority individuals. We view diversity not only as a fundamental value but as a dynamic catalyst that propels innovation, creativity, and excellence throughout our organization. Our dedication is unwavering in ensuring the protection of minority rights, extending our commitment to cultivating a culture of inclusion, fairness, and mutual respect both within our workplace and in the broader community. The rights of migrant workers are the main topic of the Migrant Workers Rights Policy.

The Commitments’ Section of the Policy PG.08 contains the commitments and objectives concerning discrimination directly.

Table S1-1-04. Top-management commitments concerning discrimination

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
4	Equality before the law All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of the Humans Rights Declaration and against any incitement to such discrimination	We do not discriminate against employees in any way	a) 0 proved cases of discrimination at suppliers and within the Group b) 0 proved cases of harassment and mobbing	2025	Personnel dept. / CSR
5	Sphere of freedom of the individual No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks	Schumacher Packaging does not interfere with the privacy, family, home or correspondence, do not attack honor and reputation of the employees or other stakeholders of our Group	0 proved cases of discrimination at suppliers and within the Group	2025	Personnel dept. / CSR

The Policy PG.08 “Migrant Workers Rights Policy” is dedicated in full to the non-discriminative practices concerning the foreign employees employed at Schumacher Packaging Sp. z o.o.

Grounds for discrimination are specifically covered in policy

The policies of the company includes the following grounds: nationality, ethnicity, or any other factors. The direct links to the EU Charter and the Universal Declaration of Human Rights guarantees the full set of the discrimination ground taken into account.

In the internal procedures Schumacher Packaging use the following set of the discrimination grounds:

- gender;
- disability;
- age;
- ethnic origin;
- religion / beliefs;
- sexual orientation;
- balance between private and professional life (work-life balance).

Disclosure of specific policy commitments related to inclusion and (or) positive action for people from groups at particular risk of vulnerability in own workforce

The key part of this issue is our Migrant Workers Rights Policy (PG.08)

Table S1-1-05. Top-management commitments concerning discrimination in Migrant workers' rights policy

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
1	Access to medical care	All migrant workers, including those employed by temporary employment agencies, have access to occupational medicine under the same conditions as local employees	0 cases of denial of access to occupational medicine for migrant workers	2025	HR
2	Access to education	All migrant workers, including those employed by temporary employment agencies, have initial and periodic training in the same scope as local employees.	0 cases of migrant workers being omitted from compulsory training	2025	HR
3	Access to procedures for reporting violations	All migrant workers, including those employed by temporary employment agencies, are subject to the whistleblower protection procedure	0 cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers	2025	HR
4	Salaries	All migrant workers, including those employed by temporary employment agencies, receive the same pay for identical work	0 cases of unequal treatment of migrant workers in matters of remuneration	2025	HR

Disclosure of whether and how policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion

The procedures are implemented through the formally adopted procedure IP.15.006 "Diversity and non-discrimination" and other procedures which are used to form the complete system, as for instance the whistleblower procedure IP.15.004 "Protection of whistleblowers"

Disclosure on an illustration of the types of communication of its policies to those individuals, group of individuals or entities for whom they are relevant

The Policies dedicated to the employees' rights are most relevant to the employees. There is the some main channels of the Policies' communication. Among them:

- Placing policies at the social premises, in the departments and near the security's office.
- Yearly training on the Policies.
- Placing policies in the local network.
- Sharing the policies via our internet site.

Other interested parties can use the option of the internet site.

On request we send the policies to the interested parties electronically: this option is most often used in our communication with the clients.

We also share our policies during both the 2nd and the 3rd party audits.

Policies and procedures which make qualifications, skills and experience the basis for the recruitment, placement, training and advancement are in place or planned

The policies concerning labor and human rights, both Group and site level, contain the direct information that no other criteria except qualification, skills and experience are not eligible neither during the recruitment, nor within any of the phases of employment.

The procedures concerning recruitment (IP.10.013 Recruitment Process Management and IP.15.006 Diversity and Discrimination, articles 4.5.1_1a, 4.5.2_2b, 4.5.3_3a, 4.5.4_4a, 4.5.5_5a,5b, 4.6.1) include the criteria of non-discrimination. The analogous approach is used in the procedures conserving employment (IP.15.006 Diversity and Discrimination).

The procedure IP.15.006 includes the description of the Schumacher Packaging approach to equal chances, diversity, inclusion and non-discrimination.

The concrete main areas of diversity at Schumacher Packaging include gender, disability, age, ethnical origin, religion / beliefs, sexual orientation, work/life balance. The above-mentioned procedure defines approach towards the declared areas of diversity and the responsibility for implication of the procedure.

The Company has or planning to assign responsibility at top management level for equal treatment and opportunities in employment, issue clear company-wide policies and procedures to guide equal employment practices, and link advancement to desired performance in this area

The responsibility is assigned to the Head of the management board in the part of the equal treatment and opportunities in employment. The issue of the company-wide policies are also within the Head of the Board responsibilities, although the Group level of the policies is within the area of responsibility of the CEO Group Schumacher Packaging.

Staff training on non-discrimination policies and practices are in planned or in place

The non-discrimination training is executed one time a year. It is made separately for different plants of the Group. The training was made taking into account not only policies in the area of non-discrimination and equality, but also the practices of Schumacher Packaging Sp. z o.o.

The training was made for all of the groups of the employees of Schumacher Packaging, including the management staff, and the executive members of the management board.

Adjustments to the physical environment to ensure health and safety for workers, customers and other visitors with disabilities are planned or in place

The physical environment of the enterprise is adjusted to the needs of employees and visitors with certain extent of disabilities.

The way between the security point at the entrance to the enterprise and the office building is made without any level differences in order to enable the employees and visitors with the disabilities to move freely.

In the office building we have the elevator to lift the employees and visitors between the ground level and the floor. The path from the office building to the production facilities is also made without the level differences that enables the disabled people to move freely. The motion from the ground level of production to the floor level is also enhanced by the elevator, as in the office building.

The various elements of caution H&S information made with bold letters, in bright color scheme on the information carriers such as large screens and large-format posters is well visible and helps even the persons with the defects of vision to avoid the potential dangers.

The Company plans to evaluate or has evaluated whether a there is a risk that job requirements have been defined in a way that would systematically disadvantage certain groups

We have thoroughly analyzed the risks that job requirements didn't hinder the employees of the vulnerable or any other groups in executing the job activities. In this moment we do not see any risk of disadvantage for any group, except for the cases when the lack of disadvantage is strictly prohibited by law. For example, in the case of female employees we guarantee the equal possibilities with the other genders, but the H&S limitations do not allow women from the work at certain workplaces associated for example with the necessity of lifting the high loads. The

same concerns the younger employees, who are allowed to work according to the law, but with clear restrictions concerning for instance the work time or the weight lifting.

The Company planning to keep or keeping an up-to-date records on recruitment, training and promotion that provide a transparent view of opportunities for employees and their progression

The records concerning the recruitments are kept in full by the Personnel department. The place of the electronic records' retention on internal and external recruitment records is the Schumacher Packaging file server. The copies of the external recruitments could also be found in the archives of pracuj.pl recruitment web-site. Pracuj.pl also prepares and sends to Schumacher Packaging Sp. z o.o. an annual report concerning the recruitment through their site.

The training data are being kept by the Personnel department, the documents are being scanned and placed into the personal folders dedicated to the employees. The training data concerning the persons belonging to the management of Schumacher Packaging, have all the training documents kept by the external body: the HR company Contract Administration.

The data on promotions are kept by the Personnel department in a part concerning the actual changes that occurred in the positions of the employees. If the promotion was associated with the training, these data are also kept by the Personnel department. Part of the data concerning some current aspects of the promotion if they are associated with the transition period, could be kept at the department within which the person is promoted. If the promotion comes out the annual development talks, the initial talks documents might be kept either in Personnel department, or at supervisor's (either paper or electronic form) or both.

The Company has put in place or plans to put in place grievance procedures to address complaints, handle appeals and provide recourse for employees when discrimination is identified, and is alert to formal structures and informal cultural issues that can prevent employees from raising concerns and grievances

The grievance procedures are placed in the plant's procedures IP.15.001, IP.15.002, IP.15.006, IP.15.007, IP.15.004. Specifically for the discrimination issues there are the grievance procedures in IP.15.006 (Diversity and non-discrimination) and in IP.15.004 (Protection of whistleblowers). The responsibility over these questions is structured in the following way:

- the common way of grievance is through the personal department, either personally or in an anonymous way, in a written, electronic or spoken form;
- in a case, the employee wants to talk directly to the Management board, she or he has a possibility to address directly to the Board or any of its member;
- as an additional means, the employee can use the head of department way in order to address the issue.

The Company have or plans to have programs to promote access to skills development.

We have a lot of training programs with wide access to them for our employees. We also have some programs to promote access to the training possibilities.

These are:

- The annual meeting of the employees with their chiefs in order to check the last year goal realization, to set the next year objectives and to define the resourced needed to meet these goals. The above-mentioned resources are primarily the training or self-training.
- The formation of the annual training schedule by the heads of departments.
- The availability of horizontal careers or horizontal professional development, about which the heads of departments inform the employees during the annual development talks or using other means, for example the information boards or the daily meetings at the workplaces.
- The information in the local network and the Intranet
- The mail communication from the different departments.

S1-2. Processes for engaging your own employees and employee representatives about impact

Disclosure of whether and how perspectives of own workforce inform decisions or activities aimed at managing actual and potential impacts

Engagement occurs with own workforce or their representatives

When an analysis of risks, opportunities and impacts demonstrates that there is a high probability that the condition of own employees will change in the outlook compared to the condition that exists today, then Schumacher Packaging assesses whether this new condition could create either a new material risk or a new material opportunity. If so, then Schumacher Packaging develops an action to minimize the risk or maximize the positive impact of the opportunity.

Engagement occurs with own workforce or their representatives

Mostly the engagement is happening with the workers themselves. But in a case of the meetings in format "Management – Employees" (due to the fact that our plant has more than 400 employees) it is much more convenient to organize these meeting through elected employees' representatives.

Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

The engagement occurs at the following stages:

- the questionnaire which is given to our employees once a year as a part of double materiality analysis
- the regular meetings of the CSR group, which uses mostly the employees' inputs as a basis for improvement in the area of ESG
- the meetings (mostly, 3 times a year) between the Management Board and the employee representatives

Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertaking's approach

The most senior level of the company's engagement is the Head of the management board, which is the head of the company side at the "Employees-Management" meetings and the head of the CSR group.

Disclosure of Global Framework Agreement or other agreements related to respect of human rights of workers

We do not use the Global Framework Agreement or other agreements of that kind.

Disclosure of how effectiveness of engagement with its own workforce is assessed

There are several ways of assessment the own workforce' engagement effectiveness.

- The annual Policy analysis contains the analysis concerning own workforce
- The yearly Management review contains thorough analysis
- The ESG-related internal audits has a part concerning own workforce
- The annual ESG report also has a dedicated part concerning own workforce engagement effectiveness
- The risk analysis also contain an own workforce part.

Disclosure of steps taken to gain insight into perspectives of people in its own workforce that may be particularly vulnerable to impacts and (or) marginalized

The deep indicators' analysis concerning disabled people, has been made (attached in this Report).

We also have a statistics of people within our own workforce being seriously ill, who can become disabled or in other way vulnerable, and we are taking necessary steps. For example, there are 2 cases in 2023 when 2 young women have got cancer. Our company has organized measures to help them, not only by our own means, but also organizing and supporting crowdfunding actions.

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0sih6dTeCHqCu6q164c4osvRMB1sZAHpSzo4MgBpyLYSTUEpn5LDqqDvLNpuGrbEvl>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02VLhtzihVUQSFjiXuR7eTTvVJmvG5awrADZQPRsszUTT6EPKZig2LY1gRUXtWaPXil>]

We also commonly support the fight with cancer:

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02XAFnQtAssE3by13pbGmJAXocEZfRbbE2Pg1D1N4MLQL3uPXQVRbna6C5THTQibo7I>]

Our responsibilities before the Polish law concerning disabled persons

Polish enterprises have several obligations under Polish law regarding the employment and treatment of disabled persons. These obligations are designed to promote the inclusion and support of disabled individuals in the workplace. Key aspects include:

1. Employment Quota and Contribution System

Polish law mandates that enterprises:

- either employing at least 25 employees must ensure that disabled persons constitute at least 6% of their workforce. This is part of the employment quota system aimed at increasing the employment rate of disabled individuals;
- or (for those who do not meet the 6% quota) employers are required to pay contributions to the State Fund for Rehabilitation of Disabled Persons. These contributions are intended to support various initiatives for the rehabilitation and integration of disabled persons into the labor market.

2. Adjustments and Accommodations

Employers are required to make reasonable adjustments and accommodations to the workplace to ensure that disabled employees can perform their job duties effectively. This includes modifying workstations, providing assistive devices, and ensuring accessibility within the workplace.

3. Non-Discrimination

Polish law prohibits discrimination against disabled persons in all aspects of employment, including hiring, promotion, training, and dismissal. Employers must ensure that disabled persons are treated fairly and have equal opportunities.

4. Rehabilitation and Training

Employers are encouraged to support the vocational rehabilitation and training of disabled employees. This can involve offering training programs, internships, and other opportunities to help disabled individuals develop their skills and advance their careers.

5. Special Protection

Disabled employees are entitled to special protection in terms of job security. This includes protection against unjust dismissal and the right to additional leave for medical treatment and rehabilitation.

6. Record Keeping and Reporting

Enterprises must keep records of their employment of disabled persons and may be required to report this information to relevant authorities. This helps ensure compliance with the employment quota system and allows for monitoring and evaluation of efforts to support disabled persons in the workforce.

7. Financial Incentives

To encourage the employment of disabled persons, the government offers various financial incentives to employers. These can include subsidies for wages and social security contributions, funding for workplace adaptations, and tax reliefs.

Legal Framework

The primary legal framework governing these obligations includes:

- The Act on Vocational and Social Rehabilitation and Employment of Disabled Persons (Ustawa o rehabilitacji zawodowej i społecznej oraz zatrudnianiu osób niepełnosprawnych)
- The Labour Code (Kodeks pracy)
- The Act on Social Employment (Ustawa o zatrudnieniu socjalnym)

Compliance with these laws helps promote the inclusion and integration of disabled persons into the workforce, ensuring that they have equal opportunities and support in their professional endeavors.

Disclosure of how undertaking engages with at-risk or persons in vulnerable situations

In a case when some crisis situation might have occurred concerning own workforce, Schumacher Packaging has a procedure to deal with this situation.

- a) In a case we have the conflict situation in work, the nature of the conflict must be clarified, and the person at-risk must be isolated from the risk until the conflict cause would be understood and eliminated / reduced to allowable (the description is in the whistleblowers procedure).
- b) In a case of the negative-consequences situation which has the natural or force-majeure origin (for example illnesses, unfortunate accidents, natural disasters) the procedure takes into account the possible grievance
- c) the universal ways of engagement is the meeting of the CSR Working Group, within which the vulnerable situation could be resolved or the meeting of Management Board and employees

Disclosure of how potential barriers to engagement with people in its workforce are taken into account

The possible barrier to engagement of own workforce is: the conflict between employees when the person and being at risk, is frightened to confess that the conflict exists. The solution to this case is our whistleblower procedure, which is dedicated to such cases and enables employees to inform the employee on the disturbing questions and to get complete support. There is a special training concerning the whistleblowers procedure.

Disclosure of how people in its workforce are provided with information that is understandable and accessible through appropriate communication channels

There is a training concerning the whistleblowers procedure

There is a regular information (through the email) concerning the next meetings of the management board with the employees

There is an information concerning the CSR Workgroup in our newspaper

Disclosure of any conflicting interests that have arisen among different workers and how these conflicting interests have been resolved

There was no revealed cases of conflicting interests

Disclosure of how undertaking seeks to respect human rights of all stakeholders engaged

The main points of the human rights stakeholders engagement are shown in the articles S2-S4 of this report. In brief, the information about the stakeholders' engagement is set in the policies, namely:

PG.02. Local and other affected Communities Policy

PG.03. Sustainable Supply Chain Policy

PG.04. Business Ethics Policy

PG.05. Consumer and End-Users Policy

PG.06. Value Chain Workers Policy

PG.07. Labor and Human Rights Policy

PG.08. Migrant Workers Rights Policy

Information about effectiveness of processes for engaging with its own workforce from previous reporting periods

This is the first reporting period

S1-3. Processes to address negative impacts and channels for your own employees to raise concerns

Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has caused or contributed to a material negative impact on people in its own workforce

When addressing situations where a company has caused or contributed to negative impacts on its own workforce, it's essential to for us undertake a comprehensive approach that prioritizes both remedy and prevention. Here's a general approach and processes involved:

Acknowledgment and Assessment:

Acknowledge the impact: We recognize and accept responsibility for the negative impact on the workforce.

Assess the extent: Schumacher Packaging conducts a thorough assessment to understand the scope and severity of the impact. This involves interviews with the people engaged and the subsequent data analysis.

Engagement and Dialogue:

Engage with affected individuals: We open lines of communication with affected employees to listen to their concerns, experiences, and suggestions for remedy.

Foster dialogue: We use the previously created platforms for constructive dialogue between management, employees, and other stakeholders to identify key issues and potential solutions. These are: the meetings between management board and the employees, the CSR Working group and other commonly used measures, as for example wide physical availability of the Management Board members during their time in office

Remediation Planning:

Develop a remediation plan: Based on the assessment findings and input from stakeholders, create a detailed plan outlining specific actions to address the negative impacts.

Prioritize actions: Identify high-priority actions that can be implemented quickly to mitigate immediate harm, followed by longer-term measures for improvement.

Implementation:

Allocate resources: Allocate necessary resources, including funding, personnel, and expertise, to effectively implement the remediation plan.

Monitor progress: Establish monitoring mechanisms to track the implementation progress and ensure that actions are being carried out effectively and in a timely manner.

Training and Capacity Building:

Provide training: Offer training programs to employees and management on relevant topics such as workplace rights, diversity and inclusion, conflict resolution, and ethical business practices.

Build capacity: Invest in building internal capacity to prevent future occurrences of similar negative impacts through improved policies, procedures, and organizational culture.

Transparency and Accountability:

Transparency: We maintain transparency throughout the process by regularly communicating updates on remediation efforts, progress made, and challenges encountered. The limitation of transparency is the obligations within GDPR Directive.

Accountability: We as a company are accountable for the negative impacts. We also hold accountable the persons responsible for the negative impacts and ensure that corrective actions are taken to prevent recurrence of the negative impacts.

Continuous Improvement:

Learn and adapt: Schumacher Packaging continuously evaluate the effectiveness of remediation efforts and be open to feedback from stakeholders to make necessary adjustments and improvements.

Embed sustainability: We integrate lessons learned into the organization's policies, practices, and culture to foster a sustainable approach to workforce well-being.

External Collaboration:

Collaboration with external stakeholders: We as a company work collaboratively with relevant external stakeholders, such as government agencies, NGOs and experts, to leverage their expertise and resources in addressing complex issues and driving systemic change concerning possible harm to our workforce caused by Schumacher Packaging or to which it contributed.

Disclosure of specific channels in place for its own workforce to raise concerns or needs directly with undertaking and have them addressed

The channels available:

- The meetings of CSR Working Group
- The meetings between Management Board and the employees
- The personal meetings of the members of the Management Board and the employees
- The whistleblower procedure and the channels involved at and shown in that procedure

Third-party mechanisms are accessible to all own workforce

Third-party mechanisms are implied by the whistleblowing procedure, which is available for the employees through the training and the local network.

Disclosure of how own workforce and their workers' representatives are able to access channels at level of undertaking they are employed by or contracted to work for

- Each employee has a right to bring a question to CSR working group
- Each employee has a right and opportunity to take part in the election of the representatives to the commission. Employees are also encouraged to submit their suggestions to their elected representatives to be passed through to the management board. The employees' representatives have a right and are encouraged to express their thoughts, opinions and to ask all the employees' questions to the management board during the meetings
- The employees are well-aware of the possibility to seek the personal meeting with the Management board members. The help in this issue could be given by the Assistant of the management office
- The whistleblower's procedure is been a theme of training of the personnel and is available through the local network

Grievance or complaints handling mechanisms related to employee matters exist

Grievance of complaints is described in the whistleblowers procedure

Disclosure of processes through which undertaking supports or requires availability of channels

The availability of channels is checked during the ESG-based audits, which are the part of our audit program. The channels are being supported resource-wise in full by the Management Board.

Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

The procedure of ESG-audit is subduced to the common audit procedures. The non-conformances and other procedure-associated misconduct (including effectiveness of the channels) would be processed through the non-conformance and corrective actions procedure

Disclosure of whether and how it is assessed that its own workforce is aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

The employee satisfaction survey is dedicated to the common employee-related questions, including the ESG-related questions. Right now there are no direct check of the personnel opinion over the employees' awareness or trust to the procedures of raising concerns. But during the next satisfaction survey we will take this issue into account.

This the only way of checking awareness is the undergoing the training and passing of the tests upon the trainings.

S1-4. Taking action in the event of a significant impact on your own workforce and approaches to mitigating significant risks and exploiting significant opportunities related to your own workforce and the effectiveness of these actions

Actions and resources in relation to own workforce

Table S1-4-01. Actions planned and underway

No	Disclosure of key action	Scope of key action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
S1-4-01	Arming the most critical points in the plant with additional fire extinguishers and firefighting equipment	OH&S Own workforce / visitors / workers of the other firms	Underway	Short-term 2024	The action has been taken to provide remedy in relation to mitigate the material risk concerning possible injuries caused by fire at the plant. The remedy is supported by the prior analysis of the critical points by the OH&S specialist.	Cost of the equipment
S1-4-02	Increase in wage rates by 16%	Head of the Board, HR Own workforce	Planned	Short-term 2024	The action is aimed to reach objective: "Monitoring the level of wages in the municipality and pursuing appropriate wage levels" which is aimed to counteract the risk "Salaries at the plant are lower than the average salary in the municipality"	Salary rise costs
S1-4-03	Assistance to workers from Ukraine and other foreigners in terms of submitting applications for their legalization in Poland	HR Own workforce	Underway	Medium-term 2027	The action is aimed to reach objective: "No cases of uncertainty regarding the legality of foreigners' stay" which is aimed to counteract the risk "Difficulties of foreigners in legalizing their residency, causing problems with the legality of employment"	10% of the worktime of 1 employee of HR
S1-4-04	a) During job interviews with an experienced employee, raise the issue of salary and present a realistic path of development, which involves salary promotions, and this can result in positive decisions by experienced candidates. b) An attractive incentive system for long-time employees, including appropriate salaries, anniversary meetings and the awarding of rewards for long-time employees	HR Own workforce, job candidates	Underway	Medium-term 2027	The action is aimed to reach objective: "Retaining and attracting experienced employees" which is aimed to counteract the risk "Shortage of job candidates with broader experience and departure of experienced employees"	Circa 10% of the worktime of 2 employees of HR
S1-4-05	Aligning the whistleblower procedure with the requirements of the new law to be approved in 2024	HR Own workforce, job candidates, all other stakeholders	Planned	Short-term 2024	The action is aimed to reach objective: "Maintain a legally compliant and employee-friendly HR management system" which is aimed to support the opportunity "Observation and proactive response regarding upcoming legal developments in the field of labor and human rights law"	Circa 3-4 hours of the worktime of 2 employees

Table S1-4-02. Actions that took place

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
S1-4-06	Design training for tool coordinators	2023	Lack of Own workforce: Universalization is a remedy to the insufficiency of the own workforce The result estimation: 100% interchangeability of the employees in R&D department Positive feedback from the employees during the annual review meetings	Financial Resources: Training Programs: Allocation of funds for developing or outsourcing training programs tailored to the needs of tool coordinators, including content creation, instructional materials, and instructor fees. Other Resources: Time and Commitment: Dedication of time and commitment from both management and tool coordinators to participate in training activities without compromising ongoing production schedules.
S1-4-07	Addition of new office space	2023	Insufficient working conditions: Providing adequate office space improves the physical work environment for employees, contributing to their comfort and well-being, which can positively impact their performance in material handling tasks and reduce stress-related errors. The result estimation: Better working conditions for 12 employees	Financial Resources: Construction Costs: Budget allocation for constructing or renovating office space, including expenses for architectural design, construction materials, labor, and project management fees. Furniture and Equipment: Procurement of office furniture, fixtures, and equipment necessary to furnish the new office space, such as desks, chairs, cabinets, and IT infrastructure. Utilities: Consideration of ongoing costs for utilities such as electricity, water, heating, and cooling required to maintain the new office space.
S1-4-08	Implementation of a new e-training system SECOVA	2023	Lack of Learning Resources: The introduction of an e-training system provides employees with convenient access to training materials, allowing them to enhance their knowledge and skills in material handling practices at their own pace and convenience. The result estimation: The new level of elasticity of the training conduction. Almost 50% of all the annual sustainability training are made within the SECOVA system	Financial Resources: Software Subscription Costs: Investment in subscription fees for utilizing existing e-learning software SECOVA. Technical Support: Provision of resources for technical support services to ensure the smooth operation and maintenance of the e-training system. Other Resources: Training Content Development: Need to develop engaging and effective training content tailored to the needs of the workforce. User Training and Support: Provision of training sessions and support resources to familiarize employees with the new e-training system and address any questions or concerns they may have during the transition period.
S1-4-09	Implementation of the used book exchange service at Schumacher packaging Sp. z o.o. [https://www.youtube.com/shorts/A8GY9MhBY-E]	2023	Insufficient engagement of the personnel: The implementation of the project provides employees and non-employees with more possibilities of spending free time, enhancing work-life balance and builds additional connections between the enterprise and the employed personnel The result estimation: More than 50 users of the book exchange system (it is a rough estimation: the system is not controlled: the idea is that it must work on a free will basis)	Organizational resources The workforce and IT- and physical infrastructure needed for promotion of the action (internal advertising, YouTube, Facebook, Instagram, etc.)

Current financial resources allocated to action plan (Capex)

The data will be available in the next annual report

Current financial resources allocated to action plan (Opex)

The data will be available in the next annual report

Future financial resources allocated to action plan (Capex)

The data will be available in the next annual report

Future financial resources allocated to action plan (Opex)

The data will be available in the next annual report

Description of additional initiatives or actions with primary purpose of delivering positive impacts for own workforce

Examples of Schumacher Packaging actions for the employees:

1) Support for employees with cancer

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0RvYL3xiFMteJNVfmkT8JANRZ3a7x5aeGF9y5RV8F5s7MoABn2yhZES5GwwYvtvsXI>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02YPTXkVpP28TweRoCMGX2ZZz8VmbKNEi1qq83b9oJRjpAndYWfDhRQHhRVkLfzAirI>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02wi2RnYD8suy7XqtP7e2gwuxCuLzQyFcmTQ3veTgoaQCK6KVsvVvHiBG1Uo4YhKgEI>]

2) Work jubilee for the long-working experienced employees

[<https://www.facebook.com/watch/?v=2295335854189779>]

Figure S1-4-01. Schumacher Packaging work jubilee



3) Support for favorite sports activities of the employees (normally combined with the wider charity projects)

Half-Marathon for the employees

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0QMgJzaQro4Qdn1pMA3UihGUJUNgLPb7TBVaSWAywtc4TCSUR248QQk8zFskXb9VzI>]

Survival Race for the employees

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02M2A3kzUxTJhVQu7QiRcZSPA2Jr2w8T4qWLoJf9mGDsGmyoPchFL7saN8D1CJYvhbl>]

Outdoor game for the employees

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02w9NWKwYXJ2NDP7FFuzi4Q4da1pC3N728Rtm78xcb2VU5xE7ou1zVK4SBLb9MLbPEI>]

Bike race for the employees

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02nPSCuLgJSycu6PQ7NxNqpPMDq6TBhXF3Lr7U6FbhYT9MHQ2tmz59dB8z8uVASVStI>]

Figure S1-4-02. Schumacher Running team



Figure S1-4-03. Bike Marathon sponsored by Schumacher



4) Sharing the career history of our employees

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02uucyG2KhCLEQ87asaRVqyhNs3SR5x635aag5pS4JPGqVGfKfSjZfqzxfcSnuLpUrl>]

[<https://www.facebook.com/watch/?v=231422799887104>]

Description of how effectiveness of actions and initiatives in delivering outcomes for own workforce is tracked and assessed

The actions are being tracked and the delivered outcomes are being addressed mostly by Marketing department of Schumacher Packaging Sp. z o.o.

The assessment of the results of the actions that already took place can be seen above in these report (Table S1-4-02).

Disclosure of whether and how workers and workers' representatives play role in decisions regarding design and implementation of programmes or processes whose primary aim is to deliver positive impacts for workers

At the heart of our organization, the spirit of our employees fuels our actions and initiatives. Most of the impactful actions we undertake are born from the innovative minds of our employees or emerge from the dedicated efforts of our CSR working group. This collaborative approach ensures that our strategies and initiatives are not only aligned with our core values but also resonate deeply with the needs and aspirations of our workforce.

The Birth of Ideas: Employee-Driven Innovation

Our employees are the true architects of change. They continually bring forth creative and practical ideas that aim to enhance their work environment, foster a sense of community, and promote sustainable practices. From the grassroots level, these propositions reflect the genuine needs and desires of those who know our organization best – our people.

The CSR Working Group: A Conduit for Change

Every idea, whether it's a new initiative to boost employee engagement or a sustainability project, finds its way to the CSR working group. This team, a blend of passionate and forward-thinking individuals, is the sounding board for all propositions. They meticulously discuss and refine these ideas, ensuring they align with our broader CSR goals and organizational values.

Management Board: The Pillars of Support

Once polished and perfected, these initiatives are presented to our Management Board. Recognizing the value and potential of these employee-driven propositions, the Management Board provides the essential financial and organizational support needed to bring them to life. Whether it's allocating funds for training programs, approving

budgets for new office spaces, or ensuring the smooth implementation of e-training systems, their commitment is unwavering.

A Harmony of Collaboration

This process is an integral part to our culture of collaboration and mutual respect. Every step, from the inception of an idea by an employee to the final approval and support from the Management Board, is a harmonious blend of innovation and leadership. Each member of our team contributes to the far-reaching results of progress and sustainability.

Information about intended or achieved positive outcomes of programmes or processes for own workforce

The intended and achieved positive outcomes are shown in the above tables Table S1-4-01 and Table S1-4-02.

Information about measures taken to mitigate negative impacts on workers that arise from transition to greener, climate-neutral economy

This information will be presented in the next annual ESG report.

Description of internal functions that are involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts

The most engaged structural units are:

Head of Sustainability and CSR Group

Personnel department

Marketing department

Quality Systems department

But each of the departments of Schumacher Packaging Sp. z o.o. takes part in this work.

S1-5. Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

Target S1-01.

Relationship with policy objectives	Objective: The update of the Group Information Security Policy
Measurable target	Implementation of the Plant-level Information Security Policy
Nature of target	Governance-related target (with significant social and operational impacts, and slight potential for environmental-related issues)
Description of scope of target	Object scope: Geographically: The scope is global, encompassing all Schumacher Packaging Group locations, including international subsidiaries and offices. Operationally: The scope includes all company operations, encompassing IT infrastructure, data handling processes, and employee compliance. It does not directly concern the supply chain but includes interactions with third-party IT service providers. Temporally: The goal is long-term, with regular updates and reviews planned. Subject scope: External stakeholders: Clients, suppliers, regulatory bodies, and IT service providers. Internal stakeholders: Employees, management, IT department, compliance officers, and shareholders.
Baseline value	Initial policy version implemented
Baseline year	2023
Period to which target applies	2024
Indication of milestones or interim targets	Not applicable
Description of methodologies and significant assumptions used to define target	Methodology: The update process will begin with a comprehensive review of the current policy, benchmarking against industry best practices, and incorporating feedback from stakeholders. Input will be gathered from all relevant departments, including IT, legal, and compliance. A risk assessment will be conducted to identify potential vulnerabilities and areas for improvement. The updated policy will be drafted by the IT and compliance teams, followed by an internal review and approval process. Implementation will include a phased rollout, starting with pilot departments to identify and address any issues before full implementation. Training sessions will be organized for all employees to ensure understanding and compliance with the updated policy. Regular audits and monitoring will be conducted to ensure adherence and to identify any areas needing further improvement. Assumptions:

	<p>The IT and compliance teams will have the necessary resources and expertise to update the policy effectively.</p> <p>All employees will participate in the training programs and adhere to the updated policy. There will be cooperation and effective communication between all departments involved in the policy update process.</p> <p>Technological infrastructure will support the implementation and monitoring of the updated policy.</p> <p>External factors such as changes in regulatory requirements or emerging cyber threats will be taken into account and addressed promptly.</p> <p>The updated policy will meet the expectations of external stakeholders, including clients and regulatory bodies.</p> <p>Regular reviews and updates will be conducted to ensure the policy remains relevant and effective in addressing new security challenges.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-02.

Relationship with policy objectives	Objective: 0 proved cases of forced or compulsory labor at suppliers and within the Group
Measurable target	Number of proved cases of forced or compulsory labor (internal and suppliers)
Nature of target	Social-related target (with significant governance influence and indirect environmental implications)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, encompassing all Schumacher Packaging Group locations and their suppliers, regardless of their country of operation.</p> <p>Operationally: The scope includes all company operations and extends to the entire supply chain, ensuring that no supplier or subcontractor engages in forced or compulsory labor practices.</p> <p>Temporally: The goal is long-term, aiming to maintain zero incidents consistently.</p> <p>Subject scope:</p> <p>External stakeholders: Customers, suppliers, regulatory bodies, NGOs focused on labor rights, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, procurement departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the number of proved cases of forced or compulsory labor as those verified through internal audits, third-party inspections, whistleblower reports, or any investigations initiated by regulatory bodies.</p> <p>The methodology involves annual collection and analysis of data from these sources. This includes reviewing supplier audits, employee interviews, compliance reports, and whistleblower procedures.</p> <p>The company will implement a robust monitoring and reporting system to detect and address any signs of forced or compulsory labor promptly. This will include periodic audits, both announced and unannounced, of suppliers and internal operations.</p> <p>Assumptions:</p> <p>Comprehensive and transparent audits will effectively identify cases of forced or compulsory labor, if any.</p> <p>All stakeholders, including employees and suppliers, will actively participate in reporting and preventing forced or compulsory labor practices.</p> <p>The company will have the necessary resources and support from management to enforce and monitor compliance with labor standards.</p> <p>Cooperation and effective communication between all departments and external auditors will be maintained throughout the process.</p> <p>Any identified cases of forced or compulsory labor will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting the eradication of forced or compulsory labor will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in labor practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-03.

Relationship with policy objectives	Objective: 0 proved cases of human trafficking at suppliers and within the Group
Measurable target	Number of proved cases of human trafficking

Nature of target	Social-related target (with significant governance influence and indirect environmental implications)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, encompassing all Schumacher Packaging Group locations and their suppliers, irrespective of their country of operation.</p> <p>Operationally: The scope includes all company operations and extends to the entire supply chain, ensuring that no supplier or subcontractor engages in human trafficking practices.</p> <p>Temporally: The goal is long-term, aiming to maintain zero incidents consistently.</p> <p>Subject scope:</p> <p>+External stakeholders: Customers, suppliers, regulatory bodies, NGOs focused on human rights, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, procurement departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the number of proved cases of human trafficking as those verified through internal audits, third-party inspections, whistleblower reports, or investigations initiated by regulatory bodies.</p> <p>The methodology involves annual collection and analysis of data from these sources. This includes reviewing supplier audits, employee interviews, compliance reports, and whistleblower procedures.</p> <p>The company will implement a robust monitoring and reporting system to detect and address any signs of human trafficking promptly. This will include periodic audits, both announced and unannounced, of suppliers and internal operations.</p> <p>Assumptions:</p> <p>Comprehensive and transparent audits will effectively identify cases of human trafficking, if any.</p> <p>All stakeholders, including employees and suppliers, will actively participate in reporting and preventing human trafficking practices.</p> <p>The company will have the necessary resources and support from management to enforce and monitor compliance with anti-human trafficking standards.</p> <p>Cooperation and effective communication between all departments and external auditors will be maintained throughout the process.</p> <p>Any identified cases of human trafficking will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting the eradication of human trafficking will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in labor practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-04.

Relationship with policy objectives	Objective: 0 proved cases of torture at suppliers and within the Group
Measurable target	Number of proved cases of torture
Nature of target	Social-related target (with significant governance influence and indirect environmental implications)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, covering all Schumacher Packaging Group locations and their suppliers, regardless of their country of operation.</p> <p>Operationally: The scope includes all company operations and extends to the entire supply chain, ensuring that no supplier or subcontractor engages in torture or inhumane treatment.</p> <p>Temporally: The goal is long-term, aiming to maintain zero incidents consistently.</p> <p>Subject scope:</p> <p>External stakeholders: Customers, suppliers, regulatory bodies, human rights organizations, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, procurement departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)

<p>Description of methodologies and significant assumptions used to define target</p>	<p>Methodology: We understand the number of proved cases of torture as those verified through internal audits, third-party inspections, whistleblower reports, or investigations initiated by regulatory bodies. The methodology involves annual collection and analysis of data from these sources. This includes reviewing supplier audits, employee interviews, compliance reports, and whistleblower procedures. The company will implement a robust monitoring and reporting system to detect and address any signs of torture promptly. This will include periodic audits, both announced and unannounced, of suppliers and internal operations.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of torture, if any. All stakeholders, including employees and suppliers, will actively participate in reporting and preventing torture practices. The company will have the necessary resources and support from management to enforce and monitor compliance with anti-torture standards. Cooperation and effective communication between all departments and external auditors will be maintained throughout the process. Any identified cases of torture will be addressed immediately, with corrective actions implemented to prevent recurrence. The legal and regulatory framework supporting the eradication of torture will remain stable and enforceable. There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in labor practices.</p>
<p>Target related to environmental matters is based on conclusive scientific evidence</p>	<p>Does not apply</p>

Target S1-05.

<p>Relationship with policy objectives</p>	<p>Objective: 0 proved cases of discrimination at suppliers and within the Group</p>
<p>Measurable target</p>	<p>Number of proved cases of discrimination</p>
<p>Nature of target</p>	<p>Nature of target: Social-related target (with significant governance influence and potential indirect impacts on other areas such as employee morale and productivity)</p>
<p>Description of scope of target</p>	<p>Object scope: Geographically: The scope is global, covering all Schumacher Packaging Group locations and their suppliers, irrespective of their geographic location. Operationally: The scope includes all company operations and extends to the entire supply chain, ensuring that no supplier or subcontractor engages in discriminatory practices. Temporally: The goal is long-term, aiming to maintain zero incidents consistently over the years. Subject scope: External stakeholders: Customers, suppliers, regulatory bodies, human rights organizations, and third-party auditors. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
<p>Baseline value</p>	<p>0 proved cases</p>
<p>Baseline year</p>	<p>2023</p>
<p>Period to which target applies</p>	<p>2035</p>
<p>Indication of milestones or interim targets</p>	<p>0 proved cases (to be monitored and reported annually)</p>
<p>Description of methodologies and significant assumptions used to define target</p>	<p>Methodology: We understand the number of proved cases of discrimination as those verified through internal audits, third-party inspections, whistleblower reports, or investigations initiated by regulatory bodies. The methodology involves annual collection and analysis of data from these sources. This includes reviewing supplier audits, employee interviews, compliance reports, and whistleblower procedures. The company will implement a robust monitoring and reporting system to detect and address any signs of discrimination promptly. This will include periodic audits, both announced and unannounced, of suppliers and internal operations.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of discrimination, if any. All stakeholders, including employees and suppliers, will actively participate in reporting and preventing discriminatory practices. The company will have the necessary resources and support from management to enforce and monitor compliance with anti-discrimination standards. Cooperation and effective communication between all departments and external auditors will be maintained throughout the process.</p>

	<p>Any identified cases of discrimination will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting the eradication of discrimination will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in labor practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-06.

Relationship with policy objectives	Objective: 0 proved cases of harassment and mobbing
Measurable target	Number of proved cases of harassment and mobbing
Nature of target	Social-related target (with significant governance influence, addressing workplace culture and employee well-being)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is limited to Schumacher Packaging Sp. z o.o. locations in Poland, ensuring compliance across all local facilities.</p> <p>Operationally: The scope includes all internal operations of Schumacher Packaging Sp. z o.o., encompassing all departments and hierarchies within the company.</p> <p>Temporally: The goal is long-term, with a continuous effort to maintain zero cases each year.</p> <p>Subject scope:</p> <p>External stakeholders: Customers, regulatory bodies, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the number of proved cases of harassment and mobbing as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings.</p> <p>The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, employee surveys, compliance reports, and whistleblower procedures.</p> <p>The company will implement a robust monitoring and reporting system to detect and address any signs of harassment and mobbing promptly. This will include regular training sessions, anonymous reporting channels, and periodic reviews of workplace policies.</p> <p>Assumptions:</p> <p>Comprehensive and transparent audits will effectively identify cases of harassment and mobbing, if any.</p> <p>All employees will actively participate in reporting and preventing harassment and mobbing practices.</p> <p>The company will have the necessary resources and support from management to enforce and monitor compliance with anti-harassment standards.</p> <p>Cooperation and effective communication between all departments and external auditors will be maintained throughout the process.</p> <p>Any identified cases of harassment and mobbing will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting the eradication of harassment and mobbing will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in workplace behavior.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-07.

Relationship with policy objectives	Objective: 0 proved cases of discrimination at suppliers and within the Group
Measurable target	Number of proved cases of discrimination
Nature of target	Social-related target (with major governance influence, addressing workplace equity and inclusivity)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates and all suppliers' locations.</p> <p>Operationally: The scope includes all internal operations of Schumacher Packaging Sp. z o.o. and the entire supply chain, ensuring compliance across all suppliers.</p> <p>Temporally: The goal is long-term, aiming to maintain zero proved cases each year.</p>

	<p>Subject scope: External stakeholders: Suppliers, customers, regulatory bodies, and third-party auditors. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the number of proved cases of discrimination as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings, involving both Schumacher Packaging Sp. z o.o. and its suppliers. The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, supplier assessments, employee and supplier surveys, compliance reports, and whistleblower procedures. Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of discrimination promptly. This will include regular training sessions for employees and suppliers, anonymous reporting channels, and periodic reviews of workplace and supplier policies.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of discrimination, if any, both internally and among suppliers. All employees and suppliers will actively participate in reporting and preventing discriminatory practices. The company and its suppliers will have the necessary resources and support from management to enforce and monitor compliance with anti-discrimination standards. Cooperation and effective communication between all departments, external auditors, and suppliers will be maintained throughout the process. Any identified cases of discrimination will be addressed immediately, with corrective actions implemented to prevent recurrence. The legal and regulatory framework supporting the eradication of discrimination will remain stable and enforceable. There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in workplace and supplier behavior.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-08.

Relationship with policy objectives	Objective: 0 proved cases of persecution concerning freedom of thought, conscience or religious beliefs at suppliers and within the Group
Measurable target	Number of proved cases of persecution concerning freedom of thought, conscience or religious beliefs
Nature of target	Social-related target (with major governance influence, addressing human rights and workplace inclusivity)
Description of scope of target	<p>Object scope: Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates and all suppliers' locations. Operationally: The scope includes all internal operations of Schumacher Packaging Sp. z o.o. and the entire supply chain, ensuring compliance across all suppliers. Temporally: The goal is long-term, aiming to maintain zero proved cases each year. Subject scope: External stakeholders: Suppliers, customers, regulatory bodies, and third-party auditors. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the number of proved cases of persecution as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings, involving both Schumacher Packaging Sp. z o.o. and its suppliers. The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, supplier assessments, employee and supplier surveys, compliance reports, and whistleblower procedures. Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of persecution promptly. This will</p>

	<p>include regular training sessions for employees and suppliers, anonymous reporting channels, and periodic reviews of workplace and supplier policies.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of persecution, if any, both internally and among suppliers. All employees and suppliers will actively participate in reporting and preventing discriminatory and persecutory practices. The company and its suppliers will have the necessary resources and support from management to enforce and monitor compliance with anti-persecution standards. Cooperation and effective communication between all departments, external auditors, and suppliers will be maintained throughout the process. Any identified cases of persecution will be addressed immediately, with corrective actions implemented to prevent recurrence. The legal and regulatory framework supporting the eradication of persecution will remain stable and enforceable. There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in workplace and supplier behavior.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-09.

Relationship with policy objectives	Objective: 0 proved cases of persecution concerning freedom of expression and information
Measurable target	Number of proved cases of persecution concerning freedom of expression and information
Nature of target	Social-related target (with major governance influence, addressing human rights and workplace inclusivity)
Description of scope of target	<p>Object scope: Geographically: The scope is global, encompassing all locations where Schumacher Packaging Sp. z o.o. operates and all suppliers' locations. Operationally: The scope includes all internal operations of Schumacher Packaging Sp. z o.o. and the entire supply chain, ensuring compliance across all suppliers. Temporally: The goal is long-term, aiming to maintain zero proved cases each year. Subject scope: External stakeholders: Suppliers, customers, regulatory bodies, and third-party auditors. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the number of proved cases of persecution as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings, involving both Schumacher Packaging Sp. z o.o. and its suppliers. The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, supplier assessments, employee and supplier surveys, compliance reports, and whistleblower procedures. Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of persecution promptly. This will include regular training sessions for employees and suppliers, anonymous reporting channels, and periodic reviews of workplace and supplier policies.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of persecution, if any, both internally and among suppliers. All employees and suppliers will actively participate in reporting and preventing persecutory practices. The company and its suppliers will have the necessary resources and support from management to enforce and monitor compliance with anti-persecution standards. Cooperation and effective communication between all departments, external auditors, and suppliers will be maintained throughout the process. Any identified cases of persecution will be addressed immediately, with corrective actions implemented to prevent recurrence. The legal and regulatory framework supporting the eradication of persecution will remain stable and enforceable. There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in workplace and supplier behavior.</p>

Target related to environmental matters is based on conclusive scientific evidence	Does not apply
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Target S1-10.

Relationship with policy objectives	Objective: 0 proved cases of violations of regulations concerning the freedom of associations
Measurable target	Number of proved cases of violations concerning freedom of association
Nature of target	Social-related target (with major governance influence, focusing on human rights and workplace democracy)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates and all locations of its suppliers.</p> <p>Operationally: The scope includes all internal operations of Schumacher Packaging Sp. z o.o. and the entire supply chain, ensuring compliance with freedom of association regulations among all suppliers.</p> <p>Temporally: The goal is long-term, aiming to maintain zero proved cases each year.</p> <p>Subject scope:</p> <p>External stakeholders: Suppliers, customers, regulatory bodies, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the number of proved cases of violations concerning freedom of association as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings, involving both Schumacher Packaging Sp. z o.o. and its suppliers.</p> <p>The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, supplier assessments, employee and supplier surveys, compliance reports, and whistleblower procedures.</p> <p>Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of violations promptly. This will include regular training sessions for employees and suppliers, anonymous reporting channels, and periodic reviews of workplace and supplier policies.</p> <p>Assumptions:</p> <p>Comprehensive and transparent audits will effectively identify cases of violations concerning freedom of association, if any, both internally and among suppliers.</p> <p>All employees and suppliers will actively participate in reporting and preventing violations.</p> <p>The company and its suppliers will have the necessary resources and support from management to enforce and monitor compliance with freedom of association standards.</p> <p>Cooperation and effective communication between all departments, external auditors, and suppliers will be maintained throughout the process.</p> <p>Any identified cases of violations will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting freedom of association will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in workplace and supplier behavior.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-11.

Relationship with policy objectives	Objective: 0 proved cases of the law violation concerning dismissal from work
Measurable target	Number of proved cases of law violations concerning dismissals
Nature of target	Social-related target (with major governance influence, focusing on employment law and employee rights)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates.</p> <p>Operationally: The scope concerns all internal operations of Schumacher Packaging Sp. z o.o., ensuring compliance with laws and regulations regarding employee dismissals.</p> <p>Temporally: The goal is long-term, aiming to maintain zero proved cases each year.</p> <p>Subject scope:</p> <p>External stakeholders: Legal authorities, regulatory bodies, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>

Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the number of proved cases of law violations concerning dismissals as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings involving Schumacher Packaging Sp. z o.o. The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, employee surveys, compliance reports, and whistleblower procedures. Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of violations promptly. This will include regular training sessions for employees and managers, anonymous reporting channels, and periodic reviews of dismissal policies and procedures.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of law violations concerning dismissals, if any. All employees and managers will actively participate in reporting and preventing violations. The company will have the necessary resources and support from management to enforce and monitor compliance with dismissal laws and regulations. Cooperation and effective communication between all departments and external auditors will be maintained throughout the process. Any identified cases of violations will be addressed immediately, with corrective actions implemented to prevent recurrence. The legal and regulatory framework supporting fair dismissal practices will remain stable and enforceable. There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in employment practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-12.

Relationship with policy objectives	Objective: 0 proved cases of the law violation concerning working conditions
Measurable target	Number of proved cases of law violations concerning working conditions
Nature of target	Social-related target (with major governance influence, focusing on labor law and workplace standards)
Description of scope of target	<p>Object scope: Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates. Operationally: The scope concerns all internal operations of Schumacher Packaging Sp. z o.o., ensuring compliance with laws and regulations regarding working conditions. Temporally: The goal is long-term, aiming to maintain zero proved cases each year. Subject scope: External stakeholders: Legal authorities, regulatory bodies, and third-party auditors. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	0 proved cases
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 proved cases (to be monitored and reported annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand the number of proved cases of law violations concerning working conditions as those verified through internal investigations, third-party inspections, whistleblower reports, or legal proceedings involving Schumacher Packaging Sp. z o.o. The methodology involves annual collection and analysis of data from these sources. This includes reviewing internal audits, employee surveys, compliance reports, and whistleblower procedures. Schumacher Packaging Sp. z o.o. will implement a comprehensive monitoring and reporting system to detect and address any signs of violations promptly. This will include regular training sessions for employees and managers, anonymous reporting channels, and periodic reviews of working condition policies and procedures.</p> <p>Assumptions: Comprehensive and transparent audits will effectively identify cases of law violations concerning working conditions, if any.</p>

	<p>All employees and managers will actively participate in reporting and preventing violations.</p> <p>The company will have the necessary resources and support from management to enforce and monitor compliance with working condition laws and regulations.</p> <p>Cooperation and effective communication between all departments and external auditors will be maintained throughout the process.</p> <p>Any identified cases of violations will be addressed immediately, with corrective actions implemented to prevent recurrence.</p> <p>The legal and regulatory framework supporting fair working conditions will remain stable and enforceable.</p> <p>There will be continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in employment practices.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-13.

Relationship with policy objectives	Objective: Group-level gender pay gap less or equal to 10% by 2030
Measurable target	Percentage of gender pay gap
Nature of target	Social-related target (with major governance influence, addressing equality and non-discrimination in compensation)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, covering all locations where Schumacher Packaging Sp. z o.o. operates, reflecting the company's commitment to equal pay across all regions.</p> <p>Operationally: The scope concerns the entire company, ensuring gender pay equity across all departments and positions.</p> <p>Temporally: The goal is long-term, aiming to achieve and maintain a gender pay gap of 10% or less by 2030.</p> <p>Subject scope:</p> <p>External stakeholders: Regulatory bodies, and third-party auditors.</p> <p>Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	19,50%
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	<p>2025: Gender pay gap reduced to 15%</p> <p>2027: Gender pay gap reduced to 12%</p> <p>2030: Gender pay gap reduced to 10% or less (is measured annually)</p> <p>Interim target (2024): 18%</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand the gender pay gap as the difference between the average earnings of male and female employees, expressed as a percentage of male earnings.</p> <p>The methodology involves annual collection and analysis of salary data from all employees, segmented by gender, role, and seniority.</p> <p>Schumacher Packaging Sp. z o.o. will implement a comprehensive pay audit system to identify and address pay disparities. This includes regular reviews of compensation practices, job evaluations, and adjustments where necessary to ensure fair and equitable pay.</p> <p>Data sources include payroll records, employee surveys, and external benchmarks.</p> <p>Assumptions:</p> <p>Accurate and complete salary data is available for analysis.</p> <p>The company will have the necessary resources and support from management to enforce and monitor gender pay equity.</p> <p>All employees and managers will actively participate in the reporting and resolution of pay disparities.</p> <p>There will be cooperation and effective communication between all departments involved in compensation and benefits.</p> <p>The legal and regulatory framework supporting gender pay equity will remain stable and enforceable.</p> <p>Continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in compensation practices.</p> <p>Market conditions and economic factors that influence pay structures will be considered in the analysis and adjustments.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-14.

Relationship with policy objectives	Objective: The plant-level salary medians are at least equal to the regional medians.
Measurable target	Median salary comparison between plant-level and regional medians

Nature of target	Social-related target (with major governance influence, addressing fair compensation and regional equity)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is regional, covering all locations where Schumacher Packaging Sp. z o.o. operates and comparing them to respective regional salary medians.</p> <p>Operationally: The scope concerns the entire company, ensuring median salary equity across all departments and positions at each plant.</p> <p>Temporally: The goal is long-term, aiming to achieve and maintain plant-level salary medians at or above regional medians.</p> <p>Subject scope:</p> <p>External stakeholders: Regulatory bodies, regional economic development organizations.</p> <p>Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.</p>
Baseline value	Not disclosed in this report
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	<p>2025: Plant-level median salaries at 70% of regional medians</p> <p>2027: Plant-level median salaries at 95% of regional medians</p> <p>2035: Plant-level median salaries at 100% or more of regional medians (measured annually)</p> <p>Interim target (2024) – 60%</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>We understand median salary comparison as the ratio of the plant-level median salaries to the regional median salaries, expressed as a percentage.</p> <p>The methodology involves annual collection and analysis of salary data from all employees at each plant, segmented by role, and comparison to regional median salary data. Schumacher Packaging Sp. z o.o. will implement a comprehensive salary review system to identify and address disparities. This includes regular reviews of compensation practices, job evaluations, and adjustments where necessary to ensure fair and competitive pay. Data sources include payroll records, regional salary surveys, and external benchmarks.</p> <p>Assumptions:</p> <p>Accurate and complete salary data is available for analysis.</p> <p>The company will have the necessary resources and support from management to enforce and monitor salary equity.</p> <p>All employees and managers will actively participate in the reporting and resolution of salary disparities.</p> <p>There will be cooperation and effective communication between all departments involved in compensation and benefits.</p> <p>The legal and regulatory framework supporting fair compensation practices will remain stable and enforceable.</p> <p>Continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in compensation practices.</p> <p>Market conditions and economic factors that influence pay structures will be considered in the analysis and adjustments.</p> <p>Regional median salary data will be reliable and updated regularly.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-15.

Relationship with policy objectives	Objective: Plants grant social protection measures depending on country or land.
Measurable target	Number of cases of the failure of social protection measures granting which are either obligatory or declared by the company
Nature of target	Social-related target (with major governance influence, addressing social protection and compliance with local regulations)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is specific to each country or land where Schumacher Packaging Sp. z o.o. operates, ensuring compliance with local social protection regulations.</p> <p>Operationally: The scope concerns all plants of the company, ensuring that each facility implements the appropriate social protection measures according to the specific requirements of the respective country or land.</p> <p>Temporally: The goal is ongoing, with continuous adherence to and adaptation of social protection measures as per changes in local regulations and standards.</p> <p>Subject scope:</p> <p>External stakeholders: Local authorities, regulatory bodies, community organizations, customers.</p> <p>Internal stakeholders: Plant management, human resources departments, employees, compliance officers, shareholders.</p>
Baseline value	0 cases of the proved non-adherence to obligatory or voluntary granted social protection measures

Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 cases of the proved non-adherence (measured annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: The implementation of country-specific social protection measures will be assessed based on a comparison between the requirements of local regulations and the existing policies and practices at each plant. This will involve regular audits and reviews conducted by internal compliance teams and external consultants, ensuring alignment with legal requirements. Data will be collected through site visits, document reviews, interviews with plant management and employees, and analysis of relevant records and procedures.</p> <p>Assumptions: Accurate and up-to-date knowledge of local social protection regulations across all countries or lands of operation. Effective communication channels between central management and plant-level management to ensure timely updates and implementation of social protection measures. Cooperation and collaboration between plant management, human resources departments, and regulatory authorities to address any gaps or discrepancies in compliance. Adequate resources allocated for the implementation and maintenance of country-specific social protection measures. Regular training and awareness programs for employees to ensure understanding and adherence to social protection policies and procedures. Flexibility to adapt social protection measures in response to changes in local regulations and business requirements.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-16.

Relationship with policy objectives	Objective: 0 violations of regulations of law regulating the human rights concerning the trade unions
Measurable target	Number of violations of regulations of law regulating human rights concerning trade unions
Nature of target	Social-related target (with major governance influence, focusing on upholding human rights and compliance with labor laws)
Description of scope of target	<p>Object scope: Geographically: The scope encompasses all regions where Schumacher Packaging Sp. z o.o. operates, ensuring compliance with local regulations governing human rights and trade unions. Operationally: The target pertains to all activities and operations within the company, emphasizing adherence to labor laws and human rights standards. Temporally: The goal is ongoing, aiming for continuous compliance with regulations and the prevention of violations concerning human rights and trade unions. Subject scope: External stakeholders: Regulatory bodies, trade unions, labor rights organizations, customers, suppliers, local communities. Internal stakeholders: Employees, management, human resources departments, compliance officers, shareholders.</p>
Baseline value	0 violations of regulations of law regulating human rights concerning trade unions
Baseline year	2023
Period to which target applies	Ongoing, with continuous monitoring and enforcement of compliance measures
Indication of milestones or interim targets	0 violations of regulations of law regulating human rights concerning trade unions (annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology: Compliance-related incidents will be identified through internal reporting mechanisms, including employee grievances, whistleblower procedures, and audits conducted by the Quality System department and Personnel department. Data collection will involve gathering information on any reported violations of regulations governing human rights concerning trade unions, either internally or through external authorized bodies. The methodology relies on accurate record-keeping and documentation of incidents, ensuring transparency and accountability in addressing violations.</p> <p>Assumptions: Effective communication channels between employees, management, and regulatory authorities to report and address violations promptly. Adequate resources allocated for training, awareness programs, and implementation of compliance measures.</p>

	<p>Commitment from senior management to uphold human rights and labor laws, fostering a culture of compliance throughout the organization.</p> <p>Collaboration with trade unions and labor rights organizations to identify potential areas of improvement and ensure alignment with best practices.</p> <p>Continuous monitoring and review of policies and procedures to adapt to changes in regulations and emerging human rights issues.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-17.

Relationship with policy objectives	Objective: 0 violations of regulations of law regulating work-life balance
Measurable target	Number of violations of regulations of law regulating work-life balance
Nature of target	Social-related target (with major governance influence, emphasizing employee well-being and compliance with labor laws)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope extends to all locations where Schumacher Packaging Sp. z o.o. operates, ensuring compliance with local regulations governing work-life balance.</p> <p>Operationally: The target applies to all activities and processes within the company, focusing on maintaining a healthy work-life balance for employees.</p> <p>Temporally: The goal is ongoing, aiming for continuous compliance with regulations and the promotion of a supportive work environment.</p> <p>Subject scope:</p> <p>External stakeholders: Regulatory bodies, government agencies, employees, local communities.</p> <p>Internal stakeholders: Management, human resources departments, employees, compliance officers.</p>
Baseline value	0 violations of regulations of law regulating work-life balance
Baseline year	2023
Period to which target applies	Ongoing, with continuous monitoring and enforcement of compliance measures
Indication of milestones or interim targets	0 violations of regulations of law regulating work-life balance
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Compliance-related incidents will be identified through internal reporting mechanisms, such as employee surveys, grievance procedures, and audits conducted by the Quality System department and Human Resources department.</p> <p>Data collection will involve tracking any reported violations of regulations governing work-life balance, both internally and through external authorized bodies.</p> <p>The methodology relies on accurate documentation and reporting of incidents to ensure transparency and accountability in addressing violations.</p> <p>Assumptions:</p> <p>Effective communication channels between employees and management to report and address work-life balance issues promptly.</p> <p>Adequate resources allocated for implementing policies and programs aimed at promoting work-life balance and employee well-being.</p> <p>Commitment from senior management to prioritize employee health and well-being and comply with regulations governing work-life balance.</p> <p>Collaboration with government agencies to identify potential areas of improvement and ensure alignment with best practices.</p> <p>Continuous monitoring and review of policies and procedures to adapt to changes in regulations and emerging work-life balance issues.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-18.

Relationship with policy objectives	Objective: Maintaining the average salary at a level higher than the national minimum wage
Measurable target	Number of cases when the salary of the own employee or non-employee is lower compared to the Polish national minimum wage
Nature of target	Social-related target (with major governance influence, focusing on employee welfare and fair compensation)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope applies to all plants operated by Schumacher Packaging Sp. z o.o., ensuring compliance with the national minimum wage laws of each country.</p> <p>Operationally: The target concerns the compensation policies and practices within the company, emphasizing fair wages for all employees.</p> <p>Temporally: The goal is ongoing, with continuous monitoring and adjustment of salaries to maintain compliance with national minimum wage laws.</p> <p>Subject scope:</p>

	External stakeholders: Regulatory authorities, government agencies, employees, local communities. Internal stakeholders: Management, human resources departments, employees, financial departments.
Baseline value	0 cases when the salary of the own employee or non-employee is lower compared to the national minimum wage
Baseline year	2023
Period to which target applies	Ongoing, with regular reviews and adjustments as needed to ensure compliance
Indication of milestones or interim targets	Conduct salary reviews to ensure compliance with any changes in national minimum wage laws (annually). Interim targets: 0 cases when the salary of the own employee or non-employee is lower compared to the national minimum wage
Description of methodologies and significant assumptions used to define target	Methodology: Salary data will be collected annually from all plants operated by Schumacher Packaging Sp. z o.o. to calculate the average salary. Comparison will be made between the average salary and the national minimum wage in each country of operation. Compliance-related incidents, in this case, would involve instances where the average salary falls below the national minimum wage threshold. Assumptions: Accurate and up-to-date data on national minimum wage laws in each country of operation. Effective communication channels between management and human resources departments to implement necessary salary adjustments. Commitment from senior management to prioritize fair compensation practices and comply with national minimum wage laws. Collaboration with government agencies to ensure alignment with regulations and address any discrepancies. Continuous monitoring and review of salary policies to adapt to changes in national minimum wage laws and economic conditions.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-19.

Relationship with policy objectives	Objective: 0 violations of regulations regarding the protection of motherhood, fatherhood and childhood
Measurable target	Number of violations of regulations related to the protection of motherhood, fatherhood, and childhood
Nature of target	Social-related target with significant governance influence, emphasizing the protection of family and children's rights within the workplace
Description of scope of target	Object scope: Geographically: The scope encompasses all plants operated by Schumacher Packaging Sp. z o.o., ensuring compliance with regulations protecting motherhood, fatherhood, and childhood in each country of operation. Operationally: The target pertains to the company's internal policies and practices related to maternity and paternity leave, childcare support, and protection of children's rights within the workplace. Temporally: The goal is ongoing, with continuous monitoring and enforcement of policies to prevent violations of regulations protecting motherhood, fatherhood, and childhood. Subject scope: External stakeholders: Regulatory authorities, government agencies, families, communities. Internal stakeholders: Management, human resources departments, employees, legal departments.
Baseline value	Zero violations of regulations protecting motherhood, fatherhood, and childhood
Baseline year	2023
Period to which target applies	Ongoing, with continuous efforts to prevent and address violations
Indication of milestones or interim targets	Zero violations of regulations protecting motherhood, fatherhood, and childhood
Description of methodologies and significant assumptions used to define target	Methodology: Monitor and document any instances of potential violations of regulations protecting motherhood, fatherhood, and childhood, including complaints from employees, audits, and legal reviews. Implement measures to address and rectify any identified violations promptly, including policy revisions, disciplinary actions, and employee education programs. Collaborate with regulatory authorities to stay updated on relevant laws and regulations and ensure compliance. Assumptions:

	<p>Comprehensive understanding and adherence to laws and regulations protecting motherhood, fatherhood, and childhood rights within each country of operation.</p> <p>Effective communication channels between management, human resources departments, and employees to address concerns and enforce policies.</p> <p>Commitment from senior management to prioritize the protection of family and children's rights within the workplace.</p> <p>Continuous monitoring and review of policies and practices to identify and address any potential violations promptly.</p> <p>Collaboration with external stakeholders, such as regulatory authorities, to address systemic issues and promote a supportive and compliant work environment.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-20.

Relationship with policy objectives	Objective: Annual training of each employee concerning ESG and OH&S
Measurable target	Mean number of hours per 1 employees dedicated to ESG and OH&S training
Nature of target	Social-related target with significant governance influence, focusing on enhancing employee knowledge and compliance with ESG and OH&S standards.
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope encompasses all plants operated by Schumacher Packaging Sp. z o.o., ensuring that every employee across different locations receives training on ESG and OH&S.</p> <p>Operationally: The target pertains to the company's internal training programs and practices related to ESG principles and OH&S standards, emphasizing the importance of sustainability, social responsibility, and workplace safety.</p> <p>Temporally: The goal is ongoing, with annual training sessions scheduled to ensure continuous improvement in employee awareness and compliance.</p> <p>Subject scope:</p> <p>External stakeholders: Regulatory authorities, industry associations, community organizations, customers, suppliers.</p> <p>Internal stakeholders: Management, human resources departments, employees, safety officers, sustainability coordinators.</p>
Baseline value	3,5 hours/ year
Baseline year	2023
Period to which target applies	Ongoing, with annual training sessions conducted for all employees
Indication of milestones or interim targets	3 hours/ year
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Develop a comprehensive training plan covering ESG principles and OH&S standards, including topics such as environmental sustainability, diversity and inclusion, workplace safety, and hazard identification.</p> <p>Deliver training sessions through various methods, including workshops, seminars, online courses, and on-the-job training, to accommodate different learning styles and preferences.</p> <p>Monitor employee attendance and participation in training sessions, ensuring that all employees receive the necessary education and information.</p> <p>Collect feedback from employees regarding the quality and relevance of training programs, incorporating suggestions for improvement into future sessions.</p> <p>Assumptions:</p> <p>Commitment from senior management to allocate resources and support the implementation of annual ESG and OH&S training initiatives.</p> <p>Availability of qualified trainers or external resources to conduct training sessions effectively.</p> <p>Employee engagement and willingness to participate in training activities, recognizing the importance of ESG principles and OH&S standards in their work environment.</p> <p>Integration of training objectives with existing performance evaluation systems to reinforce the importance of ESG and OH&S compliance in employee performance metrics.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-21.

Relationship with policy objectives	Objective: Minimum 10% of the personnel undergo the professionally-oriented trainings
Measurable target	Percentage of own workforce (employees and non-employees) who undergo professionally-oriented trainings
Nature of target	Social-related target with significant governance influence, emphasizing the importance of employee development and skill enhancement.
Description of scope of target	Object scope:

	<p>Geographically: The scope encompasses all plants operated by Schumacher Packaging Sp. z o.o., ensuring that a minimum of 10% of personnel from each location participate in professionally-oriented training programs.</p> <p>Operationally: The target pertains to the company's internal training programs designed to enhance employees' professional skills, knowledge, and competencies.</p> <p>Temporally: The goal is ongoing, with the objective of maintaining an annual minimum participation rate of 10% in professionally-oriented training activities.</p> <p>Subject scope:</p> <p>External stakeholders: Regulatory authorities, industry associations, training providers, professional development organizations.</p> <p>Internal stakeholders: Human resources departments, managers, supervisors, employees, training coordinators.</p>
Baseline value	To be estimated
Baseline year	2023
Period to which target applies	Ongoing, with a minimum of 10% of personnel participating in professionally-oriented trainings annually.
Indication of milestones or interim targets	Interim target for 2024: 7%
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Identify the professional development needs and priorities of employees through surveys, performance evaluations, and consultation with department heads and managers.</p> <p>Design and implement a variety of training initiatives tailored to address specific skill gaps and career advancement opportunities, including workshops, seminars, online courses, and on-the-job training.</p> <p>Monitor employee participation in training activities, ensuring that a minimum of 10% of personnel engage in professionally-oriented programs each year.</p> <p>Evaluate the impact of training programs on employee performance, productivity, and job satisfaction through feedback mechanisms, performance metrics, and qualitative assessments.</p> <p>Assumptions:</p> <p>Commitment from senior management to allocate resources and support the implementation of professionally-oriented training initiatives.</p> <p>Availability of qualified trainers or external resources to develop and deliver training content effectively.</p> <p>Employee willingness to participate in training activities, recognizing the value of professional development in enhancing job performance and career prospects.</p> <p>Integration of training objectives with existing performance evaluation systems to reinforce the importance of ongoing skill development and learning within the organization.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-22.

Relationship with policy objectives	Objective: 0 proved cases of child labor at suppliers and within the Group
Measurable target	Number of proved cases of child labor
Nature of target	Social-related target with significant governance influence, emphasizing the commitment to ethical labor practices and human rights.
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope extends globally to cover all suppliers and operations within Schumacher Packaging Sp. z o.o., ensuring compliance with child labor regulations across international boundaries.</p> <p>Operationally: The target pertains specifically to the company's internal operations as well as its supplier network, encompassing all entities directly or indirectly involved in the supply chain.</p> <p>Temporally: The goal is long-term, with the objective of sustaining zero proved cases of child labor over the specified period.</p> <p>Subject scope:</p> <p>External stakeholders: Suppliers, subcontractors, regulatory authorities, industry organizations, NGOs, advocacy groups.</p> <p>Internal stakeholders: Management, employees, human resources department, supply chain managers, compliance officers.</p>
Baseline value	0 proved cases of child labor
Baseline year	2023
Period to which target applies	Ongoing, with the objective of maintaining zero proved cases of child labor annually
Indication of milestones or interim targets	0 proved cases of child labor (annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Conduct regular audits and assessments of suppliers to verify compliance with child labor regulations, using a risk-based approach to prioritize high-risk suppliers and locations.</p>

	<p>Implement robust monitoring and reporting mechanisms to detect and address any suspected cases of child labor within the supply chain, including whistleblower channels, anonymous reporting systems, and grievance mechanisms.</p> <p>Collaborate with industry peers, NGOs, and other stakeholders to share best practices, resources, and insights on combating child labor and promoting ethical labor practices.</p> <p>Provide training and capacity-building programs for employees, suppliers, and subcontractors to raise awareness of child labor issues, rights of children, and legal obligations, fostering a culture of zero tolerance for child labor.</p> <p>Assumptions: Suppliers and subcontractors are willing to cooperate and provide accurate information regarding their labor practices and compliance with child labor regulations. Effective communication and engagement with stakeholders, including suppliers, employees, and communities, to promote transparency, trust, and accountability in addressing child labor risks. Continuous monitoring and evaluation of supply chain activities to identify emerging risks, trends, and vulnerabilities related to child labor, enabling timely intervention and prevention measures.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-23.

Relationship with policy objectives	Objective: The employees are undergoing annual conversations with manager to determine progress in improving competency levels and to identify a possible career path
Measurable target	Percentage of employees participating in regular performance and career development reviews.
Nature of target	Social-related target with significant governance influence, emphasizing the importance of employee development, engagement, and career progression.
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope extends to all plants operated by Schumacher Packaging Sp. z o.o., ensuring consistent implementation of performance and career development reviews across locations.</p> <p>Operationally: The target pertains specifically to the company's internal operations, focusing on enhancing employee competencies and career advancement opportunities within the organization.</p> <p>Temporally: The goal is ongoing, with the objective of sustaining employee engagement and professional growth through regular performance and career development discussions.</p> <p>Subject scope:</p> <p>External stakeholders: None directly involved in this target. Internal stakeholders: Employees, managers, human resources department, senior leadership.</p>
Baseline value	45% of employees participated in regular performance and career development reviews in 2023.
Baseline year	2023
Period to which target applies	Ongoing, with the objective of increasing the percentage of employees participating in performance and career development reviews annually.
Indication of milestones or interim targets	<p>Indication of milestones or interim targets:</p> <p>2025: Increase the participation rate to 50% of employees in performance and career development reviews.</p> <p>2030: Achieve a participation rate of 60% of employees in performance and career development reviews.</p> <p>2035: Maintain a participation rate of at least 70% of employees in performance and career development reviews, ensuring widespread engagement and commitment to professional growth and development.</p> <p>Interim 2024 target: 48%</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Conduct annual assessments to determine the percentage of employees who have participated in performance and career development reviews, based on records maintained by the human resources department and feedback from managers.</p> <p>Implement communication and training initiatives to educate employees and managers about the importance of performance and career development discussions, encouraging active participation and engagement.</p> <p>Monitor participation rates regularly and identify any barriers or challenges that may hinder employee involvement in performance and career development reviews, implementing measures to address these issues proactively.</p> <p>Assumptions:</p>

	<p>Employees and managers are willing to engage in regular performance and career development discussions, recognizing the benefits of professional growth and advancement opportunities.</p> <p>Adequate resources and support are available to facilitate performance and career development reviews, including training for managers, access to development tools, and support from the human resources department.</p> <p>Continuous feedback and improvement mechanisms are in place to enhance the effectiveness of performance and career development reviews, ensuring alignment with organizational goals and objectives.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-24.

Relationship with policy objectives	Objective: 0 cases of denial of access to occupational medicine for migrant workers
Measurable target	Number of cases of denial of access to occupational medicine for migrant workers.
Nature of target	Social-related target with significant governance influence, emphasizing the importance of providing equal access to occupational healthcare for migrant workers.
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope extends to all plants operated by Schumacher Packaging Sp. z o.o., ensuring consistent implementation of policies and practices regarding access to occupational medicine for migrant workers across locations.</p> <p>Operationally: The target pertains specifically to the company's internal operations, focusing on ensuring that all migrant workers employed by the company have access to occupational medicine services as required by law.</p> <p>Temporally: The goal is ongoing, with the objective of eliminating any instances of denial of access to occupational medicine for migrant workers.</p> <p>Subject scope:</p> <p>External stakeholders: Migrant workers, relevant regulatory authorities overseeing labor and healthcare standards.</p> <p>Internal stakeholders: Human resources department, occupational health and safety department, management.</p>
Baseline value	0 cases of denial of access to occupational medicine for migrant workers.
Baseline year	2023
Period to which target applies	Ongoing, with the objective of maintaining zero cases of denial of access to occupational medicine for migrant workers annually.
Indication of milestones or interim targets	Maintain zero cases of denial of access to occupational medicine for migrant workers.
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Regularly monitor and document cases related to access to occupational medicine for migrant workers, including instances of denial of access or barriers to receiving necessary healthcare services.</p> <p>Implement proactive measures to ensure compliance with regulations and company policies regarding access to occupational medicine for migrant workers, including providing information and resources to workers, conducting regular training for employees and management, and establishing channels for reporting and addressing concerns.</p> <p>Collaborate with relevant stakeholders, including regulatory authorities and healthcare providers, to address any systemic issues or challenges related to access to occupational medicine for migrant workers.</p> <p>Assumptions:</p> <p>The company is committed to upholding labor and healthcare standards and ensuring equal access to occupational medicine for all employees, including migrant workers.</p> <p>Adequate resources and support are available to facilitate access to occupational medicine for migrant workers, including maintaining appropriate healthcare facilities and services at company locations.</p> <p>Continuous monitoring and improvement mechanisms are in place to identify and address any instances of denial of access to occupational medicine for migrant workers promptly and effectively.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-25.

Relationship with policy objectives	Objective: 0 cases of migrant workers being omitted from compulsory training
Measurable target	Number of cases of migrant workers omitted from compulsory training.
Nature of target	Social-related target with significant governance influence, emphasizing the importance of inclusivity and compliance with training requirements for migrant workers.
Description of scope of target	Object scope:

	<p>Geographically: The scope extends to all plants operated by Schumacher Packaging Sp. z o.o., ensuring consistent implementation of policies and practices regarding training for migrant workers across locations.</p> <p>Operationally: The target pertains specifically to the company's internal operations, focusing on ensuring that all migrant workers employed by the company receive compulsory training as required by law and company policies.</p> <p>Temporally: The goal is ongoing, with the objective of eliminating any instances of migrant workers being omitted from compulsory training.</p> <p>Subject scope: External stakeholders: Migrant workers, relevant regulatory authorities overseeing labor and training standards. Internal stakeholders: Human resources department, training and development department, management.</p>
Baseline value	0 cases of migrant workers being omitted from compulsory training
Baseline year	2023
Period to which target applies	Ongoing, with the objective of maintaining zero cases of migrant workers being omitted from compulsory training annually.
Indication of milestones or interim targets	Maintain zero cases of migrant workers being omitted from compulsory training.
Description of methodologies and significant assumptions used to define target	<p>Methodology: Regularly monitor and document instances where migrant workers are omitted from compulsory training, including any barriers or challenges preventing their participation. Implement proactive measures to ensure compliance with regulations and company policies regarding training for migrant workers, including providing language and cultural support, accommodating scheduling needs, and offering alternative training formats if necessary.</p> <p>Collaborate with relevant stakeholders, including regulatory authorities and training providers, to address any systemic issues or challenges related to training for migrant workers.</p> <p>Assumptions: The company is committed to upholding labor and training standards and ensuring equal access to compulsory training for all employees, including migrant workers. Adequate resources and support are available to facilitate the participation of migrant workers in compulsory training, including providing necessary accommodations and addressing language and cultural barriers. Continuous monitoring and improvement mechanisms are in place to identify and address any instances of migrant workers being omitted from compulsory training promptly and effectively.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-26.

Relationship with policy objectives	Objective: 0 cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers
Measurable target	Number of cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers.
Nature of target	Social-related target with significant governance influence, emphasizing the importance of whistleblower protection and addressing any concerns or grievances related to migrant workers' rights.
Description of scope of target	<p>Object scope: Geographically: The scope encompasses all plants operated by Schumacher Packaging Sp. z o.o., ensuring consistent implementation of whistleblower protection procedures related to migrant workers across locations.</p> <p>Operationally: The target focuses specifically on the company's internal operations, aiming to prevent and address any instances of refusal to take action under the whistleblower protection procedure concerning migrant workers.</p> <p>Temporally: The goal is ongoing, with the objective of maintaining zero cases of refusal to take action annually.</p> <p>Subject scope: External stakeholders: Migrant workers, relevant regulatory authorities overseeing labor rights and whistleblower protection. Internal stakeholders: Human resources department, legal department, management.</p>
Baseline value	0 cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers.
Baseline year	2023
Period to which target applies	Ongoing, with the objective of maintaining zero cases of refusal to take action annually.
Indication of milestones or interim targets	Maintain zero cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers.

Description of methodologies and significant assumptions used to define target	<p>Methodology: Regularly monitor and document instances where refusal to take action under the whistleblower protection procedure occurs in relation to migrant workers, ensuring that all reported cases are thoroughly investigated and addressed. Implement proactive measures to promote a culture of transparency, accountability, and trust within the organization, encouraging employees to report any concerns or grievances related to migrant workers without fear of retaliation. Provide appropriate training and support to employees involved in handling whistleblower reports, ensuring that they are equipped with the knowledge and resources needed to respond effectively and promptly to reported cases.</p> <p>Assumptions: The company is committed to upholding labor rights and ensuring the protection of whistleblower rights, particularly concerning migrant workers. Adequate resources and support are available to facilitate the reporting and investigation of whistleblower reports related to migrant workers, including access to legal counsel and whistleblower protection mechanisms. Continuous monitoring and improvement mechanisms are in place to identify and address any instances of refusal to take action under the whistleblower protection procedure promptly and effectively.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S1-27.

Relationship with policy objectives	Objective: 0 cases of unequal treatment of migrant workers in matters of remuneration
Measurable target	Number of cases of unequal treatment of migrant workers in matters of remuneration.
Nature of target	Social-related target with significant governance influence, emphasizing fair treatment and equality in remuneration practices for migrant workers.
Description of scope of target	<p>Object scope: Geographically: The scope encompasses all plants operated by Schumacher Packaging Sp. z o.o., ensuring consistent implementation of fair remuneration practices for migrant workers across locations. Operationally: The target focuses specifically on the company's internal operations, aiming to prevent and address any instances of unequal treatment of migrant workers in matters of remuneration. Temporally: The goal is ongoing, with the objective of maintaining zero cases of unequal treatment annually. Subject scope: External stakeholders: Migrant workers, relevant regulatory authorities overseeing labor rights and fair employment practices. Internal stakeholders: Human resources department, management, payroll department.</p>
Baseline value	0 cases of unequal treatment of migrant workers in matters of remuneration.
Baseline year	2023
Period to which target applies	Ongoing, with the objective of maintaining zero cases of unequal treatment annually.
Indication of milestones or interim targets	Maintain zero cases of unequal treatment of migrant workers in matters of remuneration targets
Description of methodologies and significant assumptions used to define target	<p>Methodology: Regularly monitor remuneration practices and records to identify any instances of unequal treatment of migrant workers. Conduct periodic reviews and audits of remuneration policies and procedures to ensure compliance with fair labor practices and regulations. Provide training and support to relevant personnel involved in remuneration decisions to promote awareness of and adherence to fair employment practices, particularly concerning migrant workers.</p> <p>Assumptions: The company is committed to upholding fair labor practices and ensuring equal treatment of all employees, regardless of nationality or migrant status. Adequate resources and support are available to facilitate the monitoring and enforcement of fair remuneration practices for migrant workers. Continuous monitoring and improvement mechanisms are in place to identify and address any instances of unequal treatment promptly and effectively.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Table S1-05-01. The Own Workforce Targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
S1-01	Implementation of the Plant-level Information Security Policy	1 (Policy implemented)	1	0 (only Group-level policy implemented)
S1-02	Number of proved cases of forced or compulsory labor (internal and suppliers)	0	0	0

#	Name of the target	Target value	Interim target for 2024	2023 value
S1-03	Number of proved cases of human trafficking	0	0	0
S1-04	Number of proved cases of torture	0	0	0
S1-05	Number of proved cases of discrimination	0	0	0
S1-06	Number of proved cases of harassment and mobbing	0	0	0
S1-07	Number of proved cases of discrimination	0	0	0
S1-08	Number of proved cases of persecution concerning freedom of thought, conscience or religious beliefs	0	0	0
S1-09	Number of proved cases of persecution concerning freedom of expression and information	0	0	0
S1-10	Number of proved cases of violations concerning freedom of association	0	0	0
S1-11	Number of proved cases of law violations concerning dismissals	0	0	0
S1-12	Number of proved cases of law violations concerning working conditions	0	0	0
S1-13	Percentage of gender pay gap	10%	18%	19,50%
S1-14	Median salary comparison between plant-level and regional medians	100%	60%	Not disclosed in this report
S1-15	Number of cases of the failure of social protection measures granting which are either obligatory or declared by the company	0	0	0
S1-16	Number of violations of regulations of law regulating human rights concerning trade unions	0	0	0
S1-17	Number of violations of regulations of law regulating work-life balance	0	0	0
S1-18	Number of cases when the salary of the own employee or non-employee is lower compared to the Polish national minimum wage	0	0	0
S1-19	Number of violations of regulations related to the protection of motherhood, fatherhood, and childhood	0	0	0
S1-20	Mean number of hours per 1 employees dedicated to ESG and OH&S training (hours)	5	3	3,5
S1-21	Percentage of own workforce (employees and non-employees) who undergo professionally-oriented trainings	10%	7%	To be estimated
S1-22	Number of proved cases of child labor	0	0	0
S1-23	Percentage of employees participating in regular performance and career development reviews.	70%	48%	45%
S1-24	Number of cases of denial of access to occupational medicine for migrant workers.	0	0	0
S1-25	Number of cases of migrant workers omitted from compulsory training.	0	0	0
S1-26	Number of cases of refusal to take action under the whistleblower protection procedure in relation to migrant workers.	0	0	0
S1-27	Number of cases of unequal treatment of migrant workers in matters of remuneration	0	0	0

Targets set to manage material impacts, risks and opportunities related to own workforce [see ESRS 2 - MDR-T]

Disclosure of whether and how own workforce or workforce' representatives were engaged directly in setting targets

Disclosure of whether and how own workforce or workforce' representatives were engaged directly in tracking performance against targets

Disclosure of whether and how own workforce or workforce' representatives were engaged directly in identifying lessons or improvements as result of undertakings performance

Disclosure of intended outcomes to be achieved in lives of people in its own workforce

Information about stability over time of target in terms of definitions and methodologies to enable comparability

Disclosure of references to standards or commitments which targets are based on
Our targets, as it was shown higher are based on our policies, risk analysis and our

S1-6. Characteristics of the company's employees

Characteristics of undertaking's employees - number of employees by gender

Table S1-6-1. Number of employees by gender

No	Employees (Poland)*	Number of employees (head count)		
		2021	2022	2023
	Gender			
S1-6-01	Male	366	359	338
S1-6-02	Female	132	136	134
S1-6-03	Other	0	0	0
S1-6-04	Not reported	0	0	0
S1-6-05	Total employees	498	495	472

*All employees are employed in Poland

Characteristics of undertaking's employees - information on employees by contract type, gender and region

Table S1-6-2. Employees - expanded information

2023				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (head count) S1-6-06				
134	338	0	0	472
Number of permanent employees (head count) S1-6-07				
134	338	0	0	472
Number of temporary employees (head count) S1-6-08				
1	3	0	0	4
Number of non-guaranteed hours employees (head count) S1-6-08				
0	0	0	0	0
Number of full-time employees (head count) S1-6-09				
134	338	0	0	472
Number of part-time employees (head count) S1-6-10				
0	0	0	0	0
type of data: integer				

2022				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (head count)				
136	359	0	0	495
Number of permanent employees (head count)				
136	359	0	0	495
Number of temporary employees (head count)				
2	21	0	0	23
Number of non-guaranteed hours employees (head count)				
0	0	0	0	0
Number of full-time employees (head count)				
136	359	0	0	495
Number of part-time employees (head count)				
0	0	0	0	0
type of data: integer				

2021				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (head count)				
132	366	0	0	498
Number of permanent employees (head count)				
132	366	0	0	498

2021				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of temporary employees (head count)				
2	36	0	0	38
Number of non-guaranteed hours employees (head count)				
0	0	0	0	0
Number of full-time employees (head count)				
132	366	0	0	498
Number of part-time employees (head count)				
0	0	0	0	0
type of data: integer				

Average number of employees in countries with 50 or more employees

The only country that we have our employees employed in is Poland.

The average number of employees in the year 2023 is:

(S1-6-11): **489 persons**

Employee turnover

Table S1-6-3. The total number of employees who have left the undertaking during the reporting period and the rate of employee turnover in the reporting period.

Gender	Number of employee turnover (S1-6-12)			Percentage of employee turnover (S1-6-13)		
	2021	2022	2023	2021	2022	2023
Male	72	66	37	79,12	85,71	82,22
Female	19	11	8	20,88	14,29	17,78
Other	0	0	0	0	0	0
Not reported	0	0	0	0	0	0
Total employees	91	77	45	100	100	100
type of data: integer				type of data: percent		

Description of methodologies and assumptions used to compile data (employees)

The methodologies we use: the data are being collected in a dedicated IT-product made mostly for the personnel issues and accounting. The personnel department is responsible for the modules dedicated to personnel-related issues. The collected data are precise and are checked by the personnel manager, by the internal audit and by the public audit conducted yearly by the authority entitled by the law.

The assumptions we use: the most data concerning our employees are collected throughout all the year, updated monthly. In the report we used the end-of-year data, which are showing the state of things which is valid on 31.12. For the comparison the indicator S1-6-11 shows the average annual value.

Employees numbers are reported in head count or full-time equivalent

We report employees numbers in head count

Employees numbers are reported at end of reporting period/average/other methodology

Almost all of the above-mentioned indicators of the group S1-6-xx, present the numbers measured at the end of the year. Indicator S1-6-11 is measured as an average annual number.

Disclosure of contextual information necessary to understand data (employees)

For understanding of the trends we showed an information partly with the trends (where it is both possible and important).

Disclosure of cross-reference of information reported under paragraph 51 (a) to most representative number in financial statements

Right now the Company Schumacher Packaging is in process of consolidation approach towards financial and ESG reporting.

S1-7. Characteristics of non-employees in the company's own workforce

Table S1-7-1. Non-employees in own workforce

No	Indicators	2021	2022	2023
S1-7-01	Number of non-employees in own workforce (head count at the end of the year)	38	23	4
S1-7-02	Annual average number of non-employees	The indicator was not monitored	The indicator was not monitored	10

No	Indicators	2021	2022	2023
S1-7-03	Number of non-employees in own workforce - self-employed people (head count at the end of the year)	0	0	0
S1-7-04	Number of non-employees in own workforce - people provided by undertakings primarily engaged in employment activities	38	23	4

Disclosure of the most common types of non-employees (for example, self-employed people, people provided by undertakings primarily engaged in employment activities, and other types relevant to the undertaking), their relationship with the undertaking, and the type of work that they perform

Schumacher Packaging Sp. z o.o. uses only people provided by undertakings primarily engaged in employment activities as non-employees

Description of methodologies and assumptions used to compile data (non-employees)

The methodologies we use: the data are being collected in a dedicated IT-product made mostly for the personnel issues and accounting. The personnel department is responsible for the modules dedicated to personnel-related issues. The collected data are precise and are checked by the personnel manager, by the internal audit and by the public audit conducted yearly by the authority entitled by the law.

The assumptions we use: the most data concerning non-employees are collected throughout all the year, updated monthly. In the report we used the end-of-year data, which are showing the state of things which is valid on 31.12. This variant of data presentation does not show the monthly deviations. For the comparison the indicator S1-7-02 shows the average annual value.

Non-employees numbers are reported in head count/full time equivalent

Non-employees indicators are reported in head count

Non-employees numbers are reported at end of reporting period/average/other methodology

Indicators S1-7-01, 03, 04 present the numbers measured at the end of the year. Indicator S1-7-02 is measured as an average annual number.

Disclosure of contextual information necessary to understand data (non-employee workers)

For understanding of the trends we showed an information partly with the trends (where it is both possible and important).

Description of basis of preparation of non-employees estimated number

The basis of the prepared data is our database. The non-employees undergoes the similar procedures as our own employees, so they are registered in the electronic system and the same data are collected as in the case of employees. These data can be checked using the mentioned database, the signed documents among Schumacher Packaging, work agencies and the non-employees. And these data can also be checked at the work agencies.

S1-8. The scope of collective bargaining and social dialogue

Table S1-8-1. Relations between the undertaking and the own workforce

Indicators	Non-employees in own workforce			
	2021	2022	2023	
Percentage of total employees covered by collective bargaining agreements	0	0	0	<i>type of data: percent</i>
Percentage of its employees covered by collective bargaining agreements are within coverage rate by country (in the EEA)	0	0	0	<i>type of data: percent</i>
Percentage of own employees covered by collective bargaining agreements (outside EEA) by region	0	0	0	<i>type of data: percent</i>
Percentage of employees in country (EEA) covered by workers' representatives	100	100	100	<i>type of data: percent</i>

Table S1-8-2. Collective bargaining coverage

2023	Collective Bargaining Coverage	Social dialogue
Coverage Rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total employees)
0-19%	X	
20-39%		
40-59%		
60-79%		
80-100%		X

Table S1-8-3. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Indicator:	2021	2022	2023
Number of non-compliances regarding the law of free association and collective bargaining	0	0	0
Number of suppliers from countries or geographic areas where operations and suppliers are considered at risk concerning the law of free association and collective bargaining	0	0	0
Number of suppliers for whom freedom of association and collective bargaining is at risk	0	0	0

S1-9. Diversity indicators

Diversity indicators

Table S1-9-01. Main diversity indicators

No	Indicator	2022	2023	Type of data
S1-9-01	Total employees at the plant	495	472	Integer
S1-9-02	Number of women at the plant	136	134	Integer
S1-9-03	Number of men at the plant	359	338	
S1-9-04	Other gender	0	0	
S1-9-05	Not reported gender	0	0	
S1-9-06	Number of employees (head count) at top management level (Management Board)	5	5	
S1-9-07	Percentage of employees at top management level (Management Board)	1,01%	1,06%	
S1-9-08	Total female managers (including Management Board)	11	12	
S1-9-09	Total male managers (including Management Board)	15	16	
S1-9-10	Total female managers (excluding Management Board)	9	10	
S1-9-11	Total male managers (excluding Management Board)	12	13	
S1-9-12	Percent of women among management (including Management Board)	42,23%	42,86%	
S1-9-13	Percent of men among management (including Management Board)	57,69%	57,14%	
S1-9-14	Percent of women among management (excluding Management Board)	42,85%	45,45%	
S1-9-15	Percent of men among management (excluding Management Board)	57,14%	54,55%	
S1-9-16	Percent of women among Management Board members	40%	40%	
S1-9-17	Percent of men among Management Board members	60%	60%	
S1-9-18	Number of employees (head count) under 30 years old	93	74	
S1-9-19	Percentage of employees under 30 years old	18,79%	15,68%	
S1-9-20	Number of employees (head count) between 30 and 50 years old	306	293	
S1-9-21	Number of employees (head count) over 50 years old	61,82%	62,08%	
S1-9-22	Percentage of employees over 50 years old	96	105	
S1-9-23	Disclosure of own definition of top management used	19,39%	22,25%	
S1-9-24	Number of women at the plant	136	134	Integer
S1-9-25	Number of foreigners (Schumacher)	37	36	Integer
S1-9-26	Number of foreigners (through employment agencies)	23	4	Integer
S1-9-27	Number of women among foreigners (Schumacher)	8	9	Integer
S1-9-28	Number of women among foreigners (through employment agencies)	2	2	Integer
S1-9-29	Number of people with disabilities (vulnerable group)	4	4	Integer
S1-9-30	Number of women among the disabled	3	2	Integer
S1-9-31	% of employees from vulnerable groups (total women, disabled, foreigners)	37,78%	34,96%	Percentage
S1-9-32	% of employees from vulnerable groups (total disabled, foreigners)	10,30%	6,57%	Percentage
S1-9-33	% women	27,47%	28,39%	Percentage
S1-9-34	Total employees at the plant	495	472	Percentage
S1-9-35	Number of women at the plant	136	134	Percentage
S1-9-36	Number of foreigners (Schumacher)	37	36	Percentage
S1-9-37	Number of foreigners (through employment agencies)	23	4	Integer
S1-9-38	Number of women among foreigners (Schumacher)	8	9	Integer
S1-9-39	Number of women among foreigners (through employment agencies)	2	2	Integer
S1-9-40	Number of people with disabilities (vulnerable group)	4	4	Integer

Table S1-9-02. Executives and managers in relation to diversity

List of executives and managers in relation to gender and citizenship as of 31.12.2023

No of Mangers	Unit	Position in the unit	Name	Gender	Citizenship	Reside in local municipalities
1	Management Board	Head	Anna Sokół	Female	Poland	Yes
2	Management Board	Member	Björn Schumacher	Male	Germany	No
3	Management Board	Member	Jacek Hildebrandt	Male	Poland	Yes
4	Management Board	Member	Tomasz Popławski	Male	Poland	Yes
5	Management Board	Member	Anna Schumacher	Female	Germany	No
6	Operations Directorate	Chief Operating Officer	Radosław Jarzęb	Male	Poland	Yes
7	Operations Directorate	Investment Director	Paweł Bruciak	Male	Poland	Yes
8	Customer Service Department	Manager	Małgorzata Okrzesik	Female	Poland	Yes
9	Customer Service Department	Deputy manager	Dorota Zaleska-Staszczuk	Female	Poland	Yes
10	Quality Systems Department	Board Representative for Quality Systems	Przemysław Gondek	Male	Poland	Yes
11	Quality Systems Department	Head of Sustainability & CSR Group	Demetriusz Janowski	Male	Ukraine	Yes
12	Logistics Department	Manager	Krzysztof Grzmil	Male	Poland	Yes
13	Logistics Department	Deputy manager	Waldemar Partyka	Male	Poland	Yes
14	Accounting	Chief Accountant	Anna Popławska	Female	Poland	Yes
15	Planning Department	Coordinator	Ewa Franczyk	Female	Poland	Yes
16	Marketing Department	Coordinator	Ilona Tunia	Female	Poland	Yes
17	Design Department	Manager	Malwina Staško	Female	Poland	Yes
18	Corrugated Board Production Department	Manager	Andrzej Sociński	Male	Poland	Yes
19	Corrugated Board Production Department	Deputy manager	Tomasz Witkowski	Male	Poland	Yes
20	Packaging Production Department	Manager	Przemysław Sidorowicz	Male	Poland	Yes
21	Packaging Production Department	Deputy manager	Michał Jędrzejowski	Male	Poland	Yes
22	Quality department	Manager	Monika Łukawska	Female	Poland	Yes
23	Human Resources Department	Manager	Sylvia Jamroży	Female	Poland	Yes
24	Maintenance Department	Manager	Tomasz Kroczał	Male	Poland	Yes
25	Maintenance Department	Deputy manager	Tomasz Turzański	Male	Poland	Yes
26	Procurement Department	Manager	Alicja Skwarczyńska	Female	Poland	Yes
27	Maintenance Department	Deputy manager	Jerzy Szubert	Male	Poland	Yes
28	Management Office	Coordinator	Paulina Koziarska	Female	Poland	Yes

Table S1-9-03. Structure of plant management by gender

No	Indicator	2023	Type of data
S1-9-m-01	Total managers including Management Board- Female	12	integer
	Total managers including Management Board- Male	16	integer
	Total managers excluding Management Board- Female	10	integer
	Total managers excluding Management Board- Male	13	integer
	Total Management Board members- Female	2	integer
	Total Management Board-members - Male	3	integer
	Percentage of managers including Management Board- Female	42,86%	percentage
	Percentage of managers including Management Board- Male	57,14%	Percentage
	Percentage of managers excluding Management Board- Female	45,45%	Percentage
	Percentage of managers excluding Management Board- Male	54,55%	Percentage
	Percentage of Management Board members- Female	40,00%	Percentage
	Percentage of Management Board-members - Male	60,00%	percentage

S1-10. Adequate wages**Decision of the Management Board over Living (adequate) wage**

In 2023 there was a decision made to accept the Living (adequate) wage on a level of Minimum wage in Poland. This decision has been undertaken in accordance to the decision of the headquarters of Schumacher Packaging Group. We are monitoring the state of the transposition to the national law of the EU Directive 2022/2041 on adequate minimum wages in the European Union. We are aware that the final term of this transposition is 15.11.2024, and it will influence the level of the minimum wage.

Governmental decision over minimum wage in Poland

<https://www.gov.pl/web/family/from-1-january-2023-the-minimum-salary-goes-up>

As we can see, the minimum wage that was set by the Polish Government in 2023, was increased twice in 2024. At first, minimum wage was set at the level PLN 3490,00 from 01.01.2023. At second, minimum wage was increased to the level PLN 3600,00 at 01.07.2023.

The screenshot below shows the key data from the above-mentioned governmental internet-site.

Figure S1-10-1. Minimum wage in Poland



Ministry of Family, Labour and Social Policy
Republic of Poland

🏠 > Ministry of Family, Labour and Social Policy > News > From 1 January 2023, the minimum salary goes up

< Back

From 1 January 2023, the minimum salary goes up

📅 02.01.2023

At the beginning of 2023, the minimum salary in Poland increased to PLN 3,490. This is PLN 480 more than the year ago. The minimum hourly salary is PLN 22.80. – I would like to remind that another increase in the minimum salary awaits us on 1 July, then it will amount to PLN 3,600 – indicates the Minister of Family and Social Policy Marlena Mała.

Indicators concerning adequate (living) wage

Table S1-10-1. Adequate (living) wages concerning Schumacher Packaging employees and non-employees

No	Adequate wages	2021	2022	2023	Goal 2023	Goal realization outcome	Goal 2024
S1-10-01	Number of employees paid below the applicable adequate wage (living wage)	0	0	0	0	100%	0
S1-10-02	Percent of employees paid below the applicable adequate wage (living wage)	0	0	0	0	100%	0
S1-10-03	Number of employees paid below the applicable adequate wage (living wage): female	0	0	0	0	100%	0
S1-10-04	Percent of employees paid below the applicable adequate wage (living wage): female	0	0	0	0	100%	0
S1-10-05	Number of employees paid below the applicable adequate wage (living wage): male	0	0	0	0	100%	0
S1-10-06	Percent of employees paid below the applicable adequate wage (living wage): male	0	0	0	0	100%	0
S1-10-07	Number of employees paid below the applicable adequate wage (living wage): other gender	0	0	0	0	100%	0
S1-10-08	Percent of employees paid below the applicable adequate wage (living wage): other gender	0	0	0	0	100%	0
S1-10-09	Number of employees paid below the applicable adequate wage (living wage): gender not disclosed	0	0	0	0	100%	0
S1-10-10	Percent of employees paid below the applicable adequate wage (living wage): gender not disclosed	0	0	0	0	100%	0
S1-10-11	Number of non-employees paid below the applicable adequate wage (living wage)	0	0	0	0	100%	0
S1-10-12	Percent of non-employees paid below the applicable adequate wage (living wage) benchmark	0	0	0	0	100%	0

1) As a benchmark we use the governmental minimum wage values, shown above.

2) Data source: the HR department database.

3) Adequate wages indicators are shown in the table above. We do not hire employees at other location that Poland, thus all the presented data concern only Poland.

Table S-10-02. Additional wages data

No	Indicators (average data for the period)	2021	2022	2023	Comments
S1-10-13	Number of employees taken into consideration for salary level survey	498	495	472	
S1-10-14	Percentage of employees taken into account in the salary level survey	100%	100%	100%	
S1-10-15	Number of employees hired by temporary employment agencies taken into account in the salary level survey	27	23	4	
S1-10-16	Percentage of employees hired by temporary employment agencies taken into account in the salary level survey	100%	100%	100%	

No	Indicators (average data for the period)	2021	2022	2023	Comments
S1-10-17	Total number of own employees + employees hired by temporary employment agencies taken into account for the salary level survey	525	518	476	
S1-10-18	Total percentage of own employees + employees hired by temporary employment agencies taken into account for the wage level survey	100%	100%	100%	
S1-10-19	Gross average hourly wage of male employees	indicator was not monitored	48,35	57,58	
S1-10-20	Gross average hourly wage of female employees	indicator was not monitored	37,00	46,35	
S1-10-21	Number of employees at the plant who are paid at the level of the lowest national wage	0	0	0	
S1-10-22	Number of employees at the plant who are paid at the level of the lowest national wage: male	0	0	0	
S1-10-23	Number of employees at the plant who are paid at the level of the lowest national wage: female	0	0	0	
S1-10-24	Number of employees at the plant who are paid at the level of the lowest national wage: other gender	0	0	0	
S1-10-25	Number of employees at the plant who are paid at the level of the lowest national wage: gender unknown	0	0	0	
S1-10-26	Percentage of employees at the plant who are paid at the level of the lowest national wage	0	0	0	
S1-10-27	Percentage of employees at the plant who are paid at the level of the lowest national wage: men	0	0	0	
S1-10-28	Percentage of employees at the plant who are paid at the level of the lowest national wage: women	0	0	0	
S1-10-29	Percentage of employees at the plant who are paid at the level of the lowest national wage: other gender	0	0	0	
S1-10-30	Percentage of employees at the plant who are paid at the level of the lowest national wage: gender unknown	0	0	0	
S1-10-31	Ratio of average wages at the plant to the national minimum wage	indicator was not monitored	2,53	2,62	
S1-10-32	Ratio of average wages in the plant to the national minimum wage: men	indicator was not monitored	2,69	2,77	
S1-10-33	Ratio of average salary in the plant to the national minimum: women	indicator was not monitored	2,06	2,23	
S1-10-34	Ratio of average salary in the plant to the national minimum: other gender	0	0	0	
S1-10-35	Ratio of average wages in the plant to the national minimum: gender unknown	0	0	0	
S1-10-36	Ratio of average salary of newly employed persons to the national minimum	indicator was not monitored	1,61	1,87	
S1-10-37	Ratio of average salary of newly employed persons to the national minimum: male	indicator was not monitored	1,70	1,95	
S1-10-38	Ratio of average salary of newly employed persons to the national minimum: female	indicator was not monitored	1,49	1,54	The difference is due to the larger number of newly employed men (8) compared to women (2)
S1-10-39	Ratio of average salary of newly employed persons to the national minimum: other gender	0	0	0	
S1-10-40	Ratio of average salary of newly employed persons to the national minimum: gender unknown	0	0	0	
S1-10-41	Ratio of average wages of people, doing jobs that need the lowest level of qualification, to the national minimum	indicator was not monitored	2,02	1,70	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-42	Ratio of average wages of people, doing jobs that need the lowest level of qualification, to the national minimum: male	indicator was not monitored	2,09	1,72	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-43	Ratio of average wages of people, doing jobs that need the lowest level of qualification, to the national minimum: female	indicator was not monitored	1,82	1,67	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-44	Ratio of average wages of people, doing jobs that need the lowest level of qualification, to the national minimum: other gender	0	0	0	
S1-10-45	Ratio of average wages of people, doing jobs that need the lowest level of qualification, to the national minimum: gender unknown	0	0	0	
S1-10-46	Number of employees at the plant who are paid more than 60% of the national median wage	498	495	472	
S1-10-47	Number of employees at the plant who are paid at a level above 60% of the national median wage: male	366	359	338	
S1-10-48	Number of employees at the plant who are paid at a level above 60% of the national median wage: female	132	136	134	
S1-10-49	Number of employees at the plant who are paid above 60% of the national median wage: other gender	0	0	0	

No	Indicators (average data for the period)	2021	2022	2023	Comments
S1-10-50	Number of employees at the plant who are paid above 60% of the national median wage: gender unknown	0	0	0	
S1-10-51	Percentage of employees at the plant who are paid above 60% of the national median wage	100%	100%	100%	
S1-10-52	Percentage of employees at the plant who are paid above 60% of the national median wage: male	100%	100%	100%	
S1-10-53	Percentage of employees at the plant who are paid above 60% of the national median salary: female	100%	100%	100%	
S1-10-54	Percentage of employees at the plant who are paid above 60% of the national median salary: other gender	0	0	0	
S1-10-55	Percentage of employees at the plant who are paid above 60% of the national median salary: gender unknown	0	0	0	
S1-10-56	Number of employees at the plant who are paid more than 50% of the national average wage	498	495	472	
S1-10-57	Number of employees at the plant who receive a salary at a level above 50% of the national average salary: male	366	359	338	
S1-10-58	Number of employees at the plant who are paid at a level above 50% of the national average wage: female	132	136	134	
S1-10-59	Number of employees at the plant who are paid at a level above 50% of the national average wage: other gender	0	0	0	
S1-10-60	Number of employees at the plant who are paid more than 50% of the national average wage: gender unknown	0	0	0	
S1-10-61	Percentage of employees at the plant who are paid above 50% of the national average wage	100%	100%	100%	
S1-10-62	Percentage of employees at the plant who are paid at a level above 50% of the national average wage: male	100%	100%	100%	
S1-10-63	Percentage of employees at the plant who are paid above 50% of the national average wage: female	100%	100%	100%	
S1-10-64	Percentage of employees at the plant who are paid above 50% of the national average wage: other gender	0	0	0	
S1-10-65	Percentage of employees at the plant who are paid at a level above 50% of the national average wage: gender unknown	0	0	0	
S1-10-66	Number of workers employed by labor agencies who are paid at the level of the lowest national wage	0	0	0	
S1-10-67	Number of workers employed by employment agencies who are paid at the level of the lowest national wage: male	0	0	0	
S1-10-68	Number of workers employed by employment agencies who are paid at the level of the lowest national wage: female	0	0	0	
S1-10-69	Number of workers employed by employment agencies who are paid at the level of the lowest national wage: other gender	0	0	0	
S1-10-70	Number of workers employed by employment agencies who are paid at the level of the lowest national wage: gender unknown	0	0	0	
S1-10-71	Percentage of workers employed by employment agencies who are paid at the level of the lowest national wage	0	0	0	
S1-10-72	Percentage of workers employed by employment agencies who are paid at the level of the lowest national wage: male	0	0	0	
S1-10-73	Percentage of workers employed by employment agencies who are paid at the level of the lowest national wage: female	0	0	0	
S1-10-74	Percentage of workers employed by employment agencies who are paid at the level of the lowest national wage: other gender	0	0	0	
S1-10-75	Percentage of workers employed by employment agencies who are paid at the level of the lowest national wage: gender unknown	0	0	0	
S1-10-76	Ratio of average wages of those employed by employment agencies to the national minimum	3,11	2,77	2,23	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-77	Ratio of average salary of employed by employment agencies to national minimum: male	3,11	2,77	2,23	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-78	Ratio of average wages of those employed by employment agencies to the national minimum: female	3,11	2,77	2,23	The year-to-year difference results from a significant increase in the minimum wage in 2023 (PLN 3,490) compared to 2022 (PLN 3,010).
S1-10-79	Ratio of average wages of employees employed by employment agencies to the national minimum: other gender	0	0	0	

No	Indicators (average data for the period)	2021	2022	2023	Comments
S1-10-80	Ratio of average wages of workers employed by employment agencies to the national minimum: gender unknown	0	0	0	
S1-10-81	Number of workers employed by employment agencies who are paid more than 60% of the national median wage	38	23	4	
S1-10-82	Number of workers employed by employment agencies who are paid more than 60% of the national median wage: male	36	21	2	
S1-10-83	Number of workers employed by employment agencies who are paid more than 60% of the national median wage: female	2	2	2	
S1-10-84	Number of workers employed by employment agencies who are paid more than 60% of the national median wage: other gender	0	0	0	
S1-10-85	Number of workers employed by employment agencies who are paid above 60% of the national median wage: gender unknown	0	0	0	
S1-10-86	Percentage of workers employed by labor agencies who are paid above 60% of the national median wage	100%	100%	100%	
S1-10-87	Percentage of workers employed by employment agencies who are paid above 60% of the national median wage: male	100%	100%	100%	
S1-10-88	Percentage of workers employed by employment agencies who are paid above 60% of the national median wage: female	100%	100%	100%	
S1-10-89	Percentage of workers employed by employment agencies who are paid above 60% of the national median wage: other gender	0	0	0	
S1-10-90	Percentage of workers employed by employment agencies who are paid above 60% of the national median wage: gender unknown	0	0	0	
S1-10-91	Number of workers employed by labor agencies who are paid more than 50% of the national average wage	38	23	4	
S1-10-92	Number of workers employed by employment agencies who are paid more than 50% of the national average wage: male	36	21	2	
S1-10-93	Number of workers employed by employment agencies who are paid more than 50% of the national average wage: female	2	2	2	
S1-10-94	Number of employees employed by employment agencies who are paid more than 50% of the national average wage: other gender	0	0	0	
S1-10-95	Number of employees employed by employment agencies who are paid more than 50% of the national average wage: gender unknown	0	0	0	
S1-10-96	Percentage of workers employed by labor agencies who are paid more than 50% of the national average wage	100%	100%	100%	
S1-10-97	Percentage of workers employed by employment agencies who are paid at a level above 50% of the national average wage: male	100%	100%	100%	
S1-10-98	Percentage of workers employed by employment agencies who are paid more than 50% of the national average wage: female	100%	100%	100%	
S1-10-99	Percentage of workers employed by employment agencies who are paid more than 50% of the national average wage: other gender	0	0	0	
S1-10-100	Percentage of workers employed by employment agencies who are paid more than 50% of the national average wage: gender undisclosed	0	0	0	

S1-11. Social protection

Indicators concerning social protection

Table S1-11-01. Social protection of employees (absolute values)

Number of employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:

No	Indicator	2021	2022	2023	Type of data
	(a) sickness	498	495	472	Integer
	(b) unemployment starting from when the own worker is working for the undertaking	498	495	472	Integer
	(c) employment injury and acquired disability	498	495	472	Integer
	(d) parental leave	498	495	472	Integer
	(e) retirement	498	495	472	Integer

Table S1-11-02. Social protection of employees (percentile values)

Percentage of employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:

No	Indicator	2021	2022	2023	Type of data
	(a) sickness	100%	100%	100%	Percentage
	(b) unemployment starting from when the own worker is working for the undertaking	100%	100%	100%	Percentage
	(c) employment injury and acquired disability	100%	100%	100%	Percentage
	(d) parental leave	100%	100%	100%	Percentage
	(e) retirement	100%	100%	100%	Percentage

The protection of employees in all the above-mentioned aspects (Tables S1-11-01 and S1-11-02) results from the labor law in force in Poland.

Table S1-11-03. Social protection of non-employees (absolute values)

Number of non-employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:

No	Indicator	2021	2022	2023	Type of data
	(a) sickness	38	23	4	Integer
	(b) unemployment starting from when the own worker is working for the undertaking	38	23	4	Integer
	(c) employment injury and acquired disability	38	23	4	Integer
	(d) parental leave	38	23	4	Integer
	(e) retirement	38	23	4	Integer

Table S1-11-04. Social protection of non-employees (percentile values)

Percentage of non-employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:

No	Indicator	2021	2022	2023	Type of data
	(a) sickness	100%	100%	100%	Percentage
	(b) unemployment starting from when the own worker is working for the undertaking	100%	100%	100%	Percentage
	(c) employment injury and acquired disability	100%	100%	100%	Percentage
	(d) parental leave	100%	100%	100%	Percentage
	(e) retirement	100%	100%	100%	Percentage

The protection of non-employees in all the above-mentioned aspects (Tables S1-11-03 and S1-11-04) results from the labor law in force in Poland.

* All of our employees and non-employees are being employed in Poland

**The source of data: the HR database

Table S1-11-05. Benefits offered by the company

Indicator:	2021	2022	2023
Percentage of eligible persons who benefited from subsidized life and health insurance in the enterprise	100,0%	100,0%	100,0%
Percentage of eligible persons who benefited from subsidized life and health insurance at the company	54,0%	51,3%	54,9%
Percentage of eligible persons who received subsidized benefits for sports activities	100,0%	100,0%	100,0%
Percentage of eligible persons who benefited from subsidized sports benefits	12,5%	17,37%	18,4%
Percentage of people covered by medical care (occupational medicine)	100,0%	100,0%	100,0%
Percentage of people eligible for extended LuxMed medical care on favorable terms	100,0%	100,0%	100,0%
Percentage of those eligible for LuxMed extended medical care on favorable terms	5,0%	8,7%	7,6%

S1-12. Disabled persons

*Indicators concerning disabled persons***Table S1-12-01. Indicators concerning own workforce persons with disabilities**

No	Name of the indicator	2021	2022	2023	Data type
S1-12-01	Number of persons with disabilities amongst employees	5	4	4	Integer
S1-12-02	Number of employees with disabilities in own workforce: female	4	3	2	Integer
S1-12-03	Number of employees with disabilities in own workforce: male	1	1	2	Integer
S1-12-04	Number of employees with disabilities in own workforce: other gender	0	0	0	Integer
S1-12-05	Number of employees with disabilities in own workforce: gender undisclosed	0	0	0	Integer
S1-12-06	Percentage of persons with disabilities amongst employees	1,00%	0,81%	0,85%	Percentage
S1-12-07	Percentage of employees with disabilities in own workforce: female	0,80%	0,61%	0,42%	Percentage
S1-12-08	Percentage of employees with disabilities in own workforce: male	0,20%	0,20%	0,42%	Percentage
S1-12-09	Percentage of employees with disabilities in own workforce: other gender	0%	0%	0%	Percentage
S1-12-10	Percentage of employees with disabilities in own workforce: gender undisclosed	0%	0%	0%	Percentage
S1-12-11	Percentage of persons with disabilities amongst employees subject to legal restrictions on collection of data	0%	0%	0%	Percentage

*The data source: S1-12-. HR department database

Disclosure of contextual information necessary to understand data and how data has been compiled (persons with disabilities)

The person with disability is the person recognized as a disabled person under Polish law or the similar law of other country on a basis of documents analyzed by the Personnel Department.

S1-13 . Indicators of training and skills development

Table S1-13-01. Key indicators concerning training activities

#	Indicators	2021	2022	2023
S1-13-01	The number of employees that participated in regular performance and career development reviews	The indicator was not monitored	The indicator was not monitored	263
S1-13-02	The number of employees that participated in regular performance and career development reviews: female	The indicator was not monitored	The indicator was not monitored	82
S1-13-03	The number of employees that participated in regular performance and career development reviews: male	The indicator was not monitored	The indicator was not monitored	181
S1-13-04	The number of employees that participated in regular performance and career development reviews: other gender	0	0	0
S1-13-05	The number of employees that participated in regular performance and career development reviews: gender undisclosed	0	0	0
S1-13-06	The percentage of employees that participated in regular performance and career development reviews	The indicator was not monitored	The indicator was not monitored	55,72
S1-13-07	The percentage of employees that participated in regular performance and career development reviews: female	The indicator was not monitored	The indicator was not monitored	61,19
S1-13-08	The percentage of employees that participated in regular performance and career development reviews: male	The indicator was not monitored	The indicator was not monitored	53,55
S1-13-09	The percentage of employees that participated in regular performance and career development reviews: other gender	0	0	0
S1-13-10	The percentage of employees that participated in regular performance and career development reviews: gender undisclosed	0	0	0
S1-13-11	The percentage of employees that participated in regular performance and career development reviews: top managers	100	100	100
S1-13-12	The percentage of employees that participated in regular performance and career development reviews: middle managers	100	100	100
S1-13-13	The percentage of employees that participated in regular performance and career development reviews: first-line managers	100	100	100
S1-13-14	The percentage of employees that participated in regular performance and career development reviews: non-management staff	The indicator was not monitored	The indicator was not monitored	43,64
S1-13-15	The percentage of employees that participated in regular performance and career development reviews: technical staff	The indicator was not monitored	The indicator was not monitored	4,03
S1-13-16	The percentage of employees that participated in regular performance and career development reviews: production	The indicator was not monitored	The indicator was not monitored	27,12
S1-13-17	The percentage of employees that participated in regular performance and career development reviews: logistics	The indicator was not monitored	The indicator was not monitored	2,33

#	Indicators	2021	2022	2023
S1-13-18	The percentage of employees that participated in regular performance and career development reviews: administrative	100	100	100
S1-13-19	Average number of training hours per person for employees	21,01	21,08	18,49
S1-13-20	Average number of training hours per person for employees: female	29,54	23,84	23,98
S1-13-21	Average number of training hours per person for employees: male	14,07	19,37	13,51
S1-13-22	Average number of training hours per person for employees: other gender	0	0	0
S1-13-23	Average number of training hours per person for employees: gender undisclosed	0	0	0
S1-13-24	Average number of training hours per person for employees: top managers	The indicator was not monitored	The indicator was not monitored	15,5
S1-13-25	Average number of training hours per person for employees: middle managers	The indicator was not monitored	The indicator was not monitored	22,67
S1-13-26	Average number of training hours per person for employees: first-line managers	The indicator was not monitored	The indicator was not monitored	12,78
S1-13-27	Average number of training hours per person for employees: managers in general	20,09	41,88	17,08
S1-13-28	Average number of training hours per person for employees: non-management staff	The indicator was not monitored	The indicator was not monitored	19,22
S1-13-29	Average number of training hours per person for employees: technical staff	The indicator was not monitored	The indicator was not monitored	24
S1-13-30	Average number of training hours per person for employees: production	The indicator was not monitored	The indicator was not monitored	8
S1-13-31	Average number of training hours per person for employees: logistics	The indicator was not monitored	The indicator was not monitored	9,6
S1-13-32	Average number of training hours per person for employees: blue collar worker in general (logistics, production, technical staff)	10,5	12,06	13,09
S1-13-33	Average number of training hours per person for employees: administrative	25,14	23,65	20,52
S1-13-34	Average number of training hours per person for non-employees	The indicator was not monitored	The indicator was not monitored	5,01
S1-13-35	Average number of training hours per person for non-employees: female	The indicator was not monitored	The indicator was not monitored	4,98
S1-13-36	Average number of training hours per person for non-employees: male	The indicator was not monitored	The indicator was not monitored	5,02
S1-13-37	Average number of training hours per person for non-employees: other gender	The indicator was not monitored	The indicator was not monitored	0
S1-13-38	Average number of training hours per person for non-employees: gender undisclosed	The indicator was not monitored	The indicator was not monitored	0
S1-13-39	Average number of hours of trainings of own workforce dedicated to ESG	The indicator was not monitored	The indicator was not monitored	3,13
S1-13-40	Average number of hours of trainings of own workforce dedicated to Social questions ("S" of ESG)	The indicator was not monitored	The indicator was not monitored	1,10
S1-13-41	Average number of hours of trainings of own workforce dedicated to Environmental questions ("E" of ESG)	The indicator was not monitored	The indicator was not monitored	2,03

S1-14 Occupational health and safety indicators

Table S1-14-01. OH&S Indicators

No	Indicator	2021	2022	2023	Data type
S1-14-01	Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines	100%	100%	100%	Percent
S1-14-02	• female	100%	100%	100%	
S1-14-03	• male	100%	100%	100%	
S1-14-04	• other gender	n/a	n/a	n/a	
S1-14-05	• gender not disclosed	n/a	n/a	n/a	
S1-14-06	Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	0	0	

No	Indicator	2021	2022	2023	Data type
S1-14-07	• female	0	0	0	
S1-14-08	• male	0	0	0	
S1-14-09	• other gender	0	0	n/a	
S1-14-10	• gender not disclosed	0	0	n/a	
S1-14-11	Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0	0	0	Integer
S1-14-12	• female	0	0	0	
S1-14-13	• male	0	0	0	
S1-14-14	• other gender	0	0	n/a	
S1-14-15	• gender not disclosed	0	0	n/a	
S1-14-16	Number of recordable work-related accidents for own workforce	6	5	7	Integer
S1-14-17	• female	1	1	0	
S1-14-18	• male	5	4	7	
S1-14-19	• other gender	n/a	0	n/a	
S1-14-20	• gender not disclosed	n/a	0	n/a	
S1-14-21	Rate of recordable work-related accidents for own workforce (Number of recordable work-related accidents for own workforce / number of employees * 100%)			1,48%	Percent
S1-14-22	• female			0,00%	
S1-14-23	• male			1,48%	
S1-14-24	• other gender			n/a	
S1-14-25	• gender not disclosed			n/a	
S1-14-26	Number of cases of recordable work-related ill health of employees (Occupational Disease Rate)	0	0	0	Integer
S1-14-27	• female	0	0	0	
S1-14-28	• male	0	0	0	
S1-14-29	• other gender	0	0	n/a	
S1-14-30	• gender not disclosed	0	0	n/a	
S1-14-31	Number of fatalities in own workforce as result of work-related injuries	0	0	0	Integer
S1-14-32	• female	0	0	0	
S1-14-33	• male	0	0	0	
S1-14-34	• other gender	0	0	n/a	
S1-14-35	• gender not disclosed	0	0	n/a	
S1-14-36	Number of fatalities in own workforce as result of work-related ill health	0	0	0	Integer
S1-14-37	• female	0	0	0	
S1-14-38	• male	0	0	0	
S1-14-39	• other gender	0	0	n/a	
S1-14-40	• gender not disclosed	0	0	n/a	
S1-14-41	Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	0	0	0	Integer
S1-14-42	• female	0	0	0	
S1-14-43	• male	0	0	0	
S1-14-44	• other gender	0	0	n/a	
S1-14-45	• gender not disclosed	0	0	n/a	
S1-14-46	Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	0	0	0	Integer
S1-14-47	• female	0	0	0	
S1-14-48	• male	0	0	0	
S1-14-49	• other gender	0	0	n/a	
S1-14-50	• gender not disclosed	0	0	n/a	
S1-14-51	Number of cases of recordable work-related ill health detected among former own workforce			0	Integer
S1-14-52	• female			0	
S1-14-53	• male			0	
S1-14-54	• other gender			n/a	
S1-14-55	• gender not disclosed			n/a	
S1-14-56	Rate of recordable work-related accidents for own workforce (Accident Frequency Rate) [Lost time injury (LTI) frequency rate for direct workforce - (total number of lost time injury events) x 1,000,000 / total hours worked company-wide]	6,58	6,57	8,57	
S1-14-57	• female	1,1	1,1	0	
S1-14-58	• male	5,48	4,38	11,96	
S1-14-59	• other gender	0	0	n/a	
S1-14-60	• gender not disclosed	0	0	n/a	
S1-14-61	Accident Severity Rate [Lost time injury (LTI) severity rate for direct workforce - (number of days lost due to injuries) x 1,000 / total hours worked]	n/a	0,11	0,32	
S1-14-62	• female	n/a	0,04	0	
S1-14-63	• male	n/a	0,08	0,44	
S1-14-64	• other gender	n/a	0	n/a	
S1-14-65	• gender not disclosed	n/a	0	n/a	
S1-14-66	Rate of severe occupational accidents (excluding fatalities) = number of severe occupational accidents (excluding fatalities) / number of hours worked * 1,000,000	0	0	0	

No	Indicator	2021	2022	2023	Data type
S1-14-67	• female	0	0	0	
S1-14-68	• male	0	0	0	
S1-14-69	• other gender	0	0	n/a	
S1-14-70	• gender not disclosed	0	0	n/a	
S1-14-71	Rate of fatal occupational accidents = number of fatal occupational accidents / number of hours worked * 1,000,000	0	0	0	
S1-14-72	• female	0	0	0	
S1-14-73	• male	0	0	0	
S1-14-74	• other gender	0	0	n/a	
S1-14-75	• gender not disclosed	0	0	n/a	
S1-14-76	Absentee Rate due to accidents and occupational diseases	n/a	0,41	1,04	
S1-14-77	• female	n/a	0,14	0	
S1-14-78	• male	n/a	0,27	1,04	
S1-14-79	• other gender	n/a	0	0	
S1-14-80	• gender not disclosed	n/a	0	0	
S1-14-81	Lost working day rate due to accidents and occupational diseases (Lost Working Day Rate)	n/a	22,78	63,38	
S1-14-82	• female	n/a	7,67	0	
S1-14-83	• male	n/a	15,11	88,51	
S1-14-84	• other gender	n/a	0	0	
S1-14-85	• gender not disclosed	n/a	0	0	
S1-14-86	Number of workplaces for which there is a high risk or a high number of cases of occupational diseases	2	0	0	
S1-14-87	Number of employees, working on site, who are not employees of the plant, whose work has been audited by health and safety audits/inspections [e.g., security, cleaning]	8	8	8	
S1-14-88	Number of employees, working on site, who are not employees of the plant, whose work has been audited by health and safety audits/inspections [employees employed by third-party agencies]			8	
S1-14-89	Number of working days lost due to accidents and occupational diseases	n/a	104	259	
S1-14-90	• female	n/a	35	0	
S1-14-92	• male	n/a	69	259	
S1-14-93	• other gender	n/a	0	0	
S1-14-94	• gender not disclosed	n/a	0	0	
S1-14-95	Percentage of employees who have been trained in health and safety issues	100%	100%	100%	

S1-15. Work-life balance indicators

Table S1-15-1. Work-life balance indicators

№	Family-related leaves	2021	2022	2023	Data type
S1-15-01	Percentage of employees entitled to take family-related leave	indicator was not monitored	3,84%	1,69%	Percent
S1-15-02	Percentage of entitled employees that took family-related leave: female	indicator was not monitored	68,42%	75,00%	Percent
S1-15-03	Percentage of entitled employees that took family-related leave: male	indicator was not monitored	0,00%	25,00%	Percent
S1-15-04	Percentage of entitled employees that took family-related leave: other gender	0,00%	0,00%	0,00%	Percent
S1-15-05	Percentage of entitled employees that took family-related leave: gender undisclosed	0,00%	0,00%	0,00%	Percent
S1-15-06	The number of eligible employees who took parental leave for the period	indicator was not monitored	13	8	
S1-15-07	Number of eligible employees who took parental leaves for the period (female)	indicator was not monitored	13	6	
S1-15-08	Number of eligible employees who took parental leaves for the period (male)	indicator was not monitored	0	2	
S1-15-09	Number of eligible employees who took parental leaves for the period (other gender)	0	0	0	
S1-15-10	Number of eligible employees who took parental leaves for the period (gender unknown)	0	0	0	
S1-15-11	Number of eligible employees who returned from parental leaves for the period	indicator was not monitored	5	6	
S1-15-12	Number of eligible employees who returned from parental leaves for the period (female)	indicator was not monitored	5	4	
S1-15-13	Number of eligible employees who returned from parental leaves for the period (male)	indicator was not monitored	0	2	
S1-15-14	Number of eligible employees who returned from parental leaves for the period (other gender)	0	0	0	
S1-15-15	Number of eligible employees who returned from parental leaves for the period (gender unknown)	0	0	0	

S1-16. Pay metrics (pay gap and total pay)

Table S1-16-1. Pay metrics

#	Pay gap	2023	Data type	
S1-16-01	Gender pay gap	19,50	percent	(Average gross hourly pay level of male employees - Average gross hourly pay level of female employees)/Average gross hourly pay level of male employees*100
S1-16-02	Average gross hourly pay level of male employees	57,58	PLN	
S1-16-03	Average gross hourly pay level of female employees	46,35	PLN	
S1-16-04	Ordinary basic salary gender pay gap	19,50	percent	
S1-16-05	Complementary/variable salary components gender pay gap	19,50	percent	
S1-16-06	Gender pay gap breakdown by employee category: top managers	n/a		
S1-16-07	Gender pay gap breakdown by employee category: middle managers	n/a		
S1-16-08	Gender pay gap breakdown by employee category: first-line managers	68,66	PLN	The gender pay gap results from the fact that there are no women in first-line managers positions
S1-16-09	Gender pay gap breakdown by employee category: non-management staff	19,50		
S1-16-10	Gender pay gap breakdown by employee category: technical stuff	100		The gender pay gap results from the fact that no women work in technical stuff
S1-16-11	Gender pay gap breakdown by employee category: production	18,23		
S1-16-12	Gender pay gap breakdown by employee category: logistics	100		The gender pay gap results from the fact that no women work in logistics
S1-16-13	Gender pay gap breakdown by employee category: administrative	17,87		
S1-16-14	The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)	n/a		consider, depending on the undertaking's remuneration policies, all of the following: i. base salary, which is the sum of guaranteed, short-term, and non-variable cash compensation; ii. benefits in cash, which is the sum of the base salary and cash allowances, bonuses, commissions, cash profit-sharing, and other forms of variable cash payments; iii. benefits in kind, such as cars, private health insurance, life insurance, wellness programs; and iv. direct remuneration, which is the sum of benefits in cash, benefits in kind and total fair value of all annual long-term incentives (for example, stock option awards, restricted stock shares or units, performance stock shares or units, phantom stock shares, stock appreciation rights, and long-term cash awards).

S1-17. Incidents, complaints and severe human rights impacts

Table S1-17-01. Incidents, complaints and severe human rights impacts

#	Human rights incidents	2021	2022	2023	Data type
S1-17-01	The total number of incidents of discrimination, including harassment, reported in the reporting period	0	0	0	
S1-17-02	The number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms)	0	0	0	
S1-17-03	The total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints (and reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements)	0	0	0	
S1-17-04	The number of severe human rights incidents connected to the undertaking's workforce in the reporting period	0	0	0	
S1-17-05	The total amount of fines, penalties and compensation for damages for the above-described severe incidents, and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements	0	0	0	
S1-17-06	Number of complaints filed through channels for people in own workforce to raise concerns	0	0	0	Integer
S1-17-07	Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0	0	Integer

#	Human rights incidents	2021	2022	2023	Data type
S1-17-08	Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	0	0	Monetary
S1-17-09	Number of severe human rights issues and incidents connected to own workforce	0	0	0	Integer
S1-17-10	Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0	0	Integer
S1-17-11	Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	0	0	Monetary
S1-17-12	Number of severe human rights cases where undertaking played role securing remedy for those affected	0	0	0	Integer

Table S1-17-02. Additional non-discrimination statistics

#	Indicator:	2021	2022	2023
S1-17-13	Total number of cases of discrimination during the reporting period.	0	0	0
S1-17-14	Number of training hours to prevent cases of discrimination and harassment	The indicator was not monitored	0	0
S1-17-15	Number of reported cases of harassment at the plant	0	0	0
S1-17-16	Number of reported cases of harassment at the plant	0	0	0
S1-17-17	Number of reports on human rights in relation to external stakeholders	0	0	0
S1-17-18	Total number of ethical incidents at the plant	0	0	0

Table S1-17-03. Child, forced or compulsory labor statistics

#	Indicator:	2021	2022	2023
S1-17-19	Number of incidents of child labor at the plant	0	0	0
S1-17-20	Number of incidents of child labor hazards at the Plant's suppliers (except tool suppliers)	0	0	0
S1-17-21	Number of cases of child labor hazards at the Plant's suppliers (tool suppliers)	0	0	0
S1-17-22	Number of cases of forced or compulsory labor at the plant	0	0	0
S1-17-23	Number of incidents of forced or compulsory labor hazards at Plant suppliers (except tool suppliers)	0	0	0
S1-17-24	Number of incidents of forced or compulsory labor hazards at Plant suppliers (tool suppliers)	0	0	0

Disclosure of contextual information necessary to understand data and how data has been compiled (work-related grievances, incidents and complaints related to social and human rights matters)

The data has been collected at Personnel Department which collects the needed data from the authorized authorities or internally. The data have been signed by the Head of The Management Board of Schumacher Packaging Sp. z o.o.

Disclosure of the status of incidents and/or complaints and actions taken

There was no accidents and / or complaints.

S1- SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business model

All people in its own workforce who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

The scope of this disclosure includes all the 472 employees of our enterprise, as well as 4 non-employees (persons who were not employed directly, but through the temporary work recruitment agency).

Description of types of employees and non-employees in its own workforce subject to material impacts

All the employees and non-employees are subject to material impacts

Material negative impacts occurrence (own workforce)

In 2023 we did not notice any material negative impacts occurrence.

Description of activities that result in positive impacts and types of employees and non-employees in its own workforce that are positively affected or could be positively affected

Material impact S1-MI-01

Material impact description	Communication of the Management board and management with employees, including: meetings of employee representatives with the management board, information boards,
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	educational e-mail messages, training and meetings with employees at the time of changes in applicable laws (tax or labor law for example)
Positive or negative	Positive
Sustainability matter	Social dialogue
Effects of the impact	Enhanced Employee Engagement: Improved communication channels foster a sense of inclusion and engagement among employees, leading to higher job satisfaction and morale. Better Informed Workforce: Regular updates and training sessions ensure that employees are well-informed about changes in laws and company policies, reducing confusion and non-compliance. Increased Transparency: Open dialogue between management and employees promotes transparency, trust, and a collaborative work environment. Improved Organizational Performance: Effective communication helps in aligning employee efforts with company goals, improving overall productivity and performance. Early Issue Resolution: Proactive communication allows for the early identification and resolution of potential issues, preventing escalation and mitigating risks. Continuous Improvement: Regular feedback from employees can lead to continuous improvement in processes and policies, contributing to the overall sustainability of the company.
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Number of meetings of employees with the Management Board (Target is 3 meetings annually)
Nature of target	Social
Description of scope of target	The target focuses on maintaining a consistent number of annual meetings between employees and the Management Board to ensure ongoing communication and engagement.
Baseline value	3
Baseline year	2023
Period to which target applies	2023-2035
Indication of milestones or interim targets	Interim target: 3
Description of methodologies and significant assumptions used to define target	Methodologies: Tracking and recording the number of meetings held annually through meeting logs and feedback forms. Assumptions: Continuous commitment from management to prioritize employee communication, and active participation from employees.
Target related to environmental matters is based on conclusive scientific evidence	Not applicable
Action to manage target	Organization of regular feedback from the employees on different topics
Scope of action	
Status of action	Ongoing
Time horizon of action	Long-term
Year of completion of action	2035
How action has been taken to provide or enable remedy in relation to actual material impact	Regular Feedback Mechanisms: Establishment of regular feedback sessions, surveys, and suggestion boxes for employees to voice their concerns and suggestions. Open Communication Channels: Implementation of various communication channels such as intranet portals, newsletters, and town hall meetings. Training Programs: Conducting training sessions to educate employees on new policies, laws, and best practices.
Financial and other resources	Allocated Budget: Funds dedicated to organizing meetings, training sessions, and communication materials. Human Resources: A team assigned to coordinate and manage communication activities and feedback mechanisms. Technology Investments: Investment in communication tools and platforms to facilitate efficient and effective communication across the company.

Description of material risks and opportunities arising from impacts and dependencies on own workforce
Table S1-SMB-3-01. Material impacts, risks and opportunities concerning own workforce

Standard	Material Positive Impacts	Material Negative Impacts	Material Risks	Material Opportunities
S1 Own workforce	Communication of the Management board and management with employees, including: meetings of employee representatives with the management board, information boards, educational e-mail messages, training and meetings with employees at the time of changes in applicable laws (tax or labor law for example)	None	Difficulties of foreigners in legalizing their stay, causing problems with the legality of employment	None

Material risks and opportunities:

Material Risk S1-MR-01.

Material risk / opportunity description	Risk of inadequate wages leading to employee dissatisfaction, reduced productivity, higher turnover, and negative financial impacts.
Risk or opportunity	Risk
Sustainability matter	Working conditions: adequate wages
Scenarios/forecasts that are deemed likely to materialize	Worsening Financial Results of the Plant: Employee dissatisfaction due to lower-than-average wages may lead to decreased motivation and productivity, resulting in lower financial results. Increase in Labor Costs: To retain or attract qualified employees, the plant may need to raise wages, increasing labor costs and negatively impacting profitability. Rise in Social Tension: Wage inequalities can lead to social tensions, protests, strikes, and a negative corporate image, affecting financial results through loss of customer and investor trust.
Potential material financial effects related to sustainability matters	Cash Flows: Lower wages may reduce employees' ability to save or invest and may require additional financial outlays for wage increases or other motivational measures. Development: Wage disparities can cause key employees to leave, leading to project delays or a lack of necessary knowledge and experience in project teams. Performance: Lower employee motivation can lead to reduced product or service quality, negatively impacting financial results through loss of customers or lowering product prices to maintain competitiveness. Market Position: Wage inequalities can harm the company's image as an employer, making it difficult to attract new talent or investors. Cost of Capital or Access to Financing: Social tensions or a negative corporate image can increase the cost of capital by requiring higher returns for investors or impeding access to financing due to reduced investor or bank trust.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term
Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Median salary comparison between plant-level and regional medians
Nature of target	Social-related target (with major governance influence, addressing fair compensation and regional equity)
Description of scope of target	Object scope: Geographically: The scope is regional, covering all locations where Schumacher Packaging Sp. z o.o. operates and comparing them to respective regional salary medians. Operationally: The scope concerns the entire company, ensuring median salary equity across all departments and positions at each plant. Temporally: The goal is long-term, aiming to achieve and maintain plant-level salary medians at or above regional medians. Subject scope: External stakeholders: Regulatory bodies, regional economic development organizations. Internal stakeholders: Employees, management, human resources departments, compliance officers, and shareholders.
Baseline value	Not disclosed in this report
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	2025: Plant-level median salaries at 70% of regional medians 2027: Plant-level median salaries at 95% of regional medians 2035: Plant-level median salaries at 100% or more of regional medians (measured annually) Interim target (2024) – 60%

Description of methodologies and significant assumptions used to define target	<p>Methodology: We understand median salary comparison as the ratio of the plant-level median salaries to the regional median salaries, expressed as a percentage. The methodology involves annual collection and analysis of salary data from all employees at each plant, segmented by role, and comparison to regional median salary data. Schumacher Packaging Sp. z o.o. will implement a comprehensive salary review system to identify and address disparities. This includes regular reviews of compensation practices, job evaluations, and adjustments where necessary to ensure fair and competitive pay. Data sources include payroll records, regional salary surveys, and external benchmarks.</p> <p>Assumptions: Accurate and complete salary data is available for analysis. The company will have the necessary resources and support from management to enforce and monitor salary equity. All employees and managers will actively participate in the reporting and resolution of salary disparities. There will be cooperation and effective communication between all departments involved in compensation and benefits. The legal and regulatory framework supporting fair compensation practices will remain stable and enforceable. Continuous improvement and adaptation of the monitoring processes to address emerging risks and challenges in compensation practices. Market conditions and economic factors that influence pay structures will be considered in the analysis and adjustments. Regional median salary data will be reliable and updated regularly.</p>
Target related to environmental matters is based on conclusive scientific evidence	Not applicable
Action to manage target	Implementation of a wage adjustment program to ensure competitive compensation.
Scope of action	Company-wide initiative involving HR and finance departments to evaluate and adjust wage levels.
Status of action	Planned
Time horizon of action	Medium-term
Year of completion of action	2025
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	<p>Employee Engagement: Conducted surveys to understand wage satisfaction and gather feedback.</p> <p>Benchmarking: Regularly benchmarked plant wages against the municipal average.</p> <p>Wage Adjustments: Planned and implemented wage adjustments based on benchmarking data and employee feedback.</p>
Financial and other resources	<p>Allocated Budget: Funds allocated for wage adjustments and employee benefits.</p> <p>Human Resources: HR team dedicated to implementing the wage adjustment program.</p> <p>Technology Investments: Investment in HR software for wage analysis and management</p>

Material Risk S1-MR-02.

Material risk / opportunity description	Difficulties of foreigners in legalizing their stay, causing problems with the legality of employment
Risk or opportunity	Risk
Sustainability matter	Working conditions: Secure employment
Scenarios/forecasts that are deemed likely to materialize	<p>Legal and Administrative Costs: Additional costs related to legal and administrative support for attempts to legalize the residence of foreign workers, including fees for legal services and administrative charges for immigration procedures.</p> <p>Potential Fines or Penalties: Imposition of fines or penalties by authorities for employing foreign workers illegally or without required documents.</p> <p>Loss of Profits due to Employee Layoffs: Revenue loss from terminated employment of foreign workers and negative financial impacts for affected employees.</p> <p>Decreased Morale Among Employees: Reduced morale among foreign workers and local employees due to issues with the legality of employment.</p>
Potential material financial effects related to sustainability matters	<p>Cash Flows: Increased expenses and financial burdens due to revenue loss and additional legal-administrative costs.</p> <p>Development: Project delays or resource limitations hindering company development.</p> <p>Performance: Loss of trust among customers or investors, leading to business loss or stock devaluation.</p> <p>Market Position: Harm to the company's reputation as an ethical employer, making it challenging to attract talent or business partners.</p> <p>Cost of Capital or Access to Financing: Increased cost of capital or restricted access to financing due to perceived legal and reputational risks.</p>
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Long-term

Occurrence of impact (Company Product Value Chain)	Company
Measurable target	Percentage of foreign workers whom we help with legalization issues (from the number of requests)
Nature of target	Social
Description of scope of target	Focuses on addressing legal and administrative barriers faced by foreign workers to ensure secure employment and compliance with regulations.
Baseline value	100%
Baseline year	2023
Period to which target applies	2023-2035
Indication of milestones or interim targets	Interim target: 100%
Description of methodologies and significant assumptions used to define target	The target to be defined based on the number of foreign workers seeking assistance with residency legalization issues compared to the total number of foreign workers seeking such assistance in the concrete year. The assumptions: Providing assistance to a certain percentage of foreign workers would ensure a more engaged workforce.
Target related to environmental matters is based on conclusive scientific evidence	Not applicable
Action to manage target	Implementation of database of the cases concerning foreigners' legalization issues
Scope of action	The scope of action involves establishing a centralized database to track and manage cases related to foreigners' legalization issues. This database must include documentation, progress tracking, and communication tools to streamline the process of providing assistance to affected employees.
Status of action	Planned
Time horizon of action	Short-term
Year of completion of action	2024
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Actions taken may include engaging legal experts or consultants specializing in immigration law to develop appropriate strategies and procedures for assisting foreign workers with residency legalization. Training sessions or informational resources could also be provided to HR staff or managers to ensure they understand the process and can effectively support affected employees.
Financial and other resources	Personnel department staff and Head of Sustainability and CSR Group must be engaged in the action IT support

Description of material impacts on workers that may arise from transition plans for reducing negative impacts on environment and achieving greener and climate-neutral operations

Data to be estimated in 2024 and to be presented in the next annual ESG report.

Information about type of operations at significant risk of incidents of forced labour or compulsory labour

In our enterprise there was never a case of forced or compulsory labor. As well as our company is located in Poland, we can derive from the ILO data that in Poland there is not many incidents of compulsory and forced labor according to the ILO data concerning the forced and compulsory labor [<https://webapps.ilo.org/flodashboard/>]. Therefore we assume that no operations within our company have a material risk of forced or compulsory labor incident.

Information about countries or geographic areas with operations considered at significant risk of incidents of forced labour or compulsory labour

Our operations are located at one site: at the village Krępicze nearby Wrocław. This location is not endangered by the risk related to forced labour or compulsory labour. That is why we assume that there is no significant risk of incidents of forced labour or compulsory labour neither within our supply chain, nor within our operations. But we are keeping monitoring of the issues concerning the forced and compulsory labor. There is a way for our own workforce to report the incidents of forced labor or compulsory labor – the whistleblower procedure, which is implemented at Schumacher Packaging Sp. z o.o.

Information about type of operations at significant risk of incidents of child labour

In our enterprise there was never a case of child labor. During the audits or within the other forms of suppliers' analysis Schumacher Packaging has never met a case of child labor within our supply chain. All of the companies of our supply chain is situated in Poland, Germany, Belgium, Spain and other countries of the European Union, European Free Trade Association (EFTA) and the European Economic Area (EEA). None of these countries is not on the ILO list of countries with high child labor rate.

[https://en.wikipedia.org/wiki/List_of_countries_by_child_labour_rate].

Therefore we assume that no operations within our company or our supply chain have a material risk of child labor incident.

Information about countries or geographic areas with operations considered at significant risk of incidents of child labour

Our operations are located at one site: at the village Krępice nearby Wrocław. This location is not endangered by the risk related to child labour. That is why we assume that there is no significant risk of incidents of child labour neither within our supply chain, nor within our operations. But we are keeping monitoring of the issues concerning the child labor. There is a way for our own workforce to report the incidents of child labor – the whistleblower procedure, which is implemented at Schumacher Packaging Sp. z o.o.

S2. Workers in the supply chain



Figure S2-0-1. The premises of one of the suppliers of Schumacher Packaging Sp. z o.o.

S2-1. Value chain employee policies

Description of key contents of policy

The policies which are the most relevant in the case of the value chain workers are the Value Chain Workers Policy and Labor and Human Rights Policy.

The general approach in relation to value chain workers is based upon the following set of key principles:

From the Value Chain Workers Policy:

Respect for Human Rights, Including Labour Rights

Schumacher Packaging is dedicated to upholding the human rights, including labor rights, of value chain workers. We commit to complying with the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to value chain workers.

Measures to Provide and Enable Remedy for Human Rights Impacts

In the event of any human rights impacts, Schumacher Packaging will take immediate corrective action. This includes investigating complaints, implementing remedies, and continuously improving our processes to prevent recurrence.

Trafficking, Forced or Compulsory Labor, and Child Labor

Our policy explicitly address and prohibit trafficking in human beings, forced or compulsory labor, and child labor within our value chain. We have a zero-tolerance approach to these practices.

Supplier Code of Conduct

Schumacher Packaging has established a Supplier Code of Conduct that clearly outlines our expectations regarding human rights, labor rights, and ethical practices for our suppliers. The separate Plant can have separate Codes of Conducts to take into account special demands of the Plant.

From the Labor and Human Rights Policy:

Fair and Ethical Labor Practices, including Work-Life Balance and Working Hours: Schumacher Packaging ensures that all its employees are provided with fair wages, safe working conditions, and opportunities for professional growth and development. The company strictly adheres to labor laws and regulations in all the regions where it operates. We understand the critical importance of maintaining a healthy work-life balance for the well-being and productivity of our employees. We are committed to creating a work environment that respects and prioritizes

reasonable working hours in accordance with the law, ensuring that our team members can thrive both professionally and personally.

Non-discrimination and Inclusion: Schumacher Packaging promotes a workplace culture that is inclusive and free from discrimination. We value diversity and actively work to create an environment where people of all backgrounds are respected and included.

Child and Forced Labor: The company has a zero-tolerance policy for child and forced labor in our operations, as well in the operations of our suppliers.

Supply Chain Responsibility: Schumacher Packaging extends its commitment to human rights and labor standards to our suppliers. We work closely with suppliers to ensure they meet the same ethical standards in the area of labor and human rights. We diligently screen and monitor our supply chain to ensure that no irresponsible labor and human rights practices are involved in the production of the raw materials, tools and in the conduction of services.

Rights of Women: We proudly stand as advocates for equality and diversity, recognizing the fundamental importance of upholding and promoting the rights of women in our workplace and beyond. We believe in fostering an inclusive environment that champions gender equality, empowering women to thrive both personally and professionally.

Rights of Minorities: We acknowledge the significant importance of upholding and safeguarding the rights of minority individuals. We view diversity not only as a fundamental value but as a dynamic catalyst that propels innovation, creativity, and excellence throughout our organization. Our dedication is unwavering in ensuring the protection of minority rights, extending our commitment to cultivating a culture of inclusion, fairness, and mutual respect both within our workplace and in the broader community. The rights of migrant workers are the main topic of the *Migrant Workers Rights Policy*.

Community Engagement: Beyond our own operations, Schumacher Packaging actively engages with the communities where we operate. We support local development initiatives and strive to have a positive impact on the communities we are a part of.

Transparency and Reporting: The company regularly publishes corporate social responsibility reports that detail their efforts in promoting labor and human rights. These reports are easily accessible to the public and stakeholders. Beginning from 2025 we will publish ESRS-compatible reports.

Continuous Improvement: Schumacher Packaging is dedicated to ongoing improvement in labor and human rights practices. We conduct regular audits, assessments, and seek feedback from employees, partners, and other stakeholders to make necessary adjustments and enhancements to our approach.

Description of scope of policy or of its exclusions

The scope of the Value Chain Workers Policy

a) from the perspective of the undertaking:

The policy applies to all procurement employees of the Group and is valid for all operations of Schumacher Packaging. It encompasses the management of material impacts on value chain workers and the associated material risks and opportunities. Our value chain includes all workers involved in our supply chain, manufacturing, and distribution processes, both within our organization and among our suppliers

b) from the perspective of the impacts:

- Ethical Sourcing
- Worker Safety
- Worker Welfare
- Fair Labor Practices
- Continuous Monitoring
- Continuous auditing / self-estimation
- The scope of the Labor and Human Rights Policy.

a) from the perspective of the undertaking:

The policy applies to all employees of the Group, the employees of our suppliers and is valid for all operations of Schumacher Packaging, as well as for the supply chain. It encompasses the management of labor and human rights issues taking into account not only the national and international law, but also the other commitments of the top management.

b) from the perspective of the impacts concerning the value chain:

- Prohibition of torture.

- Sphere of freedom of the individual.
- Prohibition of slavery and the slave trade.
- Freedom of thought, conscience and religion.
- Prohibition of child labor.

Description of most senior level in organization that is accountable for implementation of policy

The most senior level engaged in the Policy implementation is the head of the management board

Disclosure of third-party standards or initiatives that are respected through implementation of policy

The implementation of policies mentioned above is a part of our strategic approach which is focused on the observance of the Universal Declaration of Human Rights. In the policies there are the articles of the Universal Declaration of Human Rights that can be controlled by Schumacher Packaging not only as an integral part of our own business, but also as an important element of our supply chain.

When it comes to the supply chain, Schumacher Packaging believes that the following elements of the Universal Declaration of Human Rights are of the critical importance and can be controlled and monitored by both Schumacher Packaging and its suppliers to enhance the business relations of the Parties. These are:

- Prohibition of torture.
- Sphere of freedom of the individual.
- Prohibition of slavery and the slave trade.
- Freedom of thought, conscience and religion.
- Prohibition of child labor.

Description of consideration given to interests of key stakeholders in setting policy

The above-mentioned elements are being included in the Code of Conduct and being regularly monitored by several means, including:

- Code of conduct signing with our suppliers.
- The supplier self-assessment questionnaire review.
- The ESG audits conduct.
- The Integrity Next database analysis.
- The annual risk analysis.

The main interested parties affected by the policies are:

- the suppliers, whose interest is the compliance to all the requirement concerning own workforce (by the means described above);
- the clients, whose interest is the compliance to the requirements concerning the supply chain workforce (also by the means described above);
- the governmental institutions and the local authorities interested in the fulfillment of the demands of the laws (by the means of the ESG report disclosure).

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

1) We publish the policies at our internet site

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published sat our internet-site.

3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Description of relevant human rights policy commitments relevant to value chain workers

From the Value Chain Workers Policy

Worker Safety: Improve worker safety across the value chain.

Worker Welfare: Enhance the well-being of value chain workers.

Fair Labor Practices: Promote fair labor practices among value chain workers.

Objective: Sending the presentation to suppliers that takes into account our approach to the importance of the worker safety in the supply chain

From the Labor and Human Rights Policy

1. Prohibition of torture. No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment: Our Group does not allow tortures

Objective: 0 proved cases of tortures at suppliers and within the Group

2. Prohibition of slavery and the slave trade. No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms: We do not allow cases of forced or compulsory labor or human trafficking.

Objectives

a) 0 proved cases of forced or compulsory labor at suppliers and within the Group

b) 0 proved cases of human trafficking at suppliers and within the Group

3. Sphere of freedom of the individual. No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks: Schumacher Packaging does not interfere with the privacy, family, home or correspondence, do not attack honor and reputation of the employees or other stakeholders of our Group

Objective: 0 proved cases of discrimination at suppliers and within the Group

4. Freedom of thought, conscience and religion. Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance: We as a company respect the rights to freedom of thought, conscience and religion.

We allow the manifestation of the thoughts or beliefs publicly, besides the cases of the law violation or the cases of contradiction to the other clauses of this Policy

Objective: 0 proved cases of persecution concerning freedom of thought, conscience or religious beliefs at suppliers and within the Group

5. Prohibition of child labor: We do not allow cases of child labor

Objective: 0 proved cases of child labor at suppliers and within the Group

Disclosure of general approach in relation to respect for human rights relevant to value chain workers

From the Value Chain Workers Policy

Respect for Human Rights, Including Labour Rights

Schumacher Packaging is dedicated to upholding the human rights, including labor rights, of value chain workers. We commit to complying with the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to value chain workers.

Trafficking, Forced or Compulsory Labor, and Child Labor

Our policy explicitly address and prohibit trafficking in human beings, forced or compulsory labor, and child labor within our value chain. We have a zero-tolerance approach to these practices.

From the Labor and Human Rights Policy

Child and Forced Labor: The company has a zero-tolerance policy for child and forced labor in our operations, as well in the operations of our suppliers.

Supply Chain Responsibility: Schumacher Packaging extends its commitment to human rights and labor standards to our suppliers. We work closely with suppliers to ensure they meet the same ethical standards in the area of labor and human rights. We diligently screen and monitor our supply chain to ensure that no irresponsible labor and human rights practices are involved in the production of the raw materials, tools and in the conduction of services.

Continuous Monitoring and Auditing

We are continuously monitoring and auditing our supply chain in order to inspect and control the situation concerning human rights and labor practices at our suppliers.

Disclosure of general approach in relation to engagement with value chain workers

The main point of engagement is the Supplier Code of Conduct. In the Value Chain Workers Policy it is described as follows.

Supplier Code of Conduct

Schumacher Packaging has established a Supplier Code of Conduct that clearly outlines our expectations regarding human rights, labor rights, and ethical practices for our suppliers. The separate Plant can have separate Codes of Conducts to take into account special demands of the Plant.

Other elements of engagement are:

The supplier self-assessment questionnaire review.

The ESG audits conduct.

The Integrity Next database analysis.

The annual risk analysis.

Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts
Value Chain Workers Policy gives a clear direction, how the remedy for human rights impacts is planned and executed.

Measures to Provide and Enable Remedy for Human Rights Impacts

In the event of any human rights impacts, Schumacher Packaging will take immediate corrective action. This includes investigating complaints, implementing remedies, and continuously improving our processes to prevent recurrence.

The process is executed up to the Schumacher Packaging procedures and the above-mentioned Policy.

Sustainability matters addressed by policy

Matter: "Workers in the value chain" and topics within the mentioned matter:

- Working conditions
- Equal treatment and opportunities for all
- Other work-related rights

Description of how policies are aligned with relevant internationally recognized instruments

The main internationally recognized instrument which is addressed by the Policy is the Universal Declaration of the Human Rights (as shown above).

Other internationally recognized instruments are:

Sustainable Development Goals (SDGs)

At this moment the main SGSs in the area of value chain workers are:

(17) Partnership for the goals

(8) Decent work and economic growth

(1) No poverty

(2) Zero hunger

(3) Good health and well-being

These goals are linked with Value Chain Workers Policy and Labor and Human Rights Policy

OECD Guidelines for Multinational Enterprises

the main SGSs in the area of value chain workers are:

IV. Human Rights

V. Employment and Industrial Relations

VII. Combating Bribery and Other Forms of Corruption

VIII. Consumer Interests.

These goals are linked with Value Chain Workers Policy, Labor and Human Rights Policy and Business Ethics Policy

International Standards Organization (ISO) Standards and other similar standards

The supplier estimation tools (self-estimation questionnaire, due diligence analysis and audit reports) contain the ISO 14001 / ISO 50001 / SA8000 / AA1000 certification requirements as one of the criteria of the supplier assessment.

Disclosure of explanations of significant changes to policies adopted during reporting year

The main last years' changes:

- The Group level Labor and Human Rights Policy was implemented.
- The new Approach part appeared in the policies.
- The new Value Chain Workers Policy was implemented.

The VALUE CHAIN WORKERS Group-level Policy Approach and Top-management commitments (with objectives):

THE APPROACH OF THE GROUP TOWARDS CONSUMERS AND END-USERS

Respect for Human Rights, Including Labour Rights

Schumacher Packaging is dedicated to upholding the human rights, including labor rights, of value chain workers. We commit to complying with the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to value chain workers.

Continuous Monitoring and Auditing

We are continuously monitoring and auditing our supply chain in order to inspect and control the situation concerning human rights and labor practices at our suppliers.

Measures to Provide and Enable Remedy for Human Rights Impacts

In the event of any human rights impacts, Schumacher Packaging will take immediate corrective action. This includes investigating complaints, implementing remedies, and continuously improving our processes to prevent recurrence.

Trafficking, Forced or Compulsory Labor, and Child Labor

Our policy explicitly address and prohibit trafficking in human beings, forced or compulsory labor, and child labor within our value chain. We have a zero-tolerance approach to these practices.

Supplier Code of Conduct

Schumacher Packaging has established a Supplier Code of Conduct that clearly outlines our expectations regarding human rights, labor rights, and ethical practices for our suppliers. The separate Plant can have separate Codes of Conducts to take into account special demands of the Plant.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
1	Ethical Sourcing	Ensure all raw material suppliers adhere to our Supplier Code of Conduct.	Achieve 100% suppliers signing our Supplier Code of Conduct	2030	Head of Sustainability and CSR Group Supply Chain Manager
2	Worker Safety	Improve worker safety across the value chain.	Sending the presentation to suppliers that takes into account our approach to the importance of the worker safety in the supply chain	2024	
3	Worker Welfare	Enhance the well-being of value chain workers.	Sending the presentation to suppliers that takes into account our approach to the importance of the well-being of the employees in the supply chain	2024	
4	Fair Labor Practices	Promote fair labor practices among value chain workers.	Sending the presentation to suppliers that takes into account our approach to the importance of the fair labor practices among value chain workers.	2024	
5	Continuous Monitoring	Establish a robust system for monitoring and reporting on labor practices and human rights in the value chain.	Develop and implement a comprehensive monitoring system to check the labor practices across the value chain by 2027, using the ERSR Report officially published up to the CSRD Directive (concerning a part of the enterprises which undergo CSRD Directive)	2027	Head of Sustainability and CSR Group
6	Continuous auditing / self-estimation	Regular auditing and promoting Schumacher-based self-estimation of our suppliers	a) Yearly audits of minimum 4 enterprises with the questions concerning labor and human rights issues. b) Minimum 80% of suppliers being self-assessed minimum 1 time is 3 years	2025 2027	Supply Chain Manager

S2-2. Processes for engaging value chain employees on impact

Disclosure of how perspectives of value chain workers inform decisions or activities aimed at managing actual and potential impacts

When an analysis of risks, opportunities and impacts demonstrates that there is a high probability that the condition of value chain employees will change in the outlook compared to the condition that exists today, then Schumacher Packaging assesses whether this new condition could create either a new material risk or a new material

opportunity. If so, then Schumacher Packaging develops an action to minimize the risk or maximize the positive impact of the opportunity.

Engagement occurs with value chain workers or their legitimate representatives directly, or with credible proxies

The engagement of the suppliers' employees right now happens through the supplying companies.

Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

The stages of engagement:

- A) The filling-in of the questionnaire (as a part of double materiality process) is executed by the supplying undertaking upon request of Schumacher Packaging. We plan to make this process annual.
- B) The regular contacts with the supplier within the self-assessment procedure (minimum 1 time in 3 years).
- C) The Code of Conduct signing by the supplier and Schumacher Packaging and regular actualization and re-signing of Code of Conduct.

Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

The most senior role engaged in the supplier workers engagement is the Manager of Procurement department. On a group level – Supply Chain Manager.

Disclosure of Global Framework Agreement or other agreements related to respect of human rights of workers

The main documents used when it comes to the value chain workers human rights is the General Declaration of Human Rights and the EU Charter of Fundamental Rights.

Disclosure of how effectiveness of engagement with value chain workers is assessed

There are several ways of assessment the value chain workers' engagement effectiveness.

- First of all, we use the code of conduct as a basis of our suppliers' communication and cooperation in the area of sustainability. The fact of signing or not signing the code of conduct is a principle indicator for us to show, whether the supplier is dedicated to own workers engagement or not.
- The code of conduct contains the part concerning the own employees issue in the value chain
- The supplier self-assessment questionnaire contains the questions concerning the own workforce of the suppliers. We analyze the questionnaires on an annual basis.
- The ESG audits of our suppliers are made yearly with the supplies' own workforce questions included.
- The Integrity Next database is dealing with the suppliers' personnel, and we use these assessments in the assessment of the suppliers.
- The annual risk analysis is being made to estimate the future

Disclosure of steps taken to gain insight into perspectives of value chain workers / consumers and end-users that may be particularly vulnerable to impacts and (or) marginalized

We have analyzed the state of the thing with our suppliers when it came to the audits and the self-assessment. The next step was the risk analysis. The scenarios were worked out to understand the perspectives.

Type of role or function handling with engagement

Engagement of value chain workers is managed by the Head of Sustainability and CSR Group and by Procurement Department.

S2-3. Processes to address negative impacts and channels for value chain employees to raise concerns

Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has identified that it connected with a material negative impact on value chain workers

At Schumacher Packaging, we are committed to upholding the rights and well-being of all individuals within our value chain. We recognize that our operations may inadvertently contribute to negative impacts on value chain workers, and we are dedicated to addressing these issues promptly and effectively. Below, we outline our general approach and processes for providing or contributing to remedy in such situations:

Identification and Assessment:

We conduct regular audits throughout our value chain to identify potential risks and negative impacts on value chain workers. We also promote self-assessment of our suppliers.

In the event that a material negative impact is identified, we prioritize understanding the root causes and the extent of the impact on affected workers.

Engagement and Consultation:

We engage with potentially affected workers through our suppliers. We also promote our pro-social activities through our internet site and Social Media.

Transparent and open communication is maintained throughout the process to ensure the voices of affected parties are heard and considered.

Remediation Plan Development:

Based on the findings from our assessments and consultations, we are ready to develop a comprehensive remediation plan tailored to address the identified issues.

This plan is intended to include clear objectives, timelines, responsible parties, and measures for monitoring and evaluating the effectiveness of the remediation efforts.

Implementation and Monitoring:

If needed, we are obliged to implement the remediation plan in collaboration with relevant stakeholders, including suppliers, subcontractors, and local authorities.

Regular monitoring and evaluation are conducted to track progress, address any emerging challenges, and make necessary adjustments to the remediation approach.

Capacity Building and Prevention:

In addition to remedial actions, we invest in capacity-building initiatives aimed at empowering value chain workers, enhancing their skills, and promoting awareness of their rights.

We also proactively work to prevent future negative impacts by integrating social responsibility principles into our business practices and supply chain management.

Transparency and Reporting:

We commit to transparency by regularly disclosing information about our remediation efforts, including progress updates, challenges encountered, and lessons learned.

Our reporting adheres to relevant industry standards and guidelines, providing stakeholders with meaningful insights into our commitment to responsible business conduct.

At Schumacher Packaging, we view remediation of negative impacts on value chain workers as an important aspect of our corporate responsibility. We are dedicated to continuously improving our approach and working collaboratively with all stakeholders to promote positive change within our value chain.

Disclosure of specific channels in place for value chain workers to raise concerns or needs directly with undertaking and have them addressed

The ideal way to raise concerns for the value chain employees is not yet implemented, but is planned to be implemented. We are now working on the whistleblowing procedure in our social media and in Code of Conduct sharing and promoting.

Right now the whistleblower procedure exists, the part of suppliers are aware of it and we are ready to register all the suppliers' whistleblowers calls through all the possible channels, including:

- phone calls;
- social media information;
- email communication;
- paper letters,

being either anonymous, or containing personal data, being publicly available, or sent directly to Schumacher Packaging Sp. But for the time being the procedure is not widely spread within the value chain workers within Social Media or Code of Conduct.

Disclosure of processes through which undertaking supports or requires availability of channels

The channels dedicated to raising concerns in our supply chain are the same as in case of own workforce. The availability of channels is checked during the ESG-based audits, which are the part of our audit program. The channels are being supported resource-wise in full by the Management Board.

Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

The effectiveness of channels is ensured by the ESG audits

Disclosure of how it is assessed that value chain workers are aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

Right now we do not assess the awareness of the value chain workers

Disclosure of timeframe for channel or processes for raising concerns to be in place in case the undertaking has not adopted a general process for engagement

1. The change of the audit procedure in a way that will include the communication with the suppliers’ employees, with the questions containing the feedback issues whether they aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

Time of implementation Q4, 2024.

2. The analysis of the ESG report of our key suppliers (part ESRS S1 “Own workforce”) with the perspective of the suppliers’ own workforce concerning the engagement issues.

Time of implementation Q4, 2026.

Grievances are treated confidentially and with respect to rights of privacy and data protection

The grievances are executed on a basis of the Whistleblowers procedure. The procedure includes the GDPR limitations implied on the data elaboration. The limitations concerning GDPR and data privacy are also the part of our Business Ethics Policy.

Value chain workers are allowed to use anonymously channels to raise concerns or needs

The Whistleblowers procedure of Schumacher Packaging includes the possibility of the anonymous whistleblowing in the following formats:

- e-mail report;
- written report.

The above-mentioned also includes the case of the suppliers’ employees, along with own workforce, the members of local communities, the clients’ workforce, the consumers and end-users.

S2-4. Taking action on material impacts on value chain workers and approaches to mitigating material risks and exploiting material opportunities related to value chain workers and the effectiveness of these actions

Action plans and resources to manage its material impacts, risks, and opportunities related to value chain workers [see ESRS 2 - MDR-A]

Table S2-4-01. Actions planned and underway

No	Disclosure of key action	Scope of key action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Development of new supplier self-assessment surveys with all ESRS scopes included	Suppliers Other stakeholders	Underway 20%	Short-term 2024	Enhanced Awareness: The implementation of new self-assessment surveys with comprehensive ESRS scopes can increase suppliers’ awareness of environmental, social, and ethical issues impacting their workforce, leading to greater attention to these areas within their operations.	Time and Personnel: Dedicated time and personnel resources from the sustainability and procurement departments to collaborate on developing self-assessment surveys, including conducting research, drafting questions, and reviewing survey responses. Supplier Engagement: Resources for engaging with suppliers to communicate the purpose and importance of the self-assessment surveys, solicit their feedback on survey design, and encourage their participation in the assessment process.

No	Disclosure of key action	Scope of key action	Status	Time horizon / Year	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
2	Development of new supplier audit questionnaires including all ESRs scopes	Suppliers Other stakeholders	Underway 20%	Short-term 2024		Internal Expertise: Utilization of internal expertise from the sustainability, procurement, and compliance departments to provide insights into ESRs requirements and ensure alignment of audit questionnaires with organizational goals and industry standards. Possible stakeholder Collaboration: Collaboration with key stakeholders, including suppliers, NGOs, to gather input on the development of audit questionnaires, incorporate diverse perspectives, and enhance the credibility and effectiveness of the audit process.

Table S2-4-02. Actions implemented

No	Disclosure of key action, Scope of action	Term of completion	Whether and how action has been taken to provide or enable remedy in relation to actual material impact	Financial and other resources
1	Start of cooperation with Integrity Next on the topic of supplier evaluation	2023	Enhanced Transparency: Collaboration with Integrity Next for supplier evaluation promotes transparency in supply chain practices, allowing for greater visibility into suppliers' adherence to ethical and social responsibility standards and their treatment of their workforce.	Licensing Fees: Budget allocation for subscribing to Integrity Next's supplier evaluation platform. Training: Investment in training sessions and onboarding programs for internal teams responsible for using Integrity Next's platform, ensuring they understand its functionalities and can effectively leverage it for supplier evaluation. Time and Personnel: Dedicated time and personnel resources from the procurement, sustainability, and compliance departments to liaise with Integrity Next, establish protocols for data exchange.
2	Development of new policies regarding cooperation with suppliers and with consideration of supplier employees at the Group level	2023	Accountability: Clear policies establish accountability mechanisms for both the company and suppliers, outlining consequences for non-compliance with ethical and social responsibility standards, thereby incentivizing adherence to best practices in workforce management.	Internal Communication Channels: Resources for disseminating new policies to relevant stakeholders across the organization, providing training and guidance on policy implementation, and fostering understanding and buy-in from employees at all levels.

Description of internal functions that are involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts

The functions involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts:

- Procurement Manager;
- R&D Manager (responsible for tool procurement);
- Head of Sustainability and CSR Group;
- Management Board Quality System Representative.

The types actions undertaken systematically:

- 1) Regular ESG evaluation of suppliers.
- 2) Regular supplier audits including ESG factors.
- 3) Organization of self-evaluation of suppliers.

S2-5. Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

Target S2-01.

Relationship with policy objectives	Objective: Achieve 100% suppliers signing our Supplier Code of Conduct
Measurable target	Percentage of suppliers signing the new version of code of conduct
Nature of target	Target has the features of social, governance and environmental components
Description of scope of target	Object scope:

	<p>- Geographically the scope is global, because the audited firms are from the different countries [as of 31.12.2023 we have only audited European Union (EU)enterprises].</p> <p>- Operationally the scope concerns the upstream supply chain and our company. Due to the interest of our clients in these audits, we can assume the downstream part of the chain of custody as a part of the object scope</p> <p>- Temporally the goal is long-term</p> <p>Subject scope: External stakeholders: customers, suppliers, rating agencies. Internal stakeholders: management, procurement departments.</p>
Baseline value	0%
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	60% (2024) – only for most important suppliers [see methodology]
Description of methodologies and significant assumptions used to define target	<p>Methodology: We send the Code of Conduct to our 1st tier suppliers. It is the responsibility of procurement-oriented departments. Upon 31.12 the above-mentioned departments send the information on the outcome: how many suppliers have signed the Code of Conduct. The quality system department and Head of CSR analyze outcome and sum the separate results from the different departments. The assumptions are: Supplier Willingness and Capability: It is assumed that suppliers will be willing and able to understand, agree to, and comply with the terms outlined in the Supplier Code of Conduct. This includes the expectation that suppliers have the necessary resources and infrastructure to meet the requirements set forth in the code. Internal Resources and Support: The company will allocate sufficient internal resources, including personnel and budget, to effectively communicate, implement, and monitor the Supplier Code of Conduct. This also involves providing adequate training and support to suppliers to facilitate their understanding and compliance. Client and other Stakeholder Interest: The target assumes continued interest and pressure from clients and other stakeholders, including rating agencies, to ensure that suppliers adhere to high standards of conduct. This external pressure is expected to motivate both the company and its suppliers to prioritize signing and complying with the code. Audit and Verification Processes: Effective and efficient audit and verification processes will be in place to monitor supplier compliance with the code. This includes the capability to conduct thorough and regular audits globally, not just within the European Union, as the scope expands. Technological and Operational Feasibility: The implementation of the code and subsequent monitoring is assumed to be technologically and operationally feasible for both the company and its suppliers. This includes the availability and adoption of necessary technologies to facilitate compliance tracking and reporting. Economic Stability: The target assumes a stable economic environment where suppliers are financially capable of making any necessary adjustments or investments to comply with the Supplier Code of Conduct without jeopardizing their business operations. Supplier Turnover and Continuity: The assumption is that there will be low turnover among key suppliers and that relationships with important suppliers will remain stable. This continuity is critical to achieving and maintaining the target percentage of signatories to the code. Long-term Commitment: Both the company and its suppliers are expected to have a long-term commitment to ethical and sustainable practices as outlined in the Supplier Code of Conduct. This commitment is vital to achieving the target over the specified period. Baseline Accuracy: The baseline value of 36% from 2019 is assumed to be accurate and reflective of the actual situation at that time, providing a reliable starting point for measuring progress towards the target.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-02.

Relationship with policy objectives	Objective: Achieve 100% suppliers signing our Supplier Code of Conduct
Measurable target	Percentage of important suppliers signing the code of conduct
Nature of target	Target has the features of social, governance and environmental components
Description of scope of target	<p>Object scope: - Geographically the scope is global, because the audited firms are from the different countries [as of 31.12.2023 we have only audited European Union (EU)enterprises].</p> <p>- Operationally the scope concerns the upstream supply chain and our company. Due to the interest of our clients in these audits, we can assume the downstream part of the chain of custody as a part of the object scope</p> <p>- Temporally the goal is long-term</p> <p>Subject scope:</p>

	External stakeholders: customers, suppliers, rating agencies. Internal stakeholders: management, procurement departments.
Baseline value	100%
Baseline year	2023
Period to which target applies	Not applicable from 2024
Indication of milestones or interim targets	Not applicable from 2024
Description of methodologies and significant assumptions used to define target	<p>Methodology: We send the Code of Conduct to our 1st tier suppliers. It is the responsibility of procurement-oriented departments. Upon 31.12 the above-mentioned departments send the information on the outcome: how many suppliers have signed the Code of Conduct. The quality system department and Head of CSR analyze outcome and sum the separate results from the different departments. The assumptions are:</p> <p>Supplier Willingness and Capability: It is assumed that suppliers will be willing and able to understand, agree to, and comply with the terms outlined in the Supplier Code of Conduct. This includes the expectation that suppliers have the necessary resources and infrastructure to meet the requirements set forth in the code.</p> <p>Internal Resources and Support: The company will allocate sufficient internal resources, including personnel and budget, to effectively communicate, implement, and monitor the Supplier Code of Conduct. This also involves providing adequate training and support to suppliers to facilitate their understanding and compliance.</p> <p>Client and other Stakeholder Interest: The target assumes continued interest and pressure from clients and other stakeholders, including rating agencies, to ensure that suppliers adhere to high standards of conduct. This external pressure is expected to motivate both the company and its suppliers to prioritize signing and complying with the code.</p> <p>Audit and Verification Processes: Effective and efficient audit and verification processes will be in place to monitor supplier compliance with the code. This includes the capability to conduct thorough and regular audits globally, not just within the European Union, as the scope expands.</p> <p>Technological and Operational Feasibility: The implementation of the code and subsequent monitoring is assumed to be technologically and operationally feasible for both the company and its suppliers. This includes the availability and adoption of necessary technologies to facilitate compliance tracking and reporting.</p> <p>Economic Stability: The target assumes a stable economic environment where suppliers are financially capable of making any necessary adjustments or investments to comply with the Supplier Code of Conduct without jeopardizing their business operations.</p> <p>Supplier Turnover and Continuity: The assumption is that there will be low turnover among key suppliers and that relationships with important suppliers will remain stable. This continuity is critical to achieving and maintaining the target percentage of signatories to the code.</p> <p>Long-term Commitment: Both the company and its suppliers are expected to have a long-term commitment to ethical and sustainable practices as outlined in the Supplier Code of Conduct. This commitment is vital to achieving the target over the specified period.</p> <p>Baseline Accuracy: The baseline value of 36% from 2019 is assumed to be accurate and reflective of the actual situation at that time, providing a reliable starting point for measuring progress towards the target.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-03.

Relationship with policy objectives	Objective: Sending the presentation to suppliers that takes into account our approach to the importance of the worker safety in the supply chain
Measurable target	Number of suppliers receiving the worker safety presentation
Nature of target	Social-related target (with significant governance influence)
Description of scope of target	<p>Object scope: Geographically: The scope is global, as our supply chain includes suppliers from multiple countries. Operationally: The scope concerns the entire supply chain, including all tiers of suppliers involved in providing materials, products, or services. Temporally: The goal is short-term, aiming for initial dissemination followed by regular updates.</p> <p>Subject scope: External stakeholders: Suppliers, contractors, and regulatory bodies. Internal stakeholders: Employees, management, procurement departments, and the CSR team.</p>
Baseline value	Presentation sent to 0 suppliers
Baseline year	2023
Period to which target applies	2024
Indication of milestones or interim targets	70% of important suppliers in 2024 100% of suppliers by 2028

Description of methodologies and significant assumptions used to define target	<p>Methodology: The number of suppliers receiving the worker safety presentation will be tracked and recorded by the procurement department. Data collection will involve distribution logs, email tracking, and supplier acknowledgments. The methodology includes developing the presentation content, identifying all suppliers in the supply chain, and utilizing communication channels to ensure delivery. Follow-up communications will verify receipt and understanding of the presentation.</p> <p>Assumptions: Suppliers have reliable communication channels to receive and review the presentation. The company will allocate necessary resources to develop a comprehensive and engaging presentation on worker safety. Suppliers will be willing to engage with the material and integrate worker safety practices into their operations. Regulatory and market conditions will support the emphasis on worker safety, encouraging suppliers to comply. Internal departments will collaborate effectively to identify all relevant suppliers and ensure timely delivery of the presentation. There will be no significant disruptions (e.g., technological issues, geopolitical events) that hinder the dissemination process.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-04.

Relationship with policy objectives	Objective: Sending the presentation to suppliers that takes into account our approach to the importance of the well-being of the employees in the supply chain
Measurable target	Percentage of suppliers receiving the well-being presentation
Nature of target	Social-related target (with significant governance influence and potential environmental impact)
Description of scope of target	<p>Object scope: Geographically: The scope is global, as our supply chain includes suppliers from multiple countries. Operationally: The scope concerns the entire supply chain, including all tiers of suppliers involved in providing materials, products, or services. Temporally: The goal is short-term, aiming for initial dissemination followed by regular updates. Subject scope: External stakeholders: Suppliers, contractors, and regulatory bodies. Internal stakeholders: Employees, management, procurement departments, and the CSR team.</p>
Baseline value	0% of suppliers informed
Baseline year	2023
Period to which target applies	2024
Indication of milestones or interim targets	70% of important suppliers in 2024 100% of suppliers by 2028
Description of methodologies and significant assumptions used to define target	<p>Methodology: The number of suppliers receiving the well-being presentation will be tracked and recorded by the procurement department. Data collection will involve distribution logs, email tracking, and supplier acknowledgments. The methodology includes developing the presentation content, identifying all suppliers in the supply chain, and utilizing communication channels to ensure delivery. Follow-up communications will verify receipt and understanding of the presentation.</p> <p>Assumptions: Suppliers have reliable communication channels to receive and review the presentation. The company will allocate necessary resources to develop a comprehensive and engaging presentation on employee well-being. Suppliers will be willing to engage with the material and integrate well-being practices into their operations. Regulatory and market conditions will support the emphasis on employee well-being, encouraging suppliers to comply. Internal departments will collaborate effectively to identify all relevant suppliers and ensure timely delivery of the presentation. There will be no significant disruptions (e.g., technological issues, geopolitical events) that hinder the dissemination process. Importance of supplier is defined by the appropriate procurement department</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-05.

Relationship with policy objectives	Objective: Sending the presentation to suppliers that takes into account our approach to the importance of the fair labor practices among value chain workers.
Measurable target	Number of suppliers receiving the fair labor practices presentation
Nature of target	Social-related target (with significant governance influence and potential environmental impact)
Description of scope of target	Object scope:

	<p>Geographically: The scope is global, as our supply chain includes suppliers from multiple countries.</p> <p>Operationally: The scope concerns the entire supply chain, including all tiers of suppliers involved in providing materials, products, or services.</p> <p>Temporally: The goal is short-term, aiming for initial dissemination followed by regular updates.</p> <p>Subject scope:</p> <p>External stakeholders: Suppliers, contractors, and regulatory bodies.</p> <p>Internal stakeholders: Employees, management, procurement departments, and the CSR team.</p>
Baseline value	0 suppliers informed
Baseline year	2023
Period to which target applies	2024
Indication of milestones or interim targets	70% of important suppliers in 2024 100% of suppliers by 2028
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>The number of suppliers receiving the fair labor practices presentation will be tracked and recorded by the procurement department.</p> <p>Data collection will involve distribution logs, email tracking, and supplier acknowledgments.</p> <p>The methodology includes developing the presentation content, identifying all suppliers in the supply chain, and utilizing communication channels to ensure delivery.</p> <p>Follow-up communications will verify receipt and understanding of the presentation.</p> <p>Assumptions:</p> <p>Suppliers have reliable communication channels to receive and review the presentation.</p> <p>The company will allocate necessary resources to develop a comprehensive and engaging presentation on fair labor practices.</p> <p>Suppliers will be willing to engage with the material and integrate fair labor practices into their operations.</p> <p>Regulatory and market conditions will support the emphasis on fair labor practices, encouraging suppliers to comply.</p> <p>Internal departments will collaborate effectively to identify all relevant suppliers and ensure timely delivery of the presentation.</p> <p>There will be no significant disruptions (e.g., technological issues, geopolitical events) that hinder the dissemination process.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-06.

Relationship with policy objectives	Objective: Develop and implement a comprehensive monitoring system to check the labor practices across the value chain by 2027, using the ESRS Report officially published up to the CSRD Directive (concerning a part of the enterprises which undergo CSRD Directive)
Measurable target	Percentage of enterprises with monitored labor practices across the value chain
Nature of target	Social-related target (with major governance influence and potential environmental impact)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is global, as the labor practices across the value chain involve enterprises in multiple countries.</p> <p>Operationally: The scope concerns the entire value chain, including all tiers of suppliers and contractors.</p> <p>Temporally: The goal is long-term, aiming for full implementation by 2027 and continuous monitoring thereafter.</p> <p>Subject scope:</p> <p>External stakeholders: Suppliers, contractors, regulatory bodies, and industry groups.</p> <p>Internal stakeholders: Employees, management, CSR team, procurement, and compliance departments.</p>
Baseline value	The existing system is only partly CSRD compliant, though the system takes into account more than 90% of important suppliers
Baseline year	2023
Period to which target applies	2027
Indication of milestones or interim targets	<p>2024: Develop and accept at the management board the project of the comprehensive monitoring system.</p> <p>2025: Start a pilot project to include 10% of enterprises in the value chain.</p> <p>2026: Achieve monitoring of 40% of enterprises in the value chain.</p> <p>2027: Full implementation, monitoring 100% of enterprises subject to the CSRD Directive.</p> <p>Interim target (2024):</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>The monitoring system will be developed using the guidelines and standards set by the ESRS Report and CSRD Directive.</p> <p>Data will be collected through regular audits, supplier self-assessments, and third-party verification.</p> <p>The methodology includes defining key labor practice indicators, training auditors, and establishing a centralized data management system to track compliance.</p> <p>Annual reports will be generated to review progress and make necessary adjustments.</p> <p>Assumptions:</p>

	<p>Enterprises will have the necessary resources and willingness to comply with the monitoring system requirements.</p> <p>The ESRS Report and CSRD Directive guidelines will remain consistent and provide clear direction for labor practice standards.</p> <p>Collaboration between internal departments (CSR, procurement, compliance) will be effective and coordinated.</p> <p>Technological infrastructure will support the efficient collection, analysis, and reporting of data.</p> <p>External factors, such as geopolitical stability and market conditions, will not significantly disrupt the implementation process.</p> <p>Stakeholders, including suppliers and contractors, will actively participate in the monitoring process and provide accurate information.</p> <p>Regular updates and training will be conducted to ensure continuous improvement and adaptation to new regulations or standards.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-07.

Relationship with policy objectives	Objective: Yearly audits of minimum 4 enterprises with the questions concerning labor and human rights issues
Measurable target	Number of ESG-based audits conducted per year
Nature of target	Target has the features of social, governance and environmental components
Description of scope of target	<p>Object scope:</p> <ul style="list-style-type: none"> - Geographically the scope is global, because the audited firms are from the different countries [as of 31.12.2023 we have only audited European Union (EU)enterprises]. - Operationally the scope concerns the upstream supply chain and our company. Due to the interest of our clients in these audits, we can assume the downstream part of the chain of custody as a part of the object scope - Temporally the goal is long-term <p>Subject scope:</p> <p>External stakeholders: customers, suppliers, rating agencies. Internal stakeholders: management, procurement departments.</p>
Baseline value	4
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	Interim target (2024): 5 audits
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Identify and select enterprises within the company's network for audit based on predetermined criteria, ensuring a diverse and representative sample.</p> <p>Develop audit protocols and questionnaires specifically tailored to assess compliance with labor and human rights standards.</p> <p>Assign trained auditors to conduct on-site audits, thoroughly documenting findings and assessing adherence to established standards.</p> <p>Utilize feedback mechanisms and follow-up procedures to address any identified non-compliance issues and monitor progress towards improvement.</p> <p>Assumptions:</p> <p>Adequate resources and personnel are available to conduct audits as scheduled.</p> <p>Audited enterprises are cooperative and transparent during the audit process, providing necessary access to information and facilities.</p> <p>Continuous monitoring and improvement mechanisms are in place to enhance the effectiveness of audit procedures and ensure compliance with labor and human rights standards.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S2-08.

Relationship with policy objectives	Objective: Minimum 80% of suppliers being self-assessed minimum 1 time in 3 years
Measurable target	Percentage of important suppliers being self-assessed minimum 1 time in 3 years
Nature of target	The target is of mostly social origins with some Governance impact
Description of scope of target	<p>Object scope:</p> <ul style="list-style-type: none"> - Geographically the scope is global, because the firms assessed are from the different countries [as of 31.12.2023 it is only European Union (EU), European Free Trade Association (EFTA) and the European Economic Area (EEA)]. - Operationally the scope concerns the whole company, does not concern the supply chain. - Temporally the goal is long-term <p>Subject scope:</p> <p>External stakeholders: customers, end-users, clients. Internal stakeholders: employees, management, shareholders.</p>
Baseline value	60% of the suppliers self-assessed
Baseline year	2023
Period to which target applies	2030

Indication of milestones or interim targets	Interim targets (2024): 70% (including 30% of suppliers being self-assessed in 2024 using the new questionnaire)
Description of methodologies and significant assumptions used to define target	Methodology: We analyze the 3-year period backwards (sent & answered questionnaires) in order to take into account the 3 subsequent years. The data is sent by the procurement department (it is different in each case: for example the cliché is bought by R&D, recruitment services – by Personnel department). The control is executed by the Management Board Representative for Quality System. The assumptions are: a) we take into account 3 full calendar years. b) the number of suppliers is taken to be equal the number of suppliers by the end of the last analyzed year. c) which supplier is important is set commonly by (1) The procurement departments managers, (2) the Management Board Representative for Quality System, (3) Head of Sustainability and CSR Group
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Table S2-05-01. The Supply Chain Workers Target report

#	Name of the target	Target value	Interim target for 2024	2023 value
S2-01	Percentage of all suppliers signing the new version of Schumacher Packaging code of conduct	100%	60%	0%
S2-02	Percentage of important suppliers signing the Schumacher Packaging code of conduct	Not applicable	Not applicable	100%
S2-03	Number of suppliers receiving the worker safety presentation	100%	70% of important suppliers	0
S2-04	Number of suppliers receiving the well-being presentation	100%	70% of important suppliers	0
S2-05	Number of suppliers receiving the fair labor practices presentation	100%	70% of important suppliers	0
S2-06	Number of enterprises with monitored labor practices across the value chain	100%	5%	90% with limitations (not fully compatible with CSRD demands)
S2-07	Number of ESG-based audits conducted per year	6	5	4
S2-08	Percentage of important suppliers being self-assessed minimum 1 time in 3 years	80%	70% (including 30% of suppliers being self-assessed in 2024 using the new questionnaire)	60%

Disclosure of how stakeholders have been involved in target setting

We directly involve personnel, clients in this target-setting process. We make it by the personal communication with the clients, we make it within CSR working group inside our company.

We inform our suppliers about our decisions.

However from Q1 2025 we will engage all the stakeholder groups in the target-setting.

Description of any changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

This is the first year we report in ESRS / CSRD format, so we will report on this issue in the next annual ESG report.

S2- SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business model

All value chain workers who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

We assess only 1st tier of suppliers' own workforce as possible materially impacted persons which are included in these and linked disclosures.

Description of types of value chain workers subject to material impacts

We assume both employees and non-employees of the 1st tier suppliers as the persons potentially influenced by the material impacts.

Type of value chain workers subject to material impacts by own operations or through value chain

1) We assume both employees and non-employees of the 1st tier suppliers as the persons potentially influenced by the material impacts within the value chain operations.

2) In a case that our 1st tier suppliers would execute work at the premises of Schumacher Packaging Sp. z o.o. (for example the repair workers or the builders) they also are potentially impacted. In this case they might be potentially undergoing the same impacts as the Schumacher packaging Sp. z o.o. own workforce.

Disclosure of geographies or commodities for which there is significant risk of child labour, or of forced or compulsory labour, among workers in undertaking's value chain

During the audits or within the other forms of suppliers' analysis Schumacher Packaging has never met a case of child labor, forced or compulsory labor within our supply chain. All of the companies of our supply chain are situated in Poland, Germany, Belgium, Spain and other countries of the European Union, European Free Trade Association (EFTA) and the European Economic Area (EEA). None of these countries has not many incidents of child labor, compulsory and forced labor according to the ILO data concerning the forced and compulsory labor: [https://en.wikipedia.org/wiki/List_of_countries_by_child_labour_rate], [<https://webapps.ilo.org/flodashboard/>]. Our clients are also situated only in the European Union, European Free Trade Association (EFTA) and the European Economic Area (EEA). Therefore we assume that no operations within our supply chain have a material risk of child labor, forced or compulsory labor incident.

Disclosure of whether and how the undertaking has developed an understanding of how workers with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.

For better understanding of our suppliers workers' risks we use self-assessment questionnaires which includes the part concerning the employees in the value chain. The Integrity Next database used by Schumacher Packaging

Disclosure of which of material risks and opportunities arising from impacts and dependencies on value chain workers are impacts on specific groups

Material impacts, and appropriate targets and actions concerning workers in the supply chain

Material impact description	A great percentage of Schumacher Packaging suppliers do not analyze impacts, risks and opportunities related to ESG issues
Positive or negative	Negative
Sustainability matter	Workers in the supply chain
Effects of the impact	Reduced trust and collaboration with clients, higher operational risks, potential non-compliance with regulatory requirements, and damage to company reputation.
Status of occurrence (potential current)	Current
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Value chain
Measurable target	Percentage of suppliers signing the new version of code of conduct
Nature of target	Target has the features of social, governance and environmental components
Description of scope of target	Object scope: - Geographically the scope is global, because the audited firms are from the different countries [as of 31.12.2023 we have only audited European Union (EU)enterprises]. - Operationally the scope concerns the upstream supply chain and our company. Due to the interest of our clients in these audits, we can assume the downstream part of the chain of custody as a part of the object scope - Temporally the goal is long-term Subject scope: External stakeholders: customers, suppliers, rating agencies. Internal stakeholders: management, procurement departments.
Baseline value	0%
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	60% (2024) – only for most important suppliers [see methodology]
Description of methodologies and significant assumptions used to define target	Methodology: We send the Code of Conduct to our 1 st tier suppliers. It is the responsibility of procurement-oriented departments. Upon 31.12 the above-mentioned departments send the information on the outcome: how many suppliers have signed the Code of Conduct. The quality system department and Head of CSR analyze outcome and sum the separate results from the different departments. The assumptions are: Supplier Willingness and Capability: It is assumed that suppliers will be willing and able to understand, agree to, and comply with the terms outlined in the Supplier Code of Conduct. This includes the expectation

	<p>that suppliers have the necessary resources and infrastructure to meet the requirements set forth in the code.</p> <p>Internal Resources and Support: The company will allocate sufficient internal resources, including personnel and budget, to effectively communicate, implement, and monitor the Supplier Code of Conduct. This also involves providing adequate training and support to suppliers to facilitate their understanding and compliance.</p> <p>Client and other Stakeholder Interest: The target assumes continued interest and pressure from clients and other stakeholders, including rating agencies, to ensure that suppliers adhere to high standards of conduct. This external pressure is expected to motivate both the company and its suppliers to prioritize signing and complying with the code.</p> <p>Audit and Verification Processes: Effective and efficient audit and verification processes will be in place to monitor supplier compliance with the code. This includes the capability to conduct thorough and regular audits globally, not just within the European Union, as the scope expands.</p> <p>Technological and Operational Feasibility: The implementation of the code and subsequent monitoring is assumed to be technologically and operationally feasible for both the company and its suppliers. This includes the availability and adoption of necessary technologies to facilitate compliance tracking and reporting.</p> <p>Economic Stability: The target assumes a stable economic environment where suppliers are financially capable of making any necessary adjustments or investments to comply with the Supplier Code of Conduct without jeopardizing their business operations.</p> <p>Supplier Turnover and Continuity: The assumption is that there will be low turnover among key suppliers and that relationships with important suppliers will remain stable. This continuity is critical to achieving and maintaining the target percentage of signatories to the code.</p> <p>Long-term Commitment: Both the company and its suppliers are expected to have a long-term commitment to ethical and sustainable practices as outlined in the Supplier Code of Conduct. This commitment is vital to achieving the target over the specified period.</p> <p>Baseline Accuracy: The baseline value of 36% from 2019 is assumed to be accurate and reflective of the actual situation at that time, providing a reliable starting point for measuring progress towards the target.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply
Action to manage target	Development of new supplier self-assessment surveys with all ESRs scopes included
Scope of action	Global supply chain
Status of action	Underway
Time horizon of action	Short-term
Year of completion of action	2024
How action has been taken to provide or enable remedy in relation to actual material impact	Engagement with suppliers through workshops and training sessions to ensure understanding and compliance. Regular audits and feedback mechanisms to monitor progress and address issues promptly.
Financial and other resources	Allocated budget for developing and implementing the code of conduct, training programs, audit processes, and necessary technological infrastructure. Internal team dedicated to managing supplier relationships and ensuring compliance.

Material risks & opportunities, and appropriate targets and actions concerning workers in the supply chain

Material risk / opportunity description	Image losses (as a result - financial losses) when our company's supplier has lawsuits or court verdicts regarding respect for human rights
Risk or opportunity	Risk
Sustainability matter	Human rights in the supply chain
Scenarios/forecasts that are deemed likely to materialize	<p>Negative Publicity: Media coverage of suppliers' human rights violations leading to negative publicity.</p> <p>Loss of Trust: Customers and investors losing trust in the company, leading to a decrease in sales and stock value.</p> <p>Regulatory Scrutiny: Increased scrutiny and potential penalties from regulatory bodies.</p> <p>Operational Disruptions: Disruption in supply chain operations due to legal battles and required adjustments to supplier relationships.</p>
Potential material financial effects related to sustainability matters	<p>Revenue Loss: Decreased sales due to damaged reputation and loss of customer trust.</p> <p>Increased Costs: Higher costs for finding and transitioning to compliant suppliers.</p> <p>Legal Fees: Significant legal expenses related to defending against lawsuits and managing public relations crises.</p> <p>Investor Confidence: Lower investor confidence leading to reduced stock prices and higher costs of capital.</p>

	Market Position: Deterioration in market position as competitors exploit the negative publicity.
Status of occurrence (potential current)	Potential
Time horizon (short-term up to 1 year medium-term 1-5 years long term 5+ years)	Medium-term
Occurrence of impact (Company Product Value Chain)	Value Chain
Measurable target	Number of suppliers undergoing human rights compliance audits annually (ultimate target for 2030 is 7)
Nature of target	Social and governance
Description of scope of target	Object scope: Geographical: Global, as suppliers are from different countries. Operational: Upstream supply chain and the company's operations. Temporal: Long-term Subject scope: External stakeholders: Customers, suppliers, regulatory bodies, and investors. Internal stakeholders: Management, procurement departments, and CSR teams.
Baseline value	0%
Baseline year	2023
Period to which target applies	2030
Indication of milestones or interim targets	3 suppliers (2024) – initially focusing on high-risk suppliers [see methodology]
Description of methodologies and significant assumptions used to define target	Methodology: Conducting human rights compliance audits for 1st tier suppliers, managed by procurement departments. Yearly assessments reported in Q1. Assumptions: Supplier Cooperation: Suppliers will cooperate and comply with audit requirements. Internal Support: Adequate internal resources will be allocated to manage and support the audit process. Stakeholder Pressure: Ongoing pressure from clients and regulatory bodies to maintain high human rights standards. Audit Processes: Effective audit and verification mechanisms in place. Technological Feasibility: Availability of necessary technologies to track and report compliance. Economic Stability: Economic stability allowing suppliers to make necessary adjustments. Supplier Continuity: Stable relationships with key suppliers
Target related to environmental matters is based on conclusive scientific evidence	Does not apply
Action to manage target	Implementation of comprehensive supplier human rights audits within ESG audits
Scope of action	Global supply chain
Status of action	Underway
Time horizon of action	Medium-term
Year of completion of action	2025
How action has been taken to provide or enable remedy in relation to actual material risk / opportunity	Establishing clear communication channels and support systems for suppliers to address human rights issues and ensure compliance.
Financial and other resources	Allocated budget for audits, training programs for suppliers, and internal personnel dedicated to managing supplier relationships and ensuring compliance.

S3. Communities affected by the plant



Figure S3-0-1. The Box of Life. Schumacher Packaging product for senior people with illnesses from the local communities

S3-1. Policies related to affected communities

Description of relevant human rights policy commitments relevant to affected communities

The policy which is the most relevant in the case of the local and other affected communities is the Local and other Affected Communities Policy.

The general approach in relation to engagement with affected communities is based upon the following set of key principles:

Stakeholder Engagement: We are committed to open and transparent communication with local communities and other stakeholders. We actively seek their input, feedback, and participation in decision-making processes that may affect them. Through regular dialogue and consultation, we aim to build trust, address concerns, and identify opportunities for collaboration.

Respect for Human Rights: We uphold the fundamental human rights of all individuals, including those living in communities affected by our operations. We strive to ensure that our activities do not infringe upon or compromise the rights, dignity, or well-being of community members. This includes respecting cultural heritage, land rights, and traditional livelihoods.

Socioeconomic Development: We recognize our role in contributing to the socioeconomic development of local communities. Through various initiatives and partnerships, we seek to enhance access to education, healthcare, employment, and economic opportunities. We prioritize local hiring, procurement, and capacity-building efforts to empower community members and promote inclusive growth.

Environmental Stewardship: We are committed to minimizing the environmental impact of our operations on local communities and ecosystems. Through responsible resource management, pollution prevention, and sustainable practices, we strive to protect biodiversity, conserve natural resources, and mitigate climate change. We engage with communities to raise awareness of environmental issues and promote conservation efforts.

Community Investment: We allocate resources to support community development projects and initiatives that address identified needs and priorities. These investments may include infrastructure development, skills training programs, health and sanitation initiatives, and support for small-scale enterprises. We seek to leverage our expertise, resources, and networks to create lasting positive impacts on the quality of life and well-being of community members.

Remediation and Redress: In cases where human rights impacts are identified, we are committed to taking prompt and appropriate remedial actions to address the harm caused. This may include providing compensation, restitution, rehabilitation, or other forms of remedy to affected individuals or communities.

Crisis Management and Conflict Resolution: In the event of conflicts or crises arising from our operations (it may include either human rights impacts or environmental impacts, or the impacts resulting from the governance behavior), we are committed to resolving disputes through peaceful and constructive means. We prioritize dialogue, mediation, and negotiation to find mutually acceptable solutions that uphold the interests of all interested parties involved. We recognize the importance of building resilience and fostering social cohesion to prevent and manage conflicts effectively.

Some of the issues which are adjacent to the local communities are the part of the Labor and Human Rights Policy. This Policy considers the employees also mostly being part of the local community. The Policy's approach includes: **Fair and Ethical Labor Practices, including Work-Life Balance and Working Hours:** Schumacher Packaging ensures that all its employees are provided with fair wages, safe working conditions, and opportunities for professional growth and development.

The company strictly adheres to labor laws and regulations in all the regions where it operates. We understand the critical importance of maintaining a healthy work-life balance for the well-being and productivity of our employees. We are committed to creating a work environment that respects and prioritizes reasonable working hours in accordance with the law, ensuring that our team members can thrive both professionally and personally.

Non-discrimination and Inclusion: Schumacher Packaging promotes a workplace culture that is inclusive and free from discrimination. We value diversity and actively work to create an environment where people of all backgrounds are respected and included.

Child and Forced Labor: The company has a zero-tolerance policy for child and forced labor in our operations, as well in the operations of our suppliers.

Supply Chain Responsibility: Schumacher Packaging extends its commitment to human rights and labor standards to our suppliers. We work closely with suppliers to ensure they meet the same ethical standards in the area of labor and human rights. We diligently screen and monitor our supply chain to ensure that no irresponsible labor and human rights practices are involved in the production of the raw materials, tools and in the conduction of services.

Rights of Women: We proudly stand as advocates for equality and diversity, recognizing the fundamental importance of upholding and promoting the rights of women in our workplace and beyond. We believe in fostering an inclusive environment that champions gender equality, empowering women to thrive both personally and professionally.

Rights of Minorities: We acknowledge the significant importance of upholding and safeguarding the rights of minority individuals. We view diversity not only as a fundamental value but as a dynamic catalyst that propels innovation, creativity, and excellence throughout our organization. Our dedication is unwavering in ensuring the protection of minority rights, extending our commitment to cultivating a culture of inclusion, fairness, and mutual respect both within our workplace and in the broader community. The rights of migrant workers are the main topic of the Migrant Workers Rights Policy.

Community Engagement: Beyond our own operations, Schumacher Packaging actively engages with the communities where we operate. We support local development initiatives and strive to have a positive impact on the communities we are a part of.

Transparency and Reporting: The company regularly publishes corporate social responsibility reports that detail their efforts in promoting labor and human rights. These reports are easily accessible to the public and stakeholders. Beginning from 2025 we will publish ESRS-compatible reports.

Continuous Improvement: Schumacher Packaging is dedicated to ongoing improvement in labor and human rights practices. We conduct regular audits, assessments, and seek feedback from employees, partners, and other stakeholders to make necessary adjustments and enhancements to our approach.

Disclosure of general approach in relation to respect for human rights

The general approach in relation to respect for human rights is based upon the following key principle:

Respect for Human Rights: We uphold the fundamental human rights of all individuals, including those living in communities affected by our operations. We strive to ensure that our activities do not infringe upon or compromise

the rights, dignity, or well-being of community members. This includes respecting cultural heritage, land rights, and traditional livelihoods.

Disclosure of general approach in relation to engagement with affected communities

The general approach in relation to engagement with affected communities is based upon the following key principle:

Stakeholder Engagement: We are committed to open and transparent communication with local communities and other stakeholders. We actively seek their input, feedback, and participation in decision-making processes that may affect them. Through regular dialogue and consultation, we aim to build trust, address concerns, and identify opportunities for collaboration.

Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

From the above-mentioned key principles of the undertaking's approach the following concern remedy for human rights impacts:

Remediation and Redress: In cases where human rights impacts are identified, we are committed to taking prompt and appropriate remedial actions to address the harm caused. This may include providing compensation, restitution, rehabilitation, or other forms of remedy to affected individuals or communities.

Crisis Management and Conflict Resolution: In the event of conflicts or crises arising from our operations (it may include either human rights impacts or environmental impacts, or the impacts resulting from the governance behavior), we are committed to resolving disputes through peaceful and constructive means. We prioritize dialogue, mediation, and negotiation to find mutually acceptable solutions that uphold the interests of all interested parties involved. We recognize the importance of building resilience and fostering social cohesion to prevent and manage conflicts effectively.

Description of how policies are aligned with relevant internationally recognized instruments

The Local and Other Affected Communities Policy is aligned with *OECD Guidelines for Multinational Enterprises, in particular:*

II. General Policies: A3. Enterprises should encourage local capacity building through close co-operation with the local community, including business interests, as well as developing the enterprise's activities in domestic and foreign markets, consistent with the need for sound commercial practice.

All the points of above-shown Approach (Stakeholder Engagement, Respect for Human Rights, Socioeconomic Development, Environmental Stewardship, Community Investment, Crisis Management and Conflict Resolution) are directly linked to the mentioned OECD General Policy.

For instance, the undertaking,

- a) In the framework of **Stakeholder Engagement** takes part in the double materiality assessment, engaging the local communities representatives, taking part and organizing the local events and charity actions;
- b) As a part of Human Rights aspect of our Policy, we are constantly monitoring the human rights issues, and up to now we had no issues connected to the human rights within our relations with the affected communities. Within the Universal Declaration of Human Rights obligations we are implementing several projects focused on human rights issues, such as Lessons with Schumacher and Cardboard Patronage (Article 26. Everyone has the right to education) or Support for the Oratory in Środa Śląska and Support for the Krzyzowa-Music Chamber Music Festival (Article 27. Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits)
- c) We are taking part in a **Socioeconomic Development** of the local communities, for instance in a form of above-mentioned educational projects or monitoring of the targets concerning the employment of people from the local community.
- d) Within **Environmental Stewardship** issues we execute a lot of projects, as for example planting of the trees in a local forestry or the environmental lessons within the Lessons with the Schumacher.
- e) As a part of **Community Investment** Schumacher Packaging invests in skill training programs (as shown above) or, for instance, Sponsorship of the Handicraft Workshop at the District Alternative Culture Center in Środa Śląska or Support of the "SENIOR+" Senior Day House.
- f) We monitor the statistics of human rights incidents connected to our company in communication with local communities, and yet we had no serious problems that needed remediation practices or crisis management to be initiated, but we are ready to use these procedures.

The community engagement of Schumacher Packaging has also direct links with UN Global Compact. Namely:

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. It was shown above (b) that we are fully committed to human rights and are acting in accordance with the Universal Declaration of Human Rights
- Principle 2: Make sure that they are not complicit in human rights abuses. Upon monitoring the indicator in 2023, the current value is 0.
- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. These issues are monitored in our Labor and Human Rights Policy, and in 2023 Schumacher Packaging Sp. z o.o. had no accident related to these issues.
- Principle 4: The elimination of all forms of forced and compulsory labor. These issues are also monitored in our Labor and Human Rights Policy, and in 2023 Schumacher Packaging Sp. z o.o. had no accident related to these issues.
- Principle 5: The effective abolition of child labor. The issues of the child labor are also monitored in our Labor and Human Rights Policy, and in 2023 Schumacher Packaging Sp. z o.o. had no accident related to these issues.
- Principle 6: The elimination of discrimination in respect of employment and occupation. The discrimination is also the part of the Schumacher Packaging Labor and Human Rights Policy, and in 2023 Schumacher Packaging Sp. z o.o. had no accident related to these issues.
- Principle 7: Businesses should support a precautionary approach to environmental challenges. The stand-alone Environmental Policy introduces the risk approach to the environmental issues. We are assessing the environmental risks including those which may cause harm to the local communities.
- Principle 8: Undertake initiatives to promote greater environmental responsibility. Within the Local and other Affected Communities Policy we stress the issue of Environmental Stewardship, and we wrote about some of the projects concerning it above in the article (d)
- Principle 9: Encourage the development and diffusion of environmentally friendly technologies. Schumacher Packaging invest in green technologies, including those, positively influencing the local communities. Among these we can mention the solar plant, which is currently in a project phase.
- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. The indicators and targets concerning corruption and bribery are the part of Business Ethics Policy.
- Disclosure of explanations of significant changes to policies adopted during reporting year

The main change of the policies is their official adoption in a written format by the Management Board of the mother company, Schumacher Packaging GbmH, with a clear definition of the approach.

The LOCAL AND OTHER AFFECTED COMMUNITIES Group-level Policy Approach and Top-management commitments (with objectives):

THE APPROACH OF THE GROUP TOWARDS THE LOCAL AND OTHER AFFECTED COMMUNITIES

At Schumacher Packaging we recognize the profound impact our operations have on local and other affected communities. We are committed to engaging with and supporting the affected communities in a manner that is transparent, respectful, and mutually beneficial. Our approach is guided by the principles of sustainability, social responsibility, and ethical conduct. We believe that by actively listening to the needs and concerns of local and other affected communities, we can foster positive relationships and contribute to sustainable development.

Key Principles:

Stakeholder Engagement: We are committed to open and transparent communication with local communities and other stakeholders. We actively seek their input, feedback, and participation in decision-making processes that may affect them. Through regular dialogue and consultation, we aim to build trust, address concerns, and identify opportunities for collaboration.

Respect for Human Rights: We uphold the fundamental human rights of all individuals, including those living in communities affected by our operations. We strive to ensure that our activities do not infringe upon or compromise the rights, dignity, or well-being of community members. This includes respecting cultural heritage, land rights, and traditional livelihoods.

Socioeconomic Development: We recognize our role in contributing to the socioeconomic development of local communities. Through various initiatives and partnerships, we seek to enhance access to education, healthcare, employment, and economic opportunities. We prioritize local hiring, procurement, and capacity-building efforts to empower community members and promote inclusive growth.

Environmental Stewardship: We are committed to minimizing the environmental impact of our operations on local communities and ecosystems. Through responsible resource management, pollution prevention, and sustainable practices, we strive to protect biodiversity, conserve natural resources, and mitigate climate change. We engage with communities to raise awareness of environmental issues and promote conservation efforts.

Community Investment: We allocate resources to support community development projects and initiatives that address identified needs and priorities. These investments may include infrastructure development, skills training programs, health and sanitation initiatives, and support for small-scale enterprises. We seek to leverage our expertise, resources, and networks to create lasting positive impacts on the quality of life and well-being of community members.

Remediation and Redress: In cases where human rights impacts are identified, we are committed to taking prompt and appropriate remedial actions to address the harm caused. This may include providing compensation, restitution, rehabilitation, or other forms of remedy to affected individuals or communities.

Crisis Management and Conflict Resolution: In the event of conflicts or crises arising from our operations (it may include either human rights impacts or environmental impacts, or the impacts resulting from the governance behavior), we are committed to resolving disputes through peaceful and constructive means. We prioritize dialogue, mediation, and negotiation to find mutually acceptable solutions that uphold the interests of all interested parties involved. We recognize the importance of building resilience and fostering social cohesion to prevent and manage conflicts effectively.

By adhering to these principles and practices, we aim to be a responsible company and a trusted partner in the communities where we operate. We are committed to continuous improvement, accountability, and transparency in our interactions with local and other affected communities. Together, we strive to create shared value and contribute to sustainable development for the benefit of present and future generations.

In the area of interaction with the local communities Schumacher Packaging acts accordingly with OECD Guidelines for Multinational Enterprises, in particular:

II. General Policies

A3. Enterprises should encourage local capacity building through close co-operation with the local community, including business interests, as well as developing the enterprise’s activities in domestic and foreign markets, consistent with the need for sound commercial practice.

We also are guided by UN Global Compact Principles in the interaction processes between Schumacher Packaging and the local and other affected communities.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	GOALS	TERM	Responsible
1	CSR training of the local community members	The Group is committed to the regular training of the local communities members on CSR topics	The initiation of the first Wulf Schumacher projects in the years 2024-2025: „Cardboard patronage” and “Lessons with Schumacher”	2025	Marketing (Poland)
2	Compliance with local requirements	We comply with all local government requirements and regularly assess changes in requirements and the level of compliance	Zero fines or penalties imposed by local authorities	2024	CEOs of the Plants
3	Awareness	Regular training of the staff concerned on local communities’ issues	Introduction of periodic training on local communities theme 1 time per year from 2024 for all the persons engaged	2024	Head of CSR
4	Skills development	Delivering training and development programs that enhance the skills of the local workforce	Increase of the number of training hours by 15% (2022 as a base year)	2029	Personnel department

No	SCOPE	COMMITMENT	GOALS	TERM	Responsible
5	Collaboration with local suppliers	Attracting local suppliers and collaborating businesses, which increases local economic activity	Keep the percentage of the suppliers form the local communities at the level of 2022	2028	Procurement
6	Employment	Creating jobs for local residents, which helps to reduce unemployment.	Keep the percentage of the employees form the local communities at the level of 2022	2028	Personnel department
7	Human rights	We support and respect the protection of internationally proclaimed human rights in interaction with the local communities. We make sure that we are not complicit in human rights abuses.	Functioning of 3 programs of human rights protection in interaction with the local communities	2027	Head of CSR

S3-2. Impact engagement processes for affected communities

Disclosure of how perspectives of affected communities inform its decisions or activities aimed at managing actual and potential impacts

During the risks, chances and impact analysis we analyze the short-, mid-, and long-term perspectives of affective communities may be supported or undermined by Schumacher Packaging actions/projects. For example, the main projects in an educational area (Lessons with Schumacher and Cardboard Patronage) were originated due to the many issues, but one of them is the demographic one: the last years the number of the inhabitants of the nearest smaller cities is increasing (Miękinia and Środa Śląska). This demographic trend needs to be addressed, especially if we combine this with another trend: there is a huge increase in the number of industrial companies in the vicinity. Therefore the educational projects with the environmental core were approved as the right approach to address the two trends at the same time.

Engagement occurs with affected communities or their legitimate representatives directly, or with credible proxies

Our undertaking takes part in a direct communication with the members of the affected communities, local authorities, local organizations. This is the part of the organizations engaged in cooperation with Schumacher Packaging in our common initiatives:

For example, the following foundations:

- Foundation for the Support of Non-Governmental Organizations "Umbrella"
- Polish Technology Development Center Foundation

four schools:

- Primary School in Miękinia
- Elementary School in Bukowiec
- Elementary School No. 4 in Chelmno
- Elementary School No. 21 in Grudziądz

Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

The engagement occurs at several stages:

A) The filling-in of the questionnaire (as a part of double materiality process) is executed by the communities' stakeholders upon request of Schumacher Packaging. We plan to make this process annual.

B) The regular contacts with the interested parties representing communities trying to understand the needs of the affected communities' representatives. The regularity in this case differs, sometimes it is annual, sometimes it can be done not regularly.

C) The contacts directly with the members of the local communities. The example is the contacts with primary school children during our projects Lessons with Schumacher and Cardboard Patronage. These direct contacts help to understand directly the needs of the stakeholders. The other example is for instance the direct contacts with people during the sporting events and charity activities.

The regularity of this contacts is equal to the regularity of the events.

Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

The highest role within the company which has the operational responsibility that the local communities engagement happens is the Head of Management Board. The head of the management board of Schumacher Packaging Sp. z o.o. is at the same time the Head of the management board of the Wulf Schumacher Foundation. The head of the management board is also responsible for the annual and monthly analysis of the results of application of the approach of the company.

Disclosure of how the undertaking assesses the effectiveness of its engagement with affected communities

The effectiveness of engagement of the company with affected communities is checked regularly by using the measurable indicators | targets. During this process in the nearest future (see lower) we will implement the satisfaction survey on two levels:

- a) The local authorities, schools, NGOs, other legal bodies representing different parts of the local communities;
- b) The members of the local communities personally.

Disclosure of how effectiveness of engagement with affected communities is assessed

We assess the effectiveness of our engagement by the measurable targets which are mentioned in this part of the report.

We also monitor the state of risks and the change of risk status.

The additional way is a feedback from the engaged parties belonging to affected communities.

Disclosure of steps taken to gain insight into perspectives of affected communities that may be particularly vulnerable to impacts and (or) marginalized

We analyze the perspectives during the risk analysis, taking into account the trends and the feedback of our local stakeholders.

We are communicating with the employees, local authorities, the vulnerable groups of people in order to understand the future profile of our actions to help the specific groups.

For example, in communication with the local authorities we find the specific cases of people endangered or the institutions like orphan houses which extremely need help or are vulnerable right now, in order to invest in this specific issues immediately.

But the annual risk analysis may help us to understand the future possible trends concerning vulnerable groups change, that helps us to prepare the mid- and long-term plans of investments in the local communities.

Disclosure of timeframe for adoption of general process to engage with affected communities in case the undertaking has not adopted a general process for engagement

The process is generally implemented. The lacking part of the process are:

- a) the above-mentioned 2-level satisfaction survey of the local communities, which will be implemented not later than in 2025-2026;
- b) The mid- and long-term plan of investments in local community based upon the risk, opportunities and impact analysis, which will be implemented in 2024-2025.

Type of role or function handling with engagement

The persons of Schumacher Packaging Sp. z o.o. most engaged in the community issues are:

- the head of the management board;
- The management board office coordinator;
- Head of Marketing.

The first two of the mentioned persons are the management board members of the charity organization Foundation named after Wulf Schumacher.

The persons directly engaged in community issues are also the whole marketing department employees and occasionally other persons. The head of Sustainability and CSR and the management board Representative for quality are engaged mostly in the analysis of the community engagement.

S3-3. Processes to address negative impacts and channels for affected communities to raise concerns

Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has identified that it connected with a material negative impact on affected communities

In a case when the undertaking has identified that there is a material negative impact on an affected community, there must be a decision on a level of the Management Board (if needed - the acceptance of the mother company Managements board must be obtained) that the company is obliged undertake the measures to hinder or eliminate the above-mentioned material negative impacts. At that moment the plan of such a remedy must be created. The responsibility for implementation of such a plan differs as either the problem origin, or the scale, or the remedy costs are substantially varying. The common issue is always the fact that the Marketing department must be involved or informed. In case that some investments might be made, the involvement of Director for Investments of Schumacher Packaging Sp. z o.o. is obligatory. The Management Board assigns the person responsible for the remedy plan and the possible timeline. The remedy plan must be made up within a defined period by the working group with the person in charge appointed by the Management Board. The Management board approves the remedy plan, but in the case of wide investment plan, the mentioned remedy plan needs to be approved additionally by the mother company's Management Board. The possible contribution of some local bodies to the remedy is being proposed by Schumacher Packaging Sp. z o.o. Management Board or the Management Board of Wulf Schumacher Foundation and should be then accepted by the mentioned bodies themselves.

Upon the implementation of the plan, the impact / risk profile must be re-assessed by the Head of Sustainability and CSR Group or the Management Board Representative for the Quality System.

Disclosure of specific channels in place for affected communities to raise concerns or needs directly with undertaking and have them addressed

There are several direct channels , each of them might be equally effectively and efficiently used.

The main channel is the direct contact to marketing department.

Other channels:

- comments and messages send by our official Social Media
- communication with the Wulf Schumacher Foundation
- online form, available through the internet-site of Group Schumacher Packaging
- the head of the management board of Schumacher Packaging Sp. z o.o. - for either the personal contact directly or with a mediation of the Management Board office assistant

Disclosure of processes through which undertaking supports or requires availability of channels

a) The direct contact to marketing department. It is promoted on the official social media channels of Schumacher Packaging Poland (Telephone 71 397 71 00 and e-mail kontakt@fundacja-schumacher.pl). Our marketing department is controlling the availability of this information at the social media.

b) Communication with the Wulf Schumacher Foundation (address available in the Foundation social media: kontakt@fundacja-schumacher.pl). The Member of Management Board of Wulf Schumacher Foundation is responsible for the channel.

c) Online form, available through the internet-site of Group Schumacher Packaging. The procedure includes the Mother Company Schumacher Packaging GmbH. The responsibility of Schumacher Packaging GmbH is to send the incoming messages to the appropriate Plants (for Plant Wroclaw the address is Marketing department). At the Wroclaw plant these messages are being sent to the appropriate departments by Marketing.

Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

The raised issues are being discussed within the Working Group on Social Responsibility or directly by the Head of the Management board with the persons that she appoints. The follow-up actions are executed by the departments within their area of responsibility. For example, R&D is engaged in designing the packaging intended for the charity purposes; the Personnel department is engaged in the community-oriented training issues. The effectiveness of the communication channels is ensured by the constant use and with "2 pair of eyes" method (for example that the email is being addressed to the group addresses), that ensures check or double check of effectiveness.

Disclosure of how it is assessed that affected communities are aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

Schumacher Packaging has the possibility to communicate with the local communities regularly, with different members and representatives of such communities. The contacts are being made not only by Schumacher Packaging, but also by our partners from the local communities. We are planning to make a written procedure of such communication in 2024-2025, including the question of sharing the whistleblowing procedure with the local communities stakeholders.

Disclosure of timeframe for channel or processes for raising concerns to be in place

Generally the processes are implemented. The lacking part in a form of a written procedure of communication with the local communities will be worked out in 2024-2025

Grievances are treated confidentially and with respect to rights of privacy and data protection

There is a whistleblower procedure functioning at our Plant which concerns not only the internal stakeholders, but also external, including the stakeholders from the affected communities. In 2023 there was no cases of the use of this procedure, but yet Schumacher Packaging is in position to use it. The responsibility for this procedure implementation is laying on Personnel Department.

Affected communities are allowed to use anonymously channels to raise concerns or needs

There is a whistleblower procedure functioning at our Plant, which also includes the possibilities of availability of anonymous channels of raising concerns or needs. One of these channels concerns anonymous e-mail channel, which gives a possibility for whistleblowers to send the concerns from anonymous e-mail account. The other anonymous channel is the anonymous phone call, and the third - anonymous letter. All the anonymous claims or needs must be addressed to the Personnel Department

S3-4. Taking action on significant impacts to affected communities and approaches to mitigating significant risks and exploiting significant opportunities associated with affected communities and the effectiveness of these actions

Table S3-4-01. Actions concerning affected communities

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
1	Noble Parcel 2023 – PLN 155.2 Including: cartons - PLN 37.2 cans - PLN 40 Christmas trees with gifts written on them – PLN 75	Charity work		2018, 2019, 2020, 2021, 2022, 2023	2024	Improving the living conditions of a selected family from Środa County	X	
2	Support LKS Odra Głóska 2023 - PLN 18,000	Support for local communities		2018, 2019, 2020, 2021, 2022, 2023		Tennis sports activities - organization of free time for children and teenagers, increasing their sports activity	X	
3	Support for the Oratory in Środa Śląska 2023 - PLN 6,000	Support for local communities		2018, 2019, 2020, 2021, 2022, 2023		Organization of free time for children and young people, increasing their sports activity	X	X
4	Support for WOŚP – collection in the company	Charity work		2019, 2020, 2021, 2022, 2023	2024	Purchase of medical equipment for hospitals in Poland		
5	Funding for Runmageddon	Charitable activities Taking care of employees' health		2018, 2019, 2020, 2021		Organization of employees' free time, increase in their sports activity		
6	Co-financing for the Corporate Run 2023 - PLN 2,785	Charitable activities Taking care of employees' health		2018- 2023		Organization of employees' free time, increase in their sports activity		

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
7	Funding for the Survival Race 2023 - PLN 2,386.27	Charitable activities Taking care of employees' health		2018, 2019, 2022, 2023		Organization of employees' free time, increase in their sports activity		
8	Support of UKS Miękinia Commune 2023 - PLN 42,000	Support for local communities		2020,2021, 2022, 2023		Organization of free time for children and young people, increasing their sports activity	x	
9	Support for the Schumacher Packaging football team (sponsorship of sports uniforms and tournaments) – 2023 - PLN 28,800	Taking care of employees' health. Pro-employee activities		2018- 2023		Organization of employees' free time, increase in their sports activity		
10	Co-financing of the Poland Business Run 2023 - PLN 1,150	Charitable activities Taking care of employees' health		2018- 2023		Organization of employees' free time, increase in their sports activity		
11	family picnic 2023 - PLN 262,894.73	Pro-worker action		2018, 2019, 2023		Organization of free time for employees and their families, integration		
12	Organization of an integration game for employees	Pro-worker action		2018, 2022, 2023		Employee integration		
13	Bike Marathon sponsorship (2023 – additional production of boxes for starter packages) 2023 - PLN 12,900 including: PLN 7,500 sponsorship PLN 5,400 boxes (1,800 pcs. PLN 3/pcs.)	Charitable activities Taking care of employees' health		2018, 2022, 2023		Promoting sports activities	x	
14	Cooperation with students of the Wrocław University of Science and Technology	Support for local communities		2018, 2022		Supporting innovation and young talents		
15	Donating the cardboard to the Academy of Fine Arts in Wrocław 2023 – PLN 2,125 - 500 pcs. of formats	Support for local communities		2018, 2022, 2023	2024 PLN 2,125 - 500 pcs. formats	Supporting innovation and young talents		x
16	Meetings with Schumacher Packaging anniversaries 2023 – PLN 87,324 including: PLN 69,797 – gifts PLN 17,527 – dinner	Pro-worker action		2018, 2019, 2020,2021, 2022, 2023	2024	Thanks for their work		
17	Company Bicycle Rally 2023 - PLN 3,984	Charitable activities Taking care of employees' health		2021, 2022, 2023	2024 free package from 2023	Promoting sports activities and employee integration		
18	Creation and maintenance of a mobile library for employees (replenishing library resources at least once a year) 2023 – second-hand books	Pro-worker action		2021, 2022, 2023	2024 second-hand books	Popularizing reading among employees. An opportunity to meet people who like to read and are willing to expand their reading horizons.		
19	Production of "Boxes of Life" for local GOPS - over 500 pcs.	Charitable activities Supporting local communities		2022		Support for the elderly, sick and needy.		
20	Donating cardboard to the Wrocław University of Science and Technology for the project of Dr. Eng. Arch. Jerzy Łątka - House of Paper 2023 – PLN 844	Charity work		2022, 2023		Support for innovative research on the project of creating paper houses for the needy, the poor and those affected by natural disasters.		x
21	Donating cardboard to the Wrocław University of Science and Technology for educational projects for students of Dr. Eng.Arch. J. Łątki 2023 – PLN 844	Charity work		2022, 2023		Support for innovative educational activities for students		x

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
22	Support of the Unia Przygody 4x4 Association	Support for local communities		2021, 2022		Promoting sports activities of the local community and company employees.		
23	Support for Wośpowisko organized by Unia Przygody 4x4 2023- PLN 1,500	Charity work		2021,2022, 2023	2024 PLN 2,565 (TV and a pack of gadgets)	Financial and material support for actions organized for WOŚP through the 4x4 Union	X	
24	Co-financing for employees for the Ślężański Half Marathon – 4 packages 2023 - PLN 500	Charitable activities Taking care of employees' health		2022, 2023		Organization of employees' free time, increase in their sports activity.		
25	Planting trees - Miękinia Commune	Supporting local communities Taking care of the environment Reducing CO ₂ eq emissions		2022, 2023	2024	Combining employee integration with caring for the local environment.		
26	Lessons with Schumacher - educational lessons for primary schools 2023 – PLN 15,730.50 including: gifts for children - PLN 8,369 employee costs – PLN 6,071.5 3D cardboard puzzles – PLN 1,290	Support for local communities		2020,2021, 2022, 2023	2024 <i>Lessons with Schumacher from 2024 are conducted by the Foundation. Wulf Schumacher</i>	Supporting the education of the youngest from the local community on topics related to recycling, especially paper, caring for the natural environment, the importance of education and learning foreign languages.	X	
27	Creating a "Small Ads" board for employees	Pro-worker action		2022		Mutual exchange of help among employees.		
28	Support for charity collections for sick and disabled people from the Miękinia commune 2023 – PLN 369.3 including: PLN 240 - 30 cardboard cans for a charity festival PLN 129.3 - 30 boxes for a charity festival	Charitable activities Supporting local communities		2022, 2023	2024	Treatment support	X	
29	Running a LinkedIn social media channel informing about the company's activities regarding Sustainable Development	Marketing - sharing information about CSR with interested parties		2021, 2022, 2023	2024	a function that informs and promotes sustainable development		
30	Running a YouTube social media channel informing about the company's activities regarding Sustainable Development	Marketing - sharing information about CSR with interested parties		2022, 2023	2024	a function that informs and promotes sustainable development		
31	Running a social media channel - Facebook informing about the company's activities regarding Sustainable Development	Marketing - sharing information about CSR with interested parties		2020,2021, 2022, 2023	2024	a function that informs and promotes sustainable development		
32	Running a social media channel - Instagram, informing about the company's activities regarding Sustainable Development	Marketing - sharing information about CSR with interested parties		2020,2021, 2022, 2023	2024	a function that informs and promotes sustainable development		
33	The Shared Hope Foundation provides financial support for a child suffering from brain cancer	Charitable activities Supporting local communities		2022		Treatment support		

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
34	Cooperation with Allegro - promoting ecological behavior - production of a series of films and posts in social media (2023 - webinar and joint speech during Packaging Innovations Trade Fair Krakow)	Environmental protection activities		2022, 2023		Education and promotion of ecological attitudes		
35	"The First Day of Summer" campaign - ice cream stand for employees	Pro-employee activities		2022		Taking care of employee well-being and integration		
36	Sponsorship of the "Schumacher Cup" day organized by UKS Miękinia	Support for local communities		2021, 2022		Taking care of the activity and recreation of children of local communities.		
37	Sponsorship of the Handicraft Workshop at the District Alternative Culture Center in Środa Śląska 2023 - PLN 3,600	Support for local communities		2023		Support for the local community and creative activities	x	x
38	Collection of food and gifts for TOZ Shelter for Homeless Animals in Wrocław 2023 - PLN 17 - 3 x "Schumacher with Heart" box (PLN 3.72 /1 pc.) and a cardboard kennel	Charity work		2023		Support for an animal shelter		
39	Support for the "SENIOR+" Senior Home in Środa Śląska - donation of a tablet 2023 - PLN 500	Support for local communities		2023		Support for the elderly, sick and needy.	x	x
40	Support for the "SENIOR+" Senior Home in Środa Śląska - donation of 3D cardboard puzzles 2023 - PLN 1,000 (200x PLN 5)	Support for local communities		2023		Support for the elderly, sick and needy	x	x
41	Donation of cardboard formats for the Primary School in Miękinia (3x format 2.5x1.5m with a base) 2023 - PLN 75	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	x	
42	Donation of 3D cardboard puzzles to the Primary School in Miękinia 2023 - PLN 250 (50x PLN 5)	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	x	
43	Support for the "SIERŚCIUCHY" Association in Środa Śląska - donation of cardboard collection boxes 2023 - PLN 77.30	Charity work		2023		Support for activities for animals		
44	Handover of cardboard formats to ZSP No. 10 in Wrocław 2023 - approximately 50 formats - PLN 212.50	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.		x
45	Presentation of prizes for the 1st District Nature and Ecological Competition of classes II and III at Primary School No. 3 in Środa Śląska 2023 - PLN 218.75 (gadgets)	Support for local communities		2023		Supporting the activities of children from the local community.	x	x

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
46	Support for Children's Day in Wróblowice - donation of 3D cardboard puzzles and sponsorship of a stand with cotton candy and popcorn - 2023 – PLN 1,350 including: PLN 1,200 snack stand PLN 150 3D cardboard puzzles (30x PLN 5)	Support for local communities		2023		Support of the local community Support for educational workshops for children	X	
47	Donation of cardboard houses and cardboard formats to the Association of Families and Friends of the Oratory in Środa Śląska 2023 – PLN 109	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	X
48	Donation of 3D cardboard puzzles to the Udanin commune 2023 – PLN 150 (30x PLN 5)	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	
49	Donating 3D cardboard puzzles to the village of Źródła 2023 – PLN 852 including: cardboard palm trees – PLN 75 3D cardboard puzzles – PLN 750 (150x PLN 5)	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	
50	Handing over cardboard formats to Primary School No. 2 in Kąty Wrocławskie 2023 – approximately 50 formats – PLN 212.50	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	
51	Handing over cardboard formats to Public Kindergarten No. 1 in Środa Śląska 2023 – approximately 50 formats – PLN 212.50	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	X
52	Handing over Christmas boxes to Public Kindergarten No. 1 in Środa Śląska 2023 – PLN 420	Support for local communities		2023		Organizing children's free time, stimulating their imagination and motor skills.	X	X
53	Support for the Municipal Social Welfare Center in Miękinia - donation of gifts as part of the "Parcel for Seniors" campaign 2023 – PLN 5,310	Support for local communities		2023		Support for the elderly, sick and needy.	X	
54	Organizing charity collections for employees and their families 2023 - PLN 80 - collection cans (10x PLN 8)	Pro-worker action		2023	2024	Support in difficult life situations		
55	Workshops for students of the International University of Logistics and Transport in Wrocław 2023 – gadgets (32 sets) – PLN 719.04 including: leash – 41.28 tab – 38.08 hat – 639.68	Support for student education		2023	2024	Supporting the education of high school and university students from Wrocław.		X
56	Support for the Krzyżowa – Music Chamber Music Festival 2023 – PLN 5,000	Charitable activities		2022, 2023		Support for the opening concert of the festival		

#	Disclosure of key action	Scope of action	Completed / underway / planned (as of 31.12.2023)	Years of completion for the completed or regular actions	Time horizon & Term of realization (for actions planned and underway)	An anticipated or realized positive impact on the environment or society, especially the local community	Rural area	Urban area
57	Installation of an AED defibrillator in the reception building, registered in the Staying application Alive 2023 - PLN 5,470	Charitable activities		2023		Support of the local community and passers-by	X	X
58	Workshops for students of the Academic Secondary School at the Wrocław University of Science and Technology	Support for student education		2023	2024	Supporting the education of high school and university students from Wrocław.		X
59	Support for the Pajacyk Program of the Polish Humanitarian Action by purchasing Pluxee gift cards	Charitable activities		2023		Charitable activities		

Examples of the actions for the local communities:

1) Project “Lessons with Schumacher” (Lekcje z Schumacherem) – pro-environmental education of the local primary schools’ pupils [at the Schumacher Packaging Sp. z o.o. territory]

[<https://youtu.be/ry-2T5gehe8?si=BKQv0e-F4csfRYcl>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02wUhgX3mjTVBWS8734ngf5XeWCpWE9PXg5DXXtTNzFpYL6Aw73LuZy7GVmyH2uzMPI>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02AcZ2S5hhCGSXdzNN96wvUfEBNh6aAYnKZCnny51itgGi1JAT8PN35ZA25v4zoum4l>]

[<https://www.facebook.com/watch/?v=1090603265247076>]

[<https://www.facebook.com/watch/?v=1099068318118180>]

2) Sports events organized or sponsored by Schumacher Packaging

[<https://www.facebook.com/uksgmsiatkowka/posts/pfbid02cE8xiyMwohEPUyRnDHe5ENoa8U9F7GfzmvRMmmXB9FwkKnX37WbcZ3FK8UDrcrp5l>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid08Z5TgMHK9iZgk7eAsNT4ge15Fc4w9gLdD8jo1PzSpptPUiRdwRR5ACnpFW8B4peyl>]

3) Sponsoring of cultural events

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid06uX5AFxcfeNZJtap2vhRWY7m29h9gFn8LeSHhVfafQcgwQbVytXfy1Cwg8mYRRs4l>]

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0281WpaZGHRMNB7VwT3FadhGnY6H2wb25dnsmWnTgnMt6HX3Li7WufATLYChDFSokl>]

4) Workshops and other similar events for the communities

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0vuq8L2rdcNNmXNcRgEaQsTmdFFjN5Uc694dYoKdLebK9uouWFHDY79EjqdKjonxTI>]

5) Health support for the local communities

5.1. AED for everybody who is in critical condition nearby

At Schumacher Packaging, we care about safety, which is why we have installed two AED (Automated External Defibrillator) defibrillators at the Wrocław Plant. We count on this investment to help in emergency cardiac arrest situations and create a safe working environment.

But this is not the end! Our efforts go one step further. One of the defibrillators has been registered with the global Staying Alive app, which means it is available to the entire local community and passersby. You can find it in the gatehouse building on State Road 94

The AED defibrillators are another step in achieving the Sustainable Development Goals.

It is an expression of our concern for good health and quality of life.

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02Kx8Fm7S4ygrUwHYHCSqismyaUDrfZnie57wKAANLWnTAHBFKJN5Wi2k98WLh95I>]

5.2. Ultrasonography for children in the municipality

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0KwUJw7oaqrYQE3PAETneGA4yhBGkP5LWsKSHwophTeV9beE8YAnuHsRnzECqEK6LI>]

6) Use of our packaging not as a product for sale, but for charity purposes (being a part of some greater activities / projects)

6.1. Packaging for the Noble Parcel initiative

[<https://www.facebook.com/watch/?v=2312515782282398>]

6.2. Support for the Senior Residents of the local communities

[<https://www.facebook.com/watch/?v=6347395865299054>]

[<https://www.facebook.com/watch/?v=256626583840033>]



Figure S3-4-1. Schumacher Packaging volunteers visit to the Senior citizens' home

6.3. Pet houses

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid02DuEWowUC8R3SimuC1eHWXkL3iqgJ3vxdmJ9xdSHDqjV8V4PhgViV7KTJuWTf8vil>]

7) Training for the Wroclaw College of Logistics students

[<https://www.facebook.com/SchumacherPackagingPolska/posts/pfbid0H8e1jhrWob16f1n623wSPPjTYvZZuMyfBLqYcfXZSjVEm3BS9ThkurwUaeAB5EI>]

8) Cardboard Patronage project (Tekturowy patronat) - - pro-environmental education of the local primary schools' pupils [at the schools' territory]

[<https://www.facebook.com/FundacjaImWulfaSchumachera/posts/pfbid0g354AxT5VJm7gXrxjvAFFiPd4D3FdP5ytkjfEtJPHGHAiA4kM2rdW8zkjwmqTgZl>]

8.1. Within Cardboard Patronage we also made some giveaways of the training materials for the primary schools' pupils called "Edubox"

EduBox „Paper“

[<https://www.facebook.com/FundacjaImWulfaSchumachera/posts/pfbid0Z5Rvm8bA5M8DsnzTqZa3kscrCnVrzscFtesLZWYjSjnf6y3yNYzEtyzzkjHNfGsWI>]

EduBox "Biodiversity"

[<https://www.facebook.com/FundacjaImWulfaSchumachera/posts/pfbid02QvSUvvHz32pKS8jRLgPwCyBd7rHKsszXayhitD9FVv5cuywsckDXhxqFbEu6at8KI>]

9) Forest Holiday with tree planting

[<https://www.facebook.com/watch/?v=187352047033064>]

Description of internal functions that are involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts

The functions involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts:

- Head of Management Board
- Management Board Assistant;
- Marketing Manager;
- Head of Sustainability and CSR Group;
- Management Board Quality System Representative.

The types actions undertaken systematically:

- 1) Organization of regular pro-social and pro-environmental actions and projects.
- 2) Proactive analysis of materiality of aspects (local and other affected communities’ part)

S3-5. Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

Targets set to manage material impacts, risks and opportunities related to affected communities [see ESRS 2 - MDR-T]

Target S3-01.

Relationship with policy objectives	Objective: The initiation of the first Wulf Schumacher projects in the years 2024-2025: „Cardboard patronage” and “Lessons with Schumacher”
Measurable target	Launch and initial implementation of two projects: “Cardboard patronage” and “Lessons with Schumacher” within the Wulf Schumacher foundation (2 projects)
Nature of target	Social-related target (primarily focused on community engagement and educational impact), but the content of both of the educational programs is rather environmental
Description of scope of target	Object scope: Geographically: The scope is national: Wulf Schumacher foundation operates at the communities close to the Schumacher Packaging Polish production sites, both paper mills and cardboard production plants. Operationally: The scope concerns the departments responsible for community outreach, corporate social responsibility, and educational partnerships. Temporally: The goal is short-term, covering the year 2024. Subject scope: External stakeholders: Local communities, educational institutions, non-profit organizations, and project beneficiaries. Internal stakeholders: Employees, Wulf Schumacher foundation, Schumacher Packaging Sp. z o.o. Management Board.
Baseline value	1 of the projects started
Baseline year	2023
Period to which target applies	2024
Indication of milestones or interim targets	2023 Q4: Project planning and stakeholder engagement Q4: Finalization of project frameworks and resource allocation Q4: Launch of “Cardboard patronage” Q4: Re-Launch of “Lessons with Schumacher” through Schumacher Packaging Foundation 2024 Q4: Initial evaluation and feedback collection for “Lessons with Schumacher” Q3-Q4: Continuous monitoring and adjustment of both projects based on feedback
Description of methodologies and significant assumptions used to define target	Methodology: The initiation of the projects will be measured by the successful completion of key milestones, such as planning, resource allocation, and official project launches. Regular monitoring and evaluation will be conducted through internal reviews, stakeholder feedback, and impact assessments. Data collection will involve progress reports from project teams, feedback from participants. Assumptions: The projects will receive the necessary funding and resources from the company. There will be active collaboration and support from external stakeholders, including educational institutions and community organizations. Potential risks, such as delays or logistical challenges, will be effectively managed and mitigated. Feedback and evaluation processes will provide accurate and actionable insights for project adjustments.

Target related to environmental matters is based on conclusive scientific evidence	Does not apply
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Target S3-02.

Relationship with policy objectives	Objective: Zero fines or penalties imposed by local authorities
Measurable target	Number of fines or penalties imposed by local authorities
Nature of target	Governance-related target (with major social influence, slight possibility of environment-related issues)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, pertaining to all areas where the company operates and is subject to local regulations.</p> <p>Operationally: The scope concerns the entire company, including all operational departments and facilities but excludes third-party suppliers and contractors.</p> <p>Temporally: The goal is long-term, aiming to sustain zero fines or penalties over an extended period.</p> <p>Subject scope:</p> <p>External stakeholders: Local regulatory authorities, community members, and local businesses.</p> <p>Internal stakeholders: Employees, management, compliance officers, and shareholders.</p>
Baseline value	0 fines or penalties
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 fines or penalties (measured annually)
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>The number of fines or penalties will be recorded based on official documentation from local authorities.</p> <p>Data collection will involve reports from the compliance department, legal department, and relevant operational units.</p> <p>The methodology includes regular audits, compliance checks, and training sessions to ensure adherence to local regulations.</p> <p>An annual review of records from local authorities and internal compliance reports will be conducted to measure the target.</p> <p>Assumptions:</p> <p>All fines or penalties will be transparently reported and recorded by local authorities and internal departments.</p> <p>The company will maintain effective communication and cooperation with local regulatory bodies. Regulatory requirements and standards will remain consistent, with any changes being promptly addressed by the company.</p> <p>Potential delays in the reporting or recording of fines or penalties by local authorities will be considered in the annual review.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S3-03.

Relationship with policy objectives	Objective: Introduction of periodic training on local communities theme 1 time per year from 2024 for all the persons engaged
Measurable target	Number of periodic training on local communities' theme conducted annually
Nature of target	Social-related target (with significant influence on community engagement and corporate governance)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, encompassing local community region where the company operates directly.</p> <p>Operationally: The scope concerns the entire company, including the engaged persons, departments and the Foundation, ensuring all relevant personnel participate in the training.</p> <p>Temporally: The goal is long-term, with training sessions to be conducted annually starting from 2024.</p> <p>Subject scope:</p> <p>External stakeholders: Local communities, community leaders, and local organizations.</p> <p>Internal stakeholders: Employees, management, HR department, training coordinators, and shareholders.</p>
Baseline value	0 trainings
Baseline year	2023
Period to which target applies	From 2024 onwards (with annual review)
Indication of milestones or interim targets	<p>2024:</p> <p>Q1: Development of training materials and curriculum</p> <p>Q2: Identification and scheduling of training sessions for all personnel</p> <p>Q3: First annual training session conducted</p> <p>Q4: Evaluation and feedback collection from participants</p> <p>Subsequent Years:</p> <p>Annual planning and scheduling of training sessions</p> <p>Execution of training and collection of feedback for continuous improvement</p> <p>Interim target for 2024:</p> <p>1 training a year</p>

Description of methodologies and significant assumptions used to define target	<p>Methodology: The number of training sessions will be tracked and recorded by the HR and training departments. Data collection will involve attendance records, feedback forms from participants, and training completion reports. The methodology includes the development of a standardized curriculum on local communities' themes, regular updates to the content, and consistent delivery across all locations. An annual review process will be implemented to assess the effectiveness of the training and make necessary adjustments based on participant feedback and emerging community issues.</p> <p>Assumptions: All relevant employees will be available and willing to participate in the training sessions. The company will allocate necessary resources, including time, budget, and personnel, to develop and deliver the training. Local community themes and needs may evolve, requiring periodic updates to the training content. Feedback from participants will be accurate and constructive, aiding in the continuous improvement of the training program.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S3-04.

Relationship with policy objectives	Objective: Increase of the number of training hours by 15% (2022 as a base year)
Measurable target	Number of training hours per year
Nature of target	Social-related target (with significant influence on employee development and corporate governance)
Description of scope of target	<p>Object scope: Geographically: The scope is global, encompassing all regions where the company operates and conducts training programs. Operationally: The scope concerns the entire company, including all departments and facilities, ensuring all relevant personnel participate in the increased training hours. Temporally: The goal is medium-term, aiming to achieve the target by 2029. Subject scope: External stakeholders: Training providers, educational partners, and community organizations. Internal stakeholders: Employees, management, HR department, training coordinators, and shareholders.</p>
Baseline value	3352 (Total training hours conducted in 2022)
Baseline year	2022
Period to which target applies	2029
Indication of milestones or interim targets	<p>2024: Q1-Q4: Assessment of current training programs and identification of areas for expansion Annual review of training hours and incremental increases</p> <p>2025-2026: Implementation of new training modules and increased training sessions Mid-period review to ensure progress towards the 15% increase</p> <p>2027-2028: Continued expansion of training hours and programs Final adjustments and evaluations to meet the target</p> <p>2029: Achievement of a 15% increase in training hours compared to 2022 baseline Comprehensive review and reporting on the target achievement</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology: The total number of training hours will be tracked and recorded by the Personnel department and the other training departments. Data collection will involve attendance records, training schedules, and participant feedback. The major change is the collection of the whole data concerning training, not only the training organized by Personnel department. The methodology includes expanding existing training programs, introducing new training modules, and increasing the frequency of training sessions. An annual review process will be implemented to assess progress towards the target and make necessary adjustments.</p> <p>Assumptions: Employees will be available and willing to participate in the increased training hours. The company will allocate the necessary resources, including time, budget, and personnel, to develop and deliver the expanded training. Training needs and priorities may evolve, requiring periodic updates to the training programs. Feedback from participants will be accurate and constructive, aiding in the continuous improvement of the training program. External factors, such as changes in industry standards or regulations, may influence the training content and requirements.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S3-05.

Relationship with policy objectives	Objective: Keep the percentage of the suppliers from the local communities at the level of 2022
Measurable target	Percentage of suppliers from local communities
Nature of target	Social-related target (with significant influence on community support and economic sustainability)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the communities where the company operates and sources its suppliers.</p> <p>Operationally: The scope concerns the entire company, including all procurement and supply chain management activities.</p> <p>Temporally: The goal is long-term, maintaining the target percentage over an extended period.</p> <p>Subject scope:</p> <p>External stakeholders: Local suppliers, community organizations, and local economic partners.</p> <p>Internal stakeholders: Employees, procurement department, management, and shareholders.</p>
Baseline value	Percentage of suppliers from local communities in 2022
Baseline year	2022
Period to which target applies	2028
Indication of milestones or interim targets	Interim targets: Same as 2022 value - 2024
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>The percentage of suppliers from local communities will be tracked and recorded by the procurement department.</p> <p>Data collection will involve supplier databases, procurement records, and community engagement reports.</p> <p>The methodology includes regular audits of supplier origins, assessment of procurement practices, and engagement initiatives to support local suppliers.</p> <p>An annual review process will be implemented to assess and report the percentage, ensuring it remains at the 2022 level.</p> <p>Assumptions:</p> <p>The availability and willingness of local suppliers to continue business with the company.</p> <p>The company will maintain strong relationships and provide support to local suppliers to ensure their ongoing engagement.</p> <p>Economic and regulatory conditions will remain stable, allowing the continuation of sourcing from local suppliers.</p> <p>Any changes in local community dynamics or supplier capabilities will be promptly addressed to maintain the target percentage.</p>
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S3-06.

Relationship with policy objectives	Objective: Keep the percentage of the employees from the local communities at the level of 2022
Measurable target	Percentage of employees from local communities
Nature of target	Social-related target (with significant influence on community support and corporate governance)
Description of scope of target	<p>Object scope:</p> <p>Geographically: The scope is local, focusing on the communities where the company operates and recruits its employees.</p> <p>Operationally: The scope concerns the entire company, including all departments and facilities.</p> <p>Temporally: The goal is long-term, maintaining the target percentage over an extended period.</p> <p>Subject scope:</p> <p>External stakeholders: Local community members, educational institutions, and local employment agencies.</p> <p>Internal stakeholders: Employees, HR department, management, and shareholders.</p>
Baseline value	Percentage of employees from local communities in 2022
Baseline year	2022
Period to which target applies	Ongoing from 2022
Indication of milestones or interim targets	<p>Annual review:</p> <p>Q1-Q4: Annual assessment of the percentage of employees from local communities</p> <p>Mid-year review to ensure the percentage is maintained</p> <p>Interim targets:</p> <p>Continuously monitor and support local recruitment initiatives</p> <p>Implement strategies to retain and, if necessary, increase local employee engagement</p>
Description of methodologies and significant assumptions used to define target	<p>Methodology:</p> <p>Calculation of the number of the employees from the local communities</p> <p>The percentage of employees from local communities will be tracked and recorded by the HR department.</p> <p>Data collection will involve employee records, recruitment databases, and community engagement reports.</p> <p>The methodology includes regular audits of employee origins, assessment of recruitment practices, and engagement initiatives to support local hiring.</p> <p>An annual review process will be implemented to assess and report the percentage, ensuring it remains at the 2022 level.</p> <p>Assumptions:</p> <p>The availability and willingness of local community members to seek employment with the company.</p>

	The company will maintain strong relationships and provide support to local educational institutions and employment agencies to ensure ongoing recruitment. Economic and regulatory conditions will remain stable, allowing the continuation of hiring from local communities. Any changes in local community dynamics or employment capabilities will be promptly addressed to maintain the target percentage.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S3-07.

Relationship with policy objectives	Objective: Functioning of 3 programs of human rights protection in interaction with the local communities
Measurable target	Number of active human rights protection programs in local communities
Nature of target	Social-related target (with significant influence on community engagement and corporate governance)
Description of scope of target	Object scope: Geographically: The scope is local, focusing on the communities where the company operates and implements its human rights programs. Operationally: The scope concerns the entire company, including all departments and facilities involved in the implementation and support of these programs. Temporally: The goal is long-term, ensuring the programs are maintained and effective over an extended period. Subject scope: External stakeholders: Local community members, human rights organizations, and local authorities. Internal stakeholders: Employees, management, HR department, corporate social responsibility (CSR) team, and shareholders.
Baseline value	0 programs
Baseline year	2023
Period to which target applies	2027
Indication of milestones or interim targets	Interim 2024 target: 1 program in preparation
Description of methodologies and significant assumptions used to define target	Methodology: The number of active human rights protection programs will be tracked and recorded by the CSR team and HR department. Data collection will involve program documentation, participation records, feedback from community members, and program impact assessments. The methodology includes developing program frameworks, engaging with local communities for input, and implementing programs in a phased manner. Regular evaluations and adjustments will ensure the programs remain relevant and effective. Assumptions: Local communities will actively participate and engage in the human rights protection programs. The company will allocate necessary resources, including funding, personnel, and time, to develop and maintain the programs. Socio-political conditions will allow the free and effective implementation of human rights protection programs. Feedback from community members and participants will be constructive and help improve the programs.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Table S3-05-01. The Affected Communities Targets report

#	Name of the target	Target value	Interim target for 2024	2023 value
S3-01	Launch and initial implementation of two projects: "Cardboard patronage" and "Lessons with Schumacher" within the Wulf Schumacher foundation (2 projects)	2	2	1 (started)
S3-02	Number of fines or penalties imposed by local authorities	0	0	0
S3-03	Number of periodic training on local communities' theme conducted annually	1	1	0
S3-04	Number of training hours per year	3855	1500	1723
S3-05	Percentage of suppliers from local communities	Equal to Base level 2022	Equal to Base level 2022	To be calculated
S3-06	Percentage of employees from local communities	Equal to Base level 2022	Equal to Base level 2022	To be calculated
S3-07	Number of active human rights protection programs in local communities in local communities nearby Wroclaw plant: (Interim 2024: number of programs in preparation)	1	1	0

Description of any changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

This is the first year of our reporting in this format, so we will monitor the targets finding out the level of their relevance. In case the relevance will be found to be insufficient, the management board and the appropriate working groups and managers will seek the possibility to make the needed changes.

Description of performance against disclosed target

The goals are coming from the policy that was for the first time accepted in the year 2023, therefore the first natural term to evaluate the performance will be the next management review which will be held in the Q1 2025.

Disclosure of process for setting time-bound and outcome-oriented targets

The target-setting procedure is our company's 2-level procedure. The top-level is the Schumacher Packaging GmbH level. At this level only the Policy-level targets are being set, with all the local enterprises taking part in the target-setting. The lower level of targets are being set at Schumacher Packaging Sp. z o.o.

The first stage of the procedure is the risk/ opportunities/ impact analysis. During this stage we understand the basic needs and perspectives of the affected communities. At this stage we are already able to propose some targets.

The second stage is the work with the material impacts of our ESG Team and the Management board. During this stage we analyze the material impacts and risks, as well as those which are close to being material or have a strong chance to become such in mid- or long-term perspective. In this moment we also analyze the target projects from the first stage. The finishing phase of this stage is the targets' proposal.

The finishing stage is the approval of the communities-oriented targets by the Management Board.

Disclosure of how affected communities were engaged directly in setting targets

The targets concerning the local communities were set using the experience of communication with the affected communities. So, for example the indicator concerning the annual number of Lessons with Schumacher was set a compromise between the need and the will of the local school and the possibilities of the possibilities of our undertaking. The fact that the need of the local communities cannot be satisfied by the Lessons with Schumacher has led us to the new project "The cardboard patronage". So, even in case when the possibilities of the company are limited, there is sometimes another way to satisfy the growing interest.

Other example of the affected communities' impact on our targets is the number of charity actions or the sports events. We as a company always take into account the concrete proposals of the local authorities or individuals concerning investments in charity. So the target values are based on a combination from the last year's requests and the actual requests for the next year.

Disclosure of how affected communities were engaged directly in tracking performance against targets

The affected communities the information on reaching our yearly targets from the local media, from the Schumacher Packaging social media. Also the report will be sent directly to the organizations that represent the affected communities, directly.

Disclosure of how affected communities were engaged directly in identifying lessons or improvements as result of undertaking's performance

We are making videos from many of our events, by analyzing which we undertake the actions. So for example we make a short video files from the Lessons with Schumacher, which are of great help for us in undertaking the corrective actions: what was said by the participants, which department had more interesting program: in this case we can analyze the positive elements of approach of the department in question in order to scale or spread this good example over the organization.

Disclosure of intended outcomes to be achieved in lives of affected communities

The principle goals that we want to reach within our affected communities are:

- a) within SDG1 - minimization of poverty of the affected communities
- b) within SDG2 -prohibiting the starvation of the people from the affected communities

- c) within SDG4 - good education of the primary school children in the area of environment
- d) within SDG8 - economic growth within the affected communities

Information about stability over time of target in terms of definitions and methodologies to enable comparability

The Working Group concerning CSR is responsible for regular analysis of the goals (at least annual analysis). All the target values that are production volume- or employee-specific are given both in natural and specific form. Right now we do not have monetary targets in the area in question, but if we would have those, the inflation adjustment values will be used along with normal monetary values.

Disclosure of references to standards or commitments on which target is based

Policy targets

Schumacher Packaging policies regarding local and other affected communities are grounded in internationally recognized standards and commitments, primarily the OECD Guidelines for Multinational Enterprises. These policies establish specific targets and objectives that align with the principles and recommendations set forth by the OECD Guidelines. Here is a detailed disclosure of the references to the standards and commitments on which these targets are based:

Stakeholder Engagement

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter II: General Policies, and Chapter III: Disclosure)

Commitment: Open and transparent communication with local communities and stakeholders, incorporating their input, feedback, and participation in decision-making processes.

Target: Regular dialogue and consultation with local communities to build trust and address concerns.

Respect for Human Rights

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter IV: Human Rights)

Commitment: Upholding the fundamental human rights of all individuals in affected communities, ensuring activities do not infringe upon their rights, dignity, or well-being.

Target: Ensuring respect for cultural heritage, land rights, and traditional livelihoods through policy implementation.

Socioeconomic Development

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter II: General Policies, Chapter IV: Human Rights, and Chapter V: Employment and Industrial Relations)

Commitment: Contributing to the socioeconomic development of local communities by enhancing access to education, healthcare, employment, and economic opportunities.

Target: Prioritizing local hiring and procurement to empower community members and promote inclusive growth.

Environmental Stewardship

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter VI: Environment)

Commitment: Minimizing environmental impact through responsible resource management, pollution prevention, and sustainable practices.

Target: Protecting biodiversity, conserving natural resources, and mitigating climate change impacts, while engaging with communities to promote environmental conservation.

Community Investment

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter II: General Policies and Chapter VI: Environment)

Commitment: Supporting community development projects that address identified needs and priorities.

Target: Allocating resources for infrastructure development, skills training, health and sanitation initiatives, and support for small-scale enterprises.

Remediation and Redress

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter IV: Human Rights and Chapter VI: Environment)

Commitment: Providing prompt and appropriate remedial actions to address human rights impacts.

Target: Offering compensation, restitution, rehabilitation, or other forms of remedy to affected individuals or communities.

Crisis Management and Conflict Resolution

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter IV: Human Rights and Chapter II: General Policies)

Commitment: Resolving disputes through peaceful and constructive means, prioritizing dialogue, mediation, and negotiation.

Target: Managing conflicts effectively by building resilience and fostering social cohesion within affected communities.

Management Commitments

CSR Training of Local Community Members:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter II: General Policies)

Commitment: Regular training on CSR topics.

Target: Initiate “Cardboard Patronage” and “Lessons with Schumacher” projects by 2025.

Compliance with Local Requirements:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter I: Concepts and Principles)

Commitment: Compliance with local government requirements.

Target: Zero fines or penalties imposed by local authorities by 2024.

Awareness:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter III: Disclosure)

Commitment: Regular training on local communities’ issues.

Target: Conduct periodic training once per year from 2024.

Skills Development:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter V: Employment and Industrial Relations)

Commitment: Enhance skills of the local workforce.

Target: Increase training hours by 15% by 2029.

Collaboration with Local Suppliers:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter VI: Environment and Chapter II: General Policies)

Commitment: Collaborate with local suppliers.

Target: Maintain the percentage of local suppliers at 2022 levels by 2028.

Employment:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter V: Employment and Industrial Relations)

Commitment: Create jobs for local residents.

Target: Maintain the percentage of local employees at 2022 levels by 2028.

Human Rights:

Standard Reference: OECD Guidelines for Multinational Enterprises (Chapter IV: Human Rights)

Commitment: Support and respect human rights.

Target: Implement three human rights protection programs by 2027.

S3- SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business mode

All affected communities who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

On a greater scale we take in to account mostly local communities as those which can be named affected materially. We fully understand that we have employees from the different communities, as well as our environmental impacts also reach more distant communities. Therefore, to some extent each of such communities can be named “affected”. But we reserve the name “materially affected” for the local communities.

We can more or less precisely define these communities as:

- municipality / city Wrocław;
- Municipality of Środa Śląska (Średzki Municipality), within which we have the greatest set of impacts on Miękinia County.

S4. Consumers and end-users

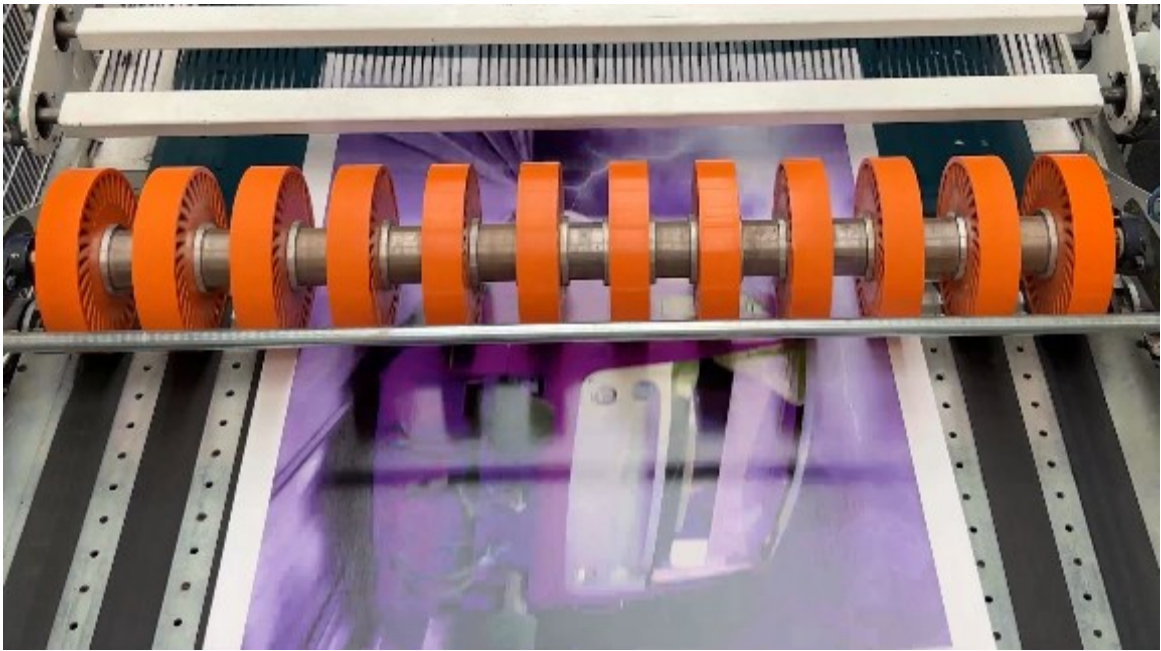


Figure S4-0-1. Production of the packaging dedicated to the clients, at our new digital print machine

S4-1. Consumer and End-User Policies

Policies to manage material impacts, risks and opportunities related to consumers and end-users

The company has got the policy related to consumers and end-users, which is directed onto management of material impacts, risks and opportunities. It has a name PG.05. Consumers and end-users policy.

Description of scope of policy or of its exclusions

The scope of the policy: The policy applies to all employees of the Group and is valid for all operations of Schumacher Packaging. It encompasses the management of material impacts of our products and services on consumers and end-users. This policy also addresses associated material risks and opportunities, with a particular focus on ensuring the health and safety of consumers and end-users, including the context of food packaging. By the end of 2023 Schumacher Packaging did not determine any exclusions from the scope of the Policy

Description of most senior level in organization that is accountable for implementation of policy

The members of the headquarters' Management Board and other headquarters-associated managers are responsible for implementation of the separate elements of the Policy. The highest level of the persons responsible is Supply Chain Manager, who is responsible for the supply chain part of the company commitments

Disclosure of third-party standards or initiatives that are respected through implementation of policy

Schumacher Packaging commits to complying with the UN Global Compact principles (we are the members of Global Compact Deutschland), the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to consumers and end-users.

Description of consideration given to interests of key stakeholders in setting policy

Description of consideration given to interests of key stakeholders in setting policy. We as Schumacher Packaging Group have taken in consideration:

- the customers and end-users demands, including those indirectly communicated by our B2C clients;
- the governmental bodies demands communicated by the national and international law;
- the rating agencies recommendations communicated within the ratings' guidelines.

The interests of the end-users and the customers are difficult to be considered directly for our type of product (packaging containing no materials of concern or very high concern) and the type of business (B2B).

The main problem is the consumers and users do not know if the concrete packaging was produced by the Schumacher Packaging Wrocław Plant. In this case the only direct possibility to understand the supplier feedback concerning our product or our product-associated behavior is to get this data from our client, but we never get such a direct feedback.

The other issues concerning the human rights and other similar issues taking into account in our policies are possible to take into account almost only indirectly (with only small chance to get negative feedback from the customer or end-user through our client).

The interests of the above-mentioned groups of stakeholders were taken into account in the following way:

- the feedback during the numerous meetings described in S3 above in this report;
- the contact within the upcycling web-page;
- the compliance to the major human rights charts and declarations.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

The policy has been communicated to our suppliers and clients directly by the procurement and sales.

The additional ways:

1) We publish the policies at our internet site

[https://www.schumacher-packaging.com/fileadmin/user_upload/home/05_kontakt/standorte/2024-Polityki-Schumacher-Packaging-Sp-zoo.pdf.pdf]

2) The key Policies issues are in the sustainability reports published sat our internet-site.

3) Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Description of relevant human rights policy commitments relevant to consumers and/or end-users

Ensure all products meet or exceed safety standards, particularly those for direct and indirect food contact.

Promote awareness and education on responsible packaging use.

Ensure compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

Establish a structured feedback mechanism for continuous improvement.

Ensure responsible sourcing and ethical practices in our supply chain to ensure that our consumers and end-users have the products within due diligence.

Develop and implement a crisis response plan for potential product-related issues.

Disclosure of general approach in relation to respect for human rights of consumers and end-users

Respect for the Human Rights of Consumers and End-Users undergoes the common approach accepted by Schumacher Packaging.

Schumacher Packaging is dedicated to upholding the human rights of consumers and end-users. We prioritize safety and quality in our products to ensure that they do not pose risks to health or well-being. We commit to complying with the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to consumers and end-users.

Disclosure of general approach in relation to engagement with consumers and/or end-users

We actively seek feedback and engage with consumers and end-users to understand their needs and preferences. This includes responding to inquiries and promoting transparency in our communication. We aim to foster open dialogue, building trust and accountability.

Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

In the event of any human rights or other significant negative impacts realization related to our products, Schumacher Packaging will take immediate corrective action. This includes investigating complaints, implementing remedies, and continuously improving our processes to prevent recurrence.

Description of how policies are aligned with relevant internationally recognized instruments

Alignment with OECD Guidelines for Multinational Enterprises

Policy: PG.05 Consumer and End-User Policy

Scope: The policy applies to all employees of Schumacher Packaging Group and governs all operations. It focuses on managing the material impacts of products and services on consumers and end-users, emphasizing health and safety, particularly in food packaging. The policy is supervised by the Head of Sustainability and CSR Group and is valid from November 30, 2023, to March 1, 2025.

Alignment with OECD Guidelines for Multinational Enterprises

1. Respect for the Human Rights of Consumers and End-Users

OECD Guidelines Reference:

Chapter II: General Policies

Chapter IV: Human Rights

Policy Alignment: Schumacher Packaging commits to upholding the human rights of consumers and end-users by prioritizing safety and quality in its products. This commitment aligns with the OECD Guidelines' emphasis on respecting human rights and avoiding adverse impacts. The policy ensures products do not pose health risks, thereby supporting the Guidelines' directive on safeguarding consumer interests.

2. Engagement with Consumers and End-Users

OECD Guidelines Reference:

Chapter II: General Policies

Chapter VIII: Consumer Interests

Policy Alignment: The policy emphasizes active engagement with consumers and end-users to understand their needs and preferences. This includes responding to inquiries and promoting transparency, which aligns with the OECD Guidelines' principles on stakeholder engagement and providing accurate information to consumers. The policy aims to foster open dialogue, build trust, and enhance accountability.

3. Measures to Provide and Enable Remedy for Human Rights Impacts

OECD Guidelines Reference:

Chapter IV: Human Rights

Chapter VI: Environment

Policy Alignment: Schumacher Packaging is committed to taking immediate corrective action in the event of human rights or other significant negative impacts related to its products. This aligns with the OECD Guidelines' recommendations on addressing adverse impacts and providing remediation. The policy includes investigating complaints, implementing remedies, and improving processes to prevent recurrence, thus adhering to the Guidelines' focus on continuous improvement and responsible business conduct.

Top Management Commitments and Group-Level Objectives

1. Product Safety

OECD Guidelines Reference:

Chapter VIII: Consumer Interests

Commitment: Ensure all products meet or exceed safety standards, particularly those for direct and indirect food contact.

Objective: Zero incidents concerning compliance with relevant product safety standards and regulations by 2025.

2. Consumer Education

OECD Guidelines Reference:

Chapter VIII: Consumer Interests

Commitment: Promote awareness and education on responsible packaging use.

Objective: Create and implement an educational program for consumers and end-users on the responsible use and disposal of packaging materials by 2030.

3. Human Rights

OECD Guidelines Reference:

Chapter IV: Human Rights

Commitment: Ensure compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

Objective: Report zero violations related to UN Global Compact principles and OECD Guidelines involving consumers and end-users in the downstream value chain by 2026.

4. Consumer Feedback Loop

OECD Guidelines Reference:
Chapter VIII: Consumer Interests

Commitment: Establish a structured feedback mechanism for continuous improvement.

Objective: Maintain the feedback system on the Schumacher Packaging Solutions German website and implement it on the Polish website by 2029.

5. Supply Chain Responsibility

OECD Guidelines Reference:
Chapter II: General Policies
Chapter IV: Human Rights

Commitment: Ensure responsible sourcing and ethical practices in the supply chain.

Objective: Complete a comprehensive supply chain due diligence program and ensure adherence to ethical and sustainability standards by 2026.

6. Crisis Management

OECD Guidelines Reference:
Chapter VIII: Consumer Interests

Commitment: Develop and implement a crisis response plan for potential product-related issues.

Objective: Update and implement a crisis management protocol to ensure swift and effective response to product-related safety issues by 2025.

The CONSUMERS AND END-USERS Group-level Policy Approach and Top-management commitments (with objectives):

THE APPROACH OF THE GROUP TOWARDS CONSUMERS AND END-USERS

Respect for the Human Rights of Consumers and End-Users

Schumacher Packaging is dedicated to upholding the human rights of consumers and end-users. We prioritize safety and quality in our products to ensure that they do not pose risks to health or well-being. We commit to complying with the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and internationally recognized standards relevant to consumers and end-users.

Engagement with Consumers and End-Users

We actively seek feedback and engage with consumers and end-users to understand their needs and preferences. This includes responding to inquiries and promoting transparency in our communication. We aim to foster open dialogue, building trust and accountability.

Measures to Provide and Enable Remedy for Human Rights Impacts

In the event of any human rights or other significant negative impacts realization related to our products, Schumacher Packaging will take immediate corrective action. This includes investigating complaints, implementing remedies, and continuously improving our processes to prevent recurrence.

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
1	Product Safety	Ensure all products meet or exceed safety standards, particularly those for direct and indirect food contact.	Zero incidents concerning compliance with relevant product safety standards and regulations.	2025	Quality management
2	Consumer Education	Promote awareness and education on responsible packaging use.	Create and implement an educational program for consumers and end-users on the responsible use and disposal of our packaging materials.	2030	Head of Sustainability and CSR Group
3	Human Rights	Ensure compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.	Report zero violations in relation to UN Global Compact principles and the OECD Guidelines involving consumers and end-users in our downstream value chain (in CSRD report).	2026	Head of Sustainability and CSR Group

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
4	Consumer Feedback Loop	Establish a structured feedback mechanism for continuous improvement.	Keeping the system of feedback on the Schumacher Packaging Solutions German Internet site. Implementation of the feedback feature on Polish Internet site	2029	Schumacher Packaging Solutions
5	Supply Chain Responsibility	Ensure responsible sourcing and ethical practices in our supply chain to ensure that our consumers and end-users have the products within due diligence	Complete a comprehensive supply chain due diligence program and ensure that our supplier chain adhere to our ethical and sustainability standards.	2026	Supply Chain Manager Head of Sustainability and CSR Group
6	Crisis Management	Develop and implement a crisis response plan for potential product-related issues.	Update and (where needed) implementation of a crisis management protocol to ensure swift and effective response in case of any product-related safety issues and incidents.	2025	Head of Sustainability and CSR Group

S4-2. Processes for engaging consumers and end users about impact

Engagement occurs with consumers and end-users or their legitimate representatives directly, or with credible proxies

We use:

- the customer and end-user data integrated by credible proxies, for example the Polish firm Geminus
- the data collected by the clients and given to us during the tender process, in the yearly questionnaires or during the audits conducted by the clients or their selected 2nd party audits

Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

The regular engagement is the annual Geminus CAWI (Computer-Assisted Web Interview), with data being collected between 28.06.2023 and 06.07.2023.

Completed interviews from 1,608 Internet users aged 15 and older were analyzed.

Purpose of the survey

The purpose of the survey is to learn about attitudes, habits and motivations related to online buying. In particular, Geminus looked at:

- attitudes toward online shopping among online shoppers and non-buyers,
- familiarity with brands present in e-commerce,
- motivations in choosing online stores,
- products purchased and spending in each category,
- plans for online shopping,
- sources of information about products,
- ROPO and reverse ROPO effect
- preferences for how to complete online transactions,
- social media buying
- use of mobile devices.

The report is being focused on online buying.

The second regular engagement is the annual mBank report on sweets market, one of our profile markets.

[<https://www.mbank.pl/mbank-news/strefa-przedsiębiorcy/biznesowe-podpowiedzi/raport-ryнку-słodocy-2023.html>]

The report was made at 06.2023 mainly on 2022 data. The scope included the consumers of minimum 5 main clients of Schumacher Packaging

Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

The operational responsibility for the selection of the regular reports on the consumer and end-user demands is laying on marketing department. The responsibility for the analysis of the consumer demands obtained through our clients is laying on Quality System Management Board Representative and The Head of Sustainability and CSR Group. The Sales Director is responsible for the analysis of the full set of data

Disclosure of how effectiveness of engagement with consumers and end-users is assessed

Sales Director, Quality System Management Board Representative, R&D department and marketing are responsible for the assessment of effectiveness of the consumers and end-users engagement

Examples of pro-customer and pro-end-user actions:

1) Schumacher Packaging Sp. z o.o. and Allegro at the Event “Packaging Innovations Kraków” with the presentation: “Ecological Packaging – What does it mean?”

[https://www.linkedin.com/posts/schumacher-packaging-polska_co-%C5%82%C4%85czy-allegro-schumacher-packaging-polska-activity-7112731720465960961-u_TP]

Figure S4-4-1. Schumacher Packaging and Allegro presentation: “Ecological Packaging – What does it mean?”



2) Schumacher Packaging and Allegro film dedicated to production of packaging from the recycled sources. The film is dedicated to the clients and the consumers of the marketplace Allegro.

[<https://www.youtube.com/watch?v=5r5q-uowdWY>]

Figure S4-4-2. Schumacher Packaging and Allegro film on Ecological production of packaging



S4-5. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Target S4-01.

Relationship with policy objectives	Objective: Zero incidents concerning compliance with relevant product safety standards and regulations
Measurable target	Number of compliance-related incidents
Nature of target	Social-related target (with major governance influence)
Description of scope of target	Object scope: - Geographically the scope is global, because the non-conformance might come from the international body and/or may be related to the international standards. - Operationally the scope concerns the whole company, does not concern the supply chain. - Temporally the goal is long-term Subject scope: External stakeholders: customers, end-users, clients. Internal stakeholders: employees, management, shareholders.
Baseline value	0 incidents
Baseline year	2023
Period to which target applies	2035
Indication of milestones or interim targets	0 incidents (is measured annually)
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of compliance-related incidents as the number of incidents recorded either by the external authorized bodies, or by the quality department (coming from the client), or by the internal means, including audits (Quality System department) and whistleblower procedure (Personnel department) The methodology of measuring the target is based on annual collection of data from the above-mentioned sources, and calculation the sum of components of the indicator' value. The assumptions are: a) we must rely on our knowledge concerning incidents: incidents can be hidden through omission, ill will, lack of understanding. b) the end-of-the-year issue may apply, when the non-conformance was discovered in one year, but officially registered in the next year.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply

Target S4-02.

Relationship with policy objectives	Objective: Create and implement an educational program for consumers and end-users on the responsible use and disposal of our packaging materials.
Measurable target	Creation of a presentation dedicated for the consumers and end-users to be distributed throughout our clients (1 presentation)
Nature of target	Social-related target with significant environmental impact, as proper education on packaging disposal can reduce environmental harm.
Description of scope of target	Object scope: Geographically: The scope is global, aiming to reach all markets where our products are sold. Operationally: The scope concerns the entire company and extends to our clients who will help disseminate the educational materials. Temporally: The goal is long-term, with an initial rollout and continuous updates as needed. Subject scope: External stakeholders: Customers, end-users, clients, environmental advocacy groups. Internal stakeholders: Marketing team, sustainability department, corporate communication team, management, shareholders.
Baseline value	No existing educational program (0 presentations).
Baseline year	2023
Period to which target applies	2023-2024 (initial creation and distribution), with annual reviews and updates thereafter.
Indication of milestones or interim targets	Indication of milestones or interim targets: Q1 2024: Initial draft of the presentation. Q2 2024: Review and feedback from key stakeholders. Q3 2024: Finalize and approve the presentation. Q4 2024: Begin distribution to clients. Annual (interim): Review and update the presentation based on feedback and changes in packaging materials or disposal methods.
Description of methodologies and significant assumptions used to define target	The assumptions are: a) The presentation content will be based on current best practices and scientific evidence regarding packaging disposal. b) Effective distribution and engagement strategies will be identified and employed to ensure the presentation reaches a wide audience. c) Feedback mechanisms will be in place to continuously improve the presentation and address any gaps in understanding or engagement.
Target related to environmental matters is based on conclusive scientific evidence	The target is partially based on scientific evidence concerning the environmental impact of packaging disposal.

Target S4-03.

Relationship with policy objectives	Objective: Report zero violations in relation to UN Global Compact principles and the OECD Guidelines involving consumers and end-users in our downstream value chain (in CSRD report).
Measurable target	Number of violations in relation to UN Global Compact principles and OECD Guidelines.
Nature of target	Governance-related target with significant social influence, aimed at maintaining ethical standards and protecting human rights in the downstream value chain.
Description of scope of target	Object scope: Geographically: The scope is global, as violations can occur in any country where our products are sold or used. Operationally: The scope concerns the entire company and extends to all interactions with consumers and end-users in the downstream value chain. Temporally: The goal is long-term, with continuous monitoring and annual reporting. Subject scope: External stakeholders: Consumers, end-users, clients, regulatory bodies, and international organizations. Internal stakeholders: Quality System department, management, employees, and shareholders.
Baseline value	0 violations.
Baseline year	2023
Period to which target applies	2024-2035
Indication of milestones or interim targets	0 violations (is measured and reported annually).
Description of methodologies and significant assumptions used to define target	Methodology: We understand the number of violations as the number of incidents recorded either by external authorized bodies or identified through internal means, including audits (Quality System Department), grievance mechanisms, and whistleblower procedures (Personnel Department). The methodology for measuring the target is based on the annual collection of data from the above-mentioned sources and the calculation of the sum of components of the indicator's value. Assumptions: a) We must rely on our knowledge concerning violations: violations can be hidden through omission, ill will, lack of understanding, or insufficient reporting mechanisms. b) The end-of-the-year issue may apply when a violation is discovered in one year but officially registered in the next year. c) Continuous training and awareness programs for employees and stakeholders will help in identifying and preventing potential violations.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply.

Target S4-04.

Relationship with policy objectives	Objective: Keeping the system of feedback on the Schumacher Packaging Solutions German Internet site. Implementation of the feedback feature on Polish Internet site
Measurable target	Percent of implementation and operational status of the feedback feature on the Polish website by the end of the specified period.
Nature of target	Customer engagement and satisfaction-related target with a strong influence on social governance, aiming to enhance user experience and improve service quality through direct consumer feedback.
Description of scope of target	Object scope: Geographically: The scope is initially bi-national, focusing on Germany and Poland. Operationally: The scope concerns the digital operations of Schumacher Packaging Solutions, specifically the company's German and Polish websites. Temporally: The goal is short to medium-term, with the target set to be achieved within one year and sustained thereafter. Subject scope: External stakeholders: Consumers, clients, website visitors. Internal stakeholders: IT department, customer service team, marketing team, management.
Baseline value	Feedback feature present on the German website, absent on the Polish website.
Baseline year	2023
Period to which target applies	2029
Indication of milestones or interim targets	Q1 2025: Review and enhancement of the existing feedback system on the German website. Q2 2025: Development of the feedback feature for the Polish website. Q3 2025: Testing and quality assurance of the feedback feature on the Polish website. Q4 2025: Full implementation and operational status of the feedback feature on the Polish website.
Description of methodologies and significant assumptions used to define target	Methodology: We understand the implementation of the feedback feature as the deployment of a functional feedback system on the Polish website that mirrors the capabilities of the existing system on the German website. The methodology for measuring the target includes tracking the project timeline, ensuring feature parity between the two websites, and verifying the operational status through user testing and feedback collection. Assumptions: a) Technical resources and support are available to adapt and implement the feedback feature on the Polish website. b) Cultural and language differences are adequately addressed in the feedback system design. c) Continuous monitoring and iterative improvements based on initial user feedback will be necessary to ensure effectiveness and user satisfaction.

Target related to environmental matters is based on conclusive scientific evidence	Does not apply.
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Target S4-05.

Relationship with policy objectives	Objective: Complete a comprehensive supply chain due diligence program and ensure that our supplier chain adhere to our ethical and sustainability standards
Measurable target	Percentage of suppliers evaluated and compliant with our ethical and sustainability standards by the end of the specified period.
Nature of target	Governance-related target with significant social and environmental influence, aimed at maintaining ethical standards and promoting sustainability throughout the supply chain.
Description of scope of target	Object scope: Geographically: The scope is global, as our supply chain extends across multiple countries and regions. Operationally: The scope concerns the entire supply chain, including all direct suppliers. Temporally: The goal is long-term, with continuous monitoring and annual reporting. Subject scope: External stakeholders: Suppliers, regulatory bodies, international organizations, and advocacy groups. Internal stakeholders: Procurement department, compliance team, sustainability department, management, and shareholders.
Baseline value	0% of suppliers fully evaluated and compliant with ethical and sustainability standards according to the demands of UN Global Compact principles, OECD Guidelines and the applicable assumptions of the ESRS reporting.
Baseline year	2023
Period to which target applies	2024-2030 (if the Policy objective will not be changed in the process of 2026-2027 review)
Indication of milestones or interim targets	Milestones: Q1 2024: Develop and finalize the due diligence program criteria and processes. Q3 2024: Initiate the evaluation process for suppliers. Q4 2025: Achieve 50% of suppliers evaluated and compliant. Q4 2027: Achieve 75% of suppliers evaluated and compliant. Q4 2030: Achieve 100% of suppliers evaluated and compliant. Interim target for 2024: 10% of suppliers evaluated and compliant
Description of methodologies and significant assumptions used to define target	Methodology: We understand the comprehensive supply chain due diligence program as a systematic evaluation of suppliers against established ethical and sustainability criteria [UN Global Compact principles, OECD Guidelines and the applicable assumptions of the ESRS reporting]. This involves conducting audits, assessments, and reviews of supplier practices. The methodology for measuring the target includes tracking the number of suppliers evaluated, ensuring compliance with the criteria, and documenting improvements over time. Compliance is verified through audits, supplier self-assessments, third-party assessments, and continuous monitoring. Assumptions: a) Full cooperation from suppliers in providing necessary information and allowing audits. b) Sufficient internal resources and expertise to conduct evaluations and support supplier improvements. c) Potential cultural and operational challenges in different regions will be addressed effectively. d) Continuous updates and improvements to the due diligence criteria based on emerging best practices and regulations.
Target related to environmental matters is based on conclusive scientific evidence	Applies partially, as the sustainability standards are based on scientific evidence regarding environmental impact.

Target S4-06.

Relationship with policy objectives	Objective: Update and (where needed) implementation of a crisis management protocol to ensure swift and effective response in case of any product-related safety issues and incidents.
Measurable target	The state of implementation of comprehensive crisis management protocol across all relevant departments by the end of the specified period.
Nature of target	Governance-related target with significant influence on social responsibility, aimed at ensuring safety and minimizing the impact of product-related incidents.
Description of scope of target	Object scope: Geographically: The scope is global, as product-related safety issues can arise in any market where our products are sold. Operationally: The scope concerns the entire company, including all departments involved in product safety and crisis management. Temporally: The goal is medium-term, with continuous updates and improvements based on emerging risks and best practices. Subject scope: External stakeholders: Customers, end-users, clients, regulatory bodies. Internal stakeholders: Product development team, quality assurance, legal department, management, employees, shareholders.
Baseline value	Existing crisis management protocol (up to the internal site-based business-process BP.18) that needs updating.
Baseline year	2023

Period to which target applies	2025
Indication of milestones or interim targets	Q4 2024: Conduct a thorough review of the current crisis management protocol. Q1 2025: Identify gaps and areas needing improvement or development. Q2 2025: Draft the updated protocol and develop new procedures where necessary. Q3 2024: Test the updated protocol through simulations and drills. Q3 2025: Finalize and approve the updated protocol. Q4 2025: Implement the protocol across all relevant departments. Annual: Review and update the protocol based on feedback and incident analysis.
Description of methodologies and significant assumptions used to define target	Methodology: We understand the updating and implementation of the crisis management protocol as a comprehensive process involving the review of current procedures, identification of gaps, and development of new response strategies. The methodology includes conducting risk assessments, stakeholder consultations, and crisis simulations. Implementation is verified through training sessions, drills, and audits. The effectiveness of the protocol is measured by the company's ability to respond swiftly and effectively to any product-related safety incidents. Assumptions: a) Full cooperation from all relevant departments in reviewing and updating the protocol. b) Availability of resources and expertise to develop and implement effective crisis management strategies. c) Continuous monitoring of emerging risks and best practices in crisis management. d) Effective communication channels are established to ensure swift information flow during a crisis.
Target related to environmental matters is based on conclusive scientific evidence	Does not apply.

Table S4-05-01. The Consumer and End-user Targets report

#	Name of the target	Target value	Target or interim target for 2024	2023 value
S4-01	Number of compliance-related incidents	0	0	0
S4-02	Creation of a presentation dedicated for the consumers and end-users to be distributed throughout our clients	1	1	0
S4-03	Number of violations in relation to UN Global Compact principles and OECD Guidelines.	0	0	0
S4-04	Percent of implementation and operational status of the feedback feature on the Polish website by the end of the specified period.	100%	100%	0%
S4-05	Percentage of suppliers evaluated and compliant with our sustainability standards	100%	10%	0%
S4-06	The state of implementation of comprehensive crisis management protocol across all relevant departments by the end of the specified period.	Comprehensive crisis management protocol updated and implemented across all relevant departments by the end of the specified period	Comprehensive crisis management protocol updated and implemented across all relevant departments by the end of the specified period	Existing crisis management protocol (up to the internal site-based business-process BP.18) that needs updating.

Description of any changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

This is the first year of our reporting in this format, so we will monitor the targets finding out the level of their relevance. In case the relevance will be found to be insufficient, the management board and the appropriate working groups and managers will seek the possibility to make the needed changes.

Description of performance against disclosed target

The goals are coming from the policy that was for the first time accepted in the year 2023, therefore the first natural term to evaluate the performance will be the next management review which will be held in the Q1 2025.

Disclosure of process for setting time-bound and outcome-oriented targets

Schumacher Packaging Sp. z o.o. sets its time-bound and outcome-oriented targets through a structured process that aligns with the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and BRC Packaging standards. This involves a comprehensive assessment of current sustainability performance, stakeholder consultations, and benchmarking against industry best practices. Specific targets are defined by the above-mentioned ESG committees (either Plant-based, or inter-plant), consisting of senior management and sustainability experts, who ensure that the targets are ambitious, measurable, and achievable

within specified time frames. The process includes regular reviews and adjustments to stay aligned with evolving regulatory and market conditions.

Disclosure of how consumers and end-users were engaged directly in setting targets

To ensure that the sustainability targets reflect the needs and expectations of our consumers and end-users, Schumacher Packaging Sp. z o.o. engages them through various channels. Due to the nature of our product (customers and end-users in the common case do not know who is the producer of the packaging) direct contact with the customers and end-users is complicated. Available contact methods include social media contacts, contacts with our own workforce (possible customers and end-users), local events organized by Schumacher Packaging. By analyzing these contacts, we incorporate consumer preferences and concerns into our target-setting process. Later we plan to engage clients in our communication process with customers and end-users.

Disclosure of how consumers and end-users were engaged directly in tracking performance against targets

Schumacher Packaging Sp. z o.o. maintains transparency and accountability by involving consumers and end-users in tracking performance against sustainability targets. This is achieved through periodic progress reports published on our website and through direct communication channels such as newsletters and social media updates. We also have talks with our possible consumers and end-users during the events organized by Schumacher Packaging Sp. z o.o. Consumer and end-user input is systematically analyzed to ensure that our tracking mechanisms are responsive to their perspectives and that any adjustments to targets or strategies are informed by consumer and end-user insights.

Disclosure of how consumers and end-users were engaged directly in identifying lessons or improvements as result of undertaking's performance

Engaging consumers and end-users in identifying lessons and improvements is a critical part of our continuous improvement process. Schumacher Packaging Sp. z o.o. organizes the communication using above-mentioned channels. The feedback we achieve is reviewed by our ESG-related committees mentioned above and integrated into our strategic planning. By incorporating consumer insights, we can better understand the impact of our actions and make informed decisions to enhance our sustainability initiatives.

Disclosure of intended outcomes to be achieved in lives of consumers and end-users

The intended outcomes of our sustainability initiatives are designed to improve the overall well-being of our consumers and end-users. Schumacher Packaging Sp. z o.o. aims to deliver packaging solutions that are not only high-quality and safe but also environmentally friendly. By reducing our carbon footprint and minimizing waste through innovative packaging designs, we strive to contribute to a healthier environment and, consequently, to the health and well-being of the communities we serve. Our commitment to sustainability also involves ensuring the ethical sourcing of materials and promoting social responsibility throughout our supply chain, thereby enhancing consumer trust and satisfaction.

Information about stability over time of target in terms of definitions and methodologies to enable comparability

Schumacher Packaging Sp. z o.o. ensures the stability and comparability of its sustainability targets by adhering to standardized definitions and methodologies. These are guided by the OECD Guidelines for Multinational Enterprises, which provide a consistent framework for measuring and reporting performance. Regular internal audits are conducted to maintain the integrity of our data. Additionally, we commit to annual reviews of our targets to incorporate any updates in standards or industry best practices, ensuring that our targets remain relevant and comparable over time.

Disclosure of references to standards or commitments on which target is based

Our sustainability targets are based on internationally recognized standards and commitments. Schumacher Packaging Sp. z o.o. adheres to the OECD Guidelines for Multinational Enterprises, which provide comprehensive recommendations for responsible business conduct in a global context. We also partially comply with the BRC Packaging standards, which set the benchmark for quality, safety, and operational criteria in the packaging industry. These standards guide our target-setting, performance tracking, and continuous improvement processes, ensuring that our sustainability efforts are robust and credible.

S4-SBM-3. Objectives related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

All consumers and end-users who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

Each consumer and end-user can be potentially affected by material impacts of Schumacher Packaging Sp. z o.o.

Description of types of consumers and end-users subject to material impacts

We assume that all the types of consumers and end-user could be affected. This issue does not depend on where our consumers and end-users have a contact with our products: at the stores, the supermarkets or at their own houses.

Type of consumers and end-users subject to material impacts by own operations or through value chain

1. The potentially affected consumers and end-users which can be impacted by our own operations and our upstream value chain were taken into account directly.
2. The potentially affected consumers and end-users which can be impacted by the operations of our downstream value chain can be impacted by the variety of downstream value chain impacts which cannot be taken into account in full. We mean the impacts that may negatively affect the characteristics of Schumacher Packaging products. We take these risks into account partially that means that we test our cardboard and our packaging in order to minimize the possible negative impacts' effects. But we realize that the testing does not guarantee our products from damage during the transporting and the downstream value chain operations.

Material negative impacts occurrence (consumers and end-users)

The responsible for registering the material negative impact occurrences is the Quality department. The internal procedure of Schumacher Packaging Sp. z o.o. concerning the customer and end-user safety implies the registration of the occurrence of material negative impacts. We expect to have such kind of feedback mostly from our clients, because in most cases the customer or end-user does not know the producer of the packaging in question. During the year 2023 we did not have any case of occurrence of material negative impacts.

G. Governance – Corporate governance

G1. Business Conduct



Figure G1-0-1. Personnel relaxation zone at Schumacher Packaging Sp. z o.o.

G1-1. Corporate culture and business conduct policies

Policies to manage material impacts, risks and opportunities related to its business conduct

The governance issues are established in a set of policies, namely:

PG.04. “Business Ethics Policy”

PG.13. “Tax Governance Policy”

PG.03. “Sustainable procurement policy”.

Description of key contents of policy

The content is typical to Schumacher Packaging policies and looks like as follows:

- Scope;
- Responsible for the Supervision of the Policy;
- How the strategic direction is supported by this Policy;
- Policy validity period;
- The Approach;
- The Commitments and Objectives
- The signatures of the highest management level persons responsible for the implementation of the mentioned Policy.

The approach part defines the approaches of the Group towards main elements, including those concerning business conduct. The main set of approach elements is based on the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Policies have no exclusions by the end of 2023.

Description of scope of policy or of its exclusions

The policy PG.03. “Sustainable procurement policy”. applies to sustainable purchases, i.e. those that take into account far-reaching impacts on people, society, the economy and the natural environment.

PG.04. “Business Ethics Policy” The policy applies to all employees of the Group in the area of business ethics and the associated issues.

PG.13. "Tax Governance Policy" applies to all Group plants. This policy is a commitment to the highest ethical standards and tax compliance in all company activities.

Description of most senior level in organization that is accountable for implementation of policy

The most senior level responsible for the Business Conduct issues policies implementation are the CEO Group and CEO Plant Wrocław.

Disclosure of third-party standards or initiatives that are respected through implementation of policy

The main third-party standard used when writing the Policies in question is the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Description of consideration given to interests of key stakeholders in setting policy

1. The main point of consideration when we are talking about the key stakeholders in business conduct issues are the interests of our "silent stakeholder": natural environment. At first at Sustainable procurement policy it is written that:

"sustainable criteria are used to make decisions in every purchase. The aim of sustainable procurement is to purchase products that are produced taking social, ecological and economic aspects into account, from production to disposal. That means:

- to conserve natural resources;
- use energy sparingly in production and other uses;
- Minimize transport routes;
- to avoid waste during production, use and disposal;
- to protect the health of employees;
- to avoid the release of pollutants into the environment during production, use and disposal as far as possible;
- to bring the cornerstones of economic development, social justice and nature conservation into harmony."

2. The interests of the affected communities forming the Polish society are the main topic of interest of the Tax Governance Policy.

3. The interests of the clients and the suppliers are clearly seen in the Sustainable Procurement Policy.

Explanation of how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

The policies are made available through Schumacher Packaging internet site. The publication of this report at Schumacher Packaging Internet site is the next step in making the Business conduct Policies available to the stakeholders.

Each interested party have a right to access Schumacher Packaging directly for the clarification of each unclear Policies' issue.

Description of how the undertaking establishes, develops, promotes and evaluates its corporate culture

Corporate culture is being established in Schumacher Packaging using different means. At first, our firm uses the materiality assessment, to understand the elements of the corporate culture that are the most important in our business environment. Secondly, we have used the consultations with the personnel in order to establish the core values of the company. At third, we have implemented the Group-level policy set that sets corporate culture concerning different areas of sustainability scope. At the plant level the company implements the local policies (based on the Group policies) with more precise goals. The fourth element of the establishment process is the Code of conduct set by the Headquarters. At sixth, we as a company have implemented the integrated managements system, both at the group level and at the plant level, which is more thoroughly describing the ESG issues linked to the concrete enterprise.

"Schumacher Packaging develops the corporate culture. There are some dedicated tools.

- 1) Internal audits
- 2) Yearly sustainability reports with the corrective and pro-active actions included.
- 3) For some of the enterprises of our Group (for example, Plant Wrocław) - management review as a part of the integrated management system, with the special accent on sustainability."

"The promotion of the corporate culture. The passive promotion can be shown as 2-way attitude. From the first side, we promote corporate culture by its daily use in the company, and this can be clearly seen with the results of

the employee opinion analysis. The second side is the passive promotion by the organizations organizing the ESG ratings and award ceremonies, where Schumacher Packaging is often being highly ranked.

The active ways of promotion of our corporate culture includes:

- a) The regularly updated Internet site with all the key corporate culture elements are shown;
- b) The social media with the strong accent on corporate culture and its implementation;
- c) The promotion during the events organized or sponsored by the Schumacher Packaging;
- d) The promotion in the local media;
- e) The internal promotion (visualization on the walls, TV-Screens, etc.)"

Evaluation of the corporate culture. We use the audits and the yearly ESG reports as the two parallel active ways of the evaluation of the current state of the corporate culture. The passive way is the audits made by the external certification bodies and by the clients or the clients' representatives.

Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behavior or behavior in contradiction of its code of conduct or similar internal rules

We as a company have implemented the clear procedures (being a part of our integrated management system) that constitute a pre-defined way of identifying, reporting and investigating the concerns about either unlawful behavior or the behavior in contradiction of our code of conduct /other applicable internal rules.

The key element of our system is the whistleblowing procedure. This procedure implies the rules that are protecting not only our employees, but all the interested parties. This is granted due to the measures on 2 levels: the Group level and the plant level. The employees (including temporary ones), local communities members, clients, suppliers any third-party representatives working on a territory of Schumacher Packaging have a right to become a whistleblower, revealing the information a) publicly, b) personally, c) anonymously. This information must be registered by the persons responsible for doing so, according to the procedures of Schumacher Packaging.

The reporting to the concerns to the CEO (Group level or Wroclaw Plant level) must be executed during 1 working day.

All the incidents concerning proved concerns about either unlawful behavior or the behavior in contradiction of our code of conduct / other applicable internal rules must be reported annually in the sustainability report.

The different way of identification of the potential or actual problems is the audit. It can be the internal audit (an active way) or the audit conducted by the 2nd or the 3rd party. In these variants the ways of reporting are different, but similar. All the internal audits are coming through the phase of the reporting. The 2nd and the 3rd party audits could be reported by the auditors or not. The possible so-called ESG potentials or the weak points of the audits must be (without any difference: whether the audit is internal or external) noted in the file with all the non-conformities.

The investigation of the post-audit non-conformities (potential non-conformities) is being executed basing on our internal procedure concerning the internal non-conformities. The legally-binding requirements must be met during the investigation or the action development / implementation.

Timetable for implementation of policies on anti-corruption or anti-bribery consistent with United Nations Convention against Corruption

We as a company plan to analyze and implement the UN Convention against Corruption by the end of the 2nd Quarter of 2025. That analysis phase will be complete by the end of the September 2024. The next step will be implementation by the amendment of the Group-level anti-corruption policy and setting the set of supporting document by the end of the year 2024. The Plant-level documents will be ready by the end of the 2nd Quarter of 2025

Disclosure of safeguards for reporting irregularities including whistleblowing protection

The procedure concerning whistleblowers protection was approved by Schumacher Packaging Wroclaw (Procedure IP.15.004 "Protection of whistleblowers" approved at 30.07.2021).

The procedure includes several different safeguards helping us to meet the EU Whistleblower Directive goals.

First of all, the procedure foresees a set of different possibilities to safeguard the employees against possible retaliation.

First of all, the company has implemented several alternative schemes of delivering the information about the possible violations of the legal requirements:

- personal communication (which is the least safe from the whole list). This includes the sign communication possibilities, which is very important as an option to the disabled people;

- email communication (including anonymous);
- paper letter communication (including anonymous).

The two more safeguards are:

- a) the possibility to file the claim through the public channels, including social media;
- b) the possibility to communicate to the authorized public bodies directly.

The following safeguard is the regular audit of the procedure.

Undertaking is committed to investigate business conduct incidents promptly, independently and objectively

The clear commitments of investigation of business conduct issues are clearly described:

- in the whistleblowers procedure;
- in the internal audits' procedures.

Policies with respect to animal welfare are in place

Schumacher Packaging has a connection with the animal welfare. We can safely name some points of interest for Schumacher Packaging when we talk about Universal Declaration on Animal Welfare (UDAW).

Human Health and animal Welfare. The main point is the pest control issue.

In our case the duality of situation is the controversy between:

- the clients, consumers and end-users health problems associated with the rats or insects, and
- the animal welfare.

Because the clients, consumers and end-users health has a priority, we must then strictly act up to the requirements of the pest control legal demands.

The goal is the level of compliance to the requirements concerning pest control

Indicators concerning animal welfare

Table G1-1-1. Indicators concerning animal welfare

No	Indicator	Outcome 2023	Goal 2023	Goal 2023 report	Goal 2024
G1-1-01	Number of violations of pest control legal demands	0	0	No violation of pest control requirements	0

Information about policy for training within organization on business conduct

The policy on training on business conduct can be considered as a part of common training policy.

Table G1-1-2. Training group-level Policy

TOP MANAGEMENT COMMITMENTS AND GROUP-LEVEL OBJECTIVES

No	SCOPE	COMMITMENT	OBJECTIVES	TERM	Responsible
16	Right to education Everyone has the right to education	We provide employees with opportunities for professional development and the training in the area of ESG	1) Annual training of each employee concerning ESG and OH&S 2) Minimum 10% of the personnel undergo the professionally-oriented trainings	2027	Personnel dept. / CSR

As it is said in the Policy, “We provide employees with opportunities for professional development and the training in the area of ESG”. Business conduct, as a part of G-Scope of ESG, is ruled by the same training principles. As written in the policy, the responsibility is shared between Personnel department and CSR . Technically CSR functions in Schumacher Packaging Sp. z o.o. is presented by Head of Sustainability and CSR Group and Management Board Representative for the Quality System.

The training is executed:

- annually as a systematic event;
- initial training for the new employees.

Disclosure of the functions that are most at risk in respect of corruption and bribery

The most endangered functions vulnerable in respect to corruption and bribery are the sales and procurement departments.

Entity is subject to legal requirements with regard to protection of whistleblowers

Schumacher Packaging Sp. z o. o. as a Polish legal entity as of 31.12.2023 was not directly subjected to legal requirements concerning whistleblower protection, but as a part of the German capital Group Schumacher Packaging as local plant we undergo the German whistleblower regulations.

This situation has come to existence due to the fact that Polish Parliament did not bring to life the national whistleblower law in a due time. In a contrary, German Federal Parliament was not shy of adopting the appropriate law.

G1-2. Supplier relationship management

Indicators concerning supplier-related policies

Table G1-2-1. Indicators concerning supplier-related policies

No	Indicator	Outcome 2023	Goal 2023	Goal 2023 report	Goal 2024
G1-2-01	Number of suppliers of Schumacher Packaging Sp. z o.o., verified and evaluated using social and environmental criteria using Schumacher Packaging Wroclaw internal scheme	72	70	The goal is met	At least 80 suppliers
G1-2-02	Number of suppliers, verified and evaluated using social and environmental criteria using Integrity Next scheme	10	5	The Integrity Next is a new evaluation scheme which is mostly used by the German Schumacher Packaging plants. But still 10 suppliers of Schumacher Packaging Sp. z o.o. is already evaluated through the scheme of Integrity Next	10
G1-2-03	Number of paper suppliers that have signed the environmental declaration	15	15	Goal is reached	15
G1-2-04	Number of companies that have been audited (including pro-social and pro-environmental issues)	4	4	Goal is reached	4
G1-2-05	The number of the suppliers executing corrective actions concerning environment	4	4	Goal is reached	8
G1-2-06	The number of the suppliers executing corrective actions concerning social issues	4	4	Goal is reached	8

G1-3. Preventing and detecting corruption or bribery

Information about procedures in place to prevent, detect, and address allegations or incidents of corruption or bribery

The core part of the undertaking' policy concerning the bribery and corruption has been concluded in the Business Ethics Policy (PG.04) and the Code of Conduct.

Business Ethics Policy has 2 levels: group-based and plant-based (the plant-based level exists only for several plants including Wroclaw Plant).

The Group-based Policy is new: the first edition has been approved in November, 2023. The Group-level policy contains a Schumacher Group approach towards different ethical aspects, including anti-corruption and anti-bribery approach.

Counteracting Bribery and corruption

The basis of any business relationship is ethically correct conduct and compliance with the respective national and international laws and standards. Corruption, bribery or embezzlement in any form is prohibited. Both management and employees shall conduct themselves in such a way that no personal dependencies or obligations arise. The business partner undertakes to ensure that this is also the case.

Any indications of corrupt or corruptible behavior will always be investigated and, if necessary, disciplinary action will be taken. The contact person for such reports is the direct supervisor or the Data Privacy and Compliance Officer (reachable at datenschutz@schumacher-packaging.com).

The Commitment & Objectives part of the Group-level Business Ethics Policy contains Group level goals concerning Corruption and associated issues:

Scope: Corruption

Commitment: The company does not tolerate and prevents corruption and bribery

Objectives: 1) 0 documented cases of corruption and bribes in the plant;

2) 0 documented cases of corruption and bribery with suppliers

Term: 2025

Responsible: CSO; Supply Chain Manager

Scope: Fraud

Commitment: The company does not tolerate and prevents fraud

Objectives: 0 documented cases of fraud

Term: 2025

Responsible: CSO; Supply Chain Manager

Scope: Money laundering

Commitment: The company does not tolerate and prevent money laundering

Objectives: 0 documented cases of money laundering

Term: 2025

Responsible: CSO; Supply Chain Manager

The current state of the Group level objectives' realization by the end of 2023 (starting the beginning of 2023) is the following:

0 documented cases of corruption and bribes in the plant

0 documented cases of corruption and bribery with suppliers

0 documented cases of fraud

0 documented cases of money laundering.

The site-level Policy of Business Ethics and Corruption Counteraction (P.04) will be aligned with the Group level by the end of the 1 Quarter of 2024. The goals will be updated, the objectives fulfilment levels will be checked, the approach section will be added. As of the end of 2023 the corruption-related commitments and the objectives of the site-level policy are the following:

Scope: Corruption

Commitment: The plant does not tolerate and prevents corruption and bribes

Objectives: 1) 0 documented cases of corruption and bribes at the plant;

2) 0 documented cases of corruption and bribes at suppliers

Term: 02.2024

Responsible: Sales, Procurement

Scope: Fraud

Commitment: The company does not tolerate and prevents fraud

Objectives: 0 documented cases of fraud

Term: 02.2024

Responsible: Sales, Procurement

Scope: Money laundering

Commitment: The company does not tolerate and prevent money laundering

Objectives: 0 documented cases of money laundering

Term: 02.2024

Responsible: Sales, Procurement

The current state of the Group level objectives' realization by the end of 2023 (starting 03.2023) is:

0 documented cases of corruption and bribes in the plant

0 documented cases of corruption and bribery with suppliers

0 documented cases of fraud

0 documented cases of money laundering.

The corruption and other financial abuse issues is prevented at Schumacher Packaging Sp. z o.o. and can be counteracted with the help of procedure IP.15.007 "Counteracting financial abuse".

Investigators or investigating committee are separate from chain of management involved in prevention and detection of corruption or bribery

The procedure IP.15.007 Counteraction to financial misconduct (version 01, 15.10.2023) contains the prescription that the investigation committee which is responsible for the financial misconduct' investigation must be formed from the employees of other plants of Schumacher Packaging

Information about process to report outcomes to administrative, management and supervisory bodies

In the procedure IP.15.007 there is a process described which includes the final step, when the commission investigating the possible case of financial misconduct is reporting to the Management Board of the headquarters.

The procedure also includes the option of the members of the Management board being included as members of the commission or getting intermediate reports.

Information about how policies are communicated to those for whom they are relevant (prevention and detection of corruption or bribery)

The procedure IP.15.007 Counteraction to financial misconduct (version 01, 15.10.2023) was communicated to the employees of the procurement, sales, R&D department, logistics through the training mechanism implemented in the companies. The training protocols are available at the HR department.

Information about nature, scope and depth of anti-corruption or anti-bribery training programmes offered or required

The training for the most of the personnel of our company is being performed by the Quality System Management Board Representative. The training for the top-management (Management Board and sometimes the higher Managers) is executed by the Head of Sustainability and CSR Group.

Sometimes,

The scope of the training is different for different groups.

- a) February each year the training concerning ESRS E1-ESRS E5 is being held (in previous years we have made the training that basically included the items that are now part of the Standards ESRS E2, E3 and E5. But now the scope is wider due to the emerging ESRS Standard set.
- b) The management board and the top managers’ training on the common sustainability issues is made yearly. The last year the common direction of the trainings is ESRS Standards scope.
- c) The training concerning S-scope of ESRS is rather new in our annual training program and is made for all of the employees.
- d) The OH&S training is obligatory and must be executed up to the Polish law. We (OH&S manager) are executing these training program for each employee basing on our own experience as a production plant with the examples taken at the other plants of Schumacher Packaging Group.

Percentage of functions-at-risk covered by training programmes

The risk covered department are being described in the procedure IP.15.007, and within these departments the number of the people trained in 2023 is equal to 100%.

Information about members of administrative, supervisory and management bodies relating to anti-corruption or anti-bribery training

3 members of the management board (Head of the Board, Financial Director - Member of the Board, Sales Director - Member of the Board) are defined in the IP.15.007 as persons with the greatest impact on corruption and bribery issues, these persons were being trained in corruption and other financial misconduct issues in 2023.

Disclosure of an analysis of its training activities by, for example, region of training or category

The training is being in full conducted at Schumacher Packaging Wroclaw Plant

Prevention and detection of corruption or bribery - anti-corruption and bribery training table

Table G-3-1. Training concerning corruption

No	Training specifics	Number of persons trained Year 2021	Number of persons trained Year 2022	Number of persons trained Year 2023
G1-3-01	Management Board Training	3	3	5
G1-3-02	Top management training	15	20	26
G1-3-03	Employees training	10	10	25

G1-4. Confirmed cases of corruption or bribery

Action plans and resources to manage material impacts, risks, and opportunities related to corruption and bribery

Table G1-4-01. The completed actions concerning corruption and bribery

No	Risk, opportunity, impact	Action Scope of action	Term of completion	Financial and other resources	CAPEX / OPEX
G1-01C	Plant's policies for conducting business are not documented	Development of policies for conducting business, at the Group level	November 2023	Personnel: Head of CSR Group, Management Board Members	0 / 0

Table G1-4-02. The actions in progress and the future actions concerning corruption and bribery

No	Risk, opportunity, impact	Action Scope of action	Progress	Time horizon Year of completion	Financial and other resources	CAPEX / OPEX (current and future)
G1-01P	Employees are not familiar with business conduct policies	Training of the employees in the area of business conduct. 1. Development of the new presentation 2. Uploading of the presentation onto Secova server 3. Training of the personnel	5% as of the end of 2023. Stage: Development of the presentation	Short-term 2024	Personnel: Head of CSR Group	0 / 0
G1-02P	Lack of preventive measures related to corruption	Development of new Group-level Code of Conduct. 1. Integration of the Supplier and Personnel CoC 2. Internal consultations 3.	0% as of the end of 2023.	Short-term 2024	Personnel: Head of CSR Group, CEO Wroclaw	0 / 0
G1-03P	Environmental certification: possession of environmental and ecological certifications ensures compliance, increases the credibility of the company and attracts customers who pay attention to ecology.	Certification of energy management system against ISO 50001 1. Implementation of the energy-related elements of climate neutrality strategy 2. Development of lacking elements required by ISO 50001 3. Energy auditing up to ISO 50001 demands	0% as of the end of 2023.	Medium-term 2027	Personnel: Head of CSR Group, Management Board, middle level management, Technical department	To be estimated

Indicators concerning corruption and bribery

Table G1-4-03. Indicators concerning corruption and bribery

No	Name of the indicator	2021	2022	2023	Goal 2023	Data type	Was the goal 2023 met	Goal 2024
G1-4-01	Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0	0	Integer	Yes	0
G1-4-02	Amount of fines for violation of anti-corruption and anti-bribery laws	0	0	0	0	Integer	Yes	0
G1-4-03	Number of confirmed incidents of corruption or bribery	0	0	0	0	Integer	Yes	0
G1-4-04	Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0	0	0	0	Integer	Yes	0
G1-4-05	Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	0	0	0	Integer	Yes	0

Data source: G1-4-01...05. Electronic document signed by Wroclaw Plant CEO

Information about nature of confirmed incidents of corruption or bribery

There was no confirmed incidents of corruption or bribery

Information about details of public legal cases regarding corruption or bribery brought against undertaking and own workers and about outcomes of such cases

There was no public legal cases regarding corruption or bribery brought against undertaking and own workers.

G1-5 – Political influence and lobbying activities

Information about representative(s) responsible in administrative, management and supervisory bodies for oversight of political influence and lobbying activities

The CEO of Schumacher Packaging GmbH are registered in Lobbying register of Bundestag, the German parliament. Schumacher Packaging Sp. z o.o. conducts no lobbying activities

Information about financial or in-kind political contributions

Schumacher Packaging Sp. z o.o. was not engaged in any financial or in-kind political contribution

Financial political contributions made

No cases of political contributions

Amount of internal and external lobbying expenses

Amount of internal and external lobbying expenses – PLN 0,00

Amount paid for membership to lobbying associations

Amount paid for membership to lobbying associations – PLN 0,00

In-kind political contributions made

In-kind political contributions made – PLN 0,00

Disclosure of how monetary value of in-kind contributions is estimated

We have no cases of in-kind contributions

Financial and in-kind political contributions made [table]

No cases of contributions

Disclosure of main topics covered by lobbying activities and undertaking's main positions on these topics

No topics covered

Undertaking is registered in EU Transparency Register or in equivalent transparency register in Member State

Schumacher Packaging Sp. z o.o. is not registered any register of lobbying activities

Information about appointment of any members of administrative, management and supervisory bodies who held comparable position in public administration in two years preceding such appointment

No appointments of persons as members of administrative, management and supervisory bodies of Schumacher Packaging Sp. z o.o. who held comparable position in public administration in two years preceding such appointment

The entity is legally obliged to be a member of a chamber of commerce or other organisation that represents its interests

Polish-German Chamber of Industry and Commerce (AHK Poland)

G1-6. Payment practices

Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated

Table G1-4-03. Indicator concerning payment practices

No	Name of the indicator	2021	2022	2023
G1-6-01	The period of payment of the commitment of supplies (days)	12,60	11,28	8,78

Description of undertakings standard payment terms in number of days by main category of suppliers

Standard payment terms for all the categories of supplies is 14 days.

Percentage of payments aligned with standard payment terms

At this moment we do not estimate the alignment percent of our practices with respect to the standard payment terms.

Number of outstanding legal proceedings for late payments

There was no legal proceedings for late payment against our company (Schumacher Packaging Sp. z o.o.) for the whole reporting period.

Disclosure of contextual information regarding payment practices

We are in process of enhancement of our accounting IT systems in order to align our accounting and controlling practices with ESRS Standards.

G1-GOV-1. The role of the administrative, management and supervisory bodies

Disclosure of role of administrative, management and supervisory bodies related to business conduct

The main responsibility for the business conduct lies on The Head of the Management Board. The specific roles of the Management Board members:

– Head of the Management Board

all the questions, especially with accent on information management, including information technologies.

– Member of the Management Board – Sales Director:

business ethics.

– Member of the Management Board – Finance Director:

supplier' payment issues;

sustainable accounting;

sustainable tax policy.

- Non-executive Members of the Management Board: business ethics and information management at the Group level, including interaction between the plants and the interaction within the Schumacher Packaging Group-level chain of custody.

Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters

The only administrative body of Schumacher Packaging Sp. z o.o. is the Management Board. It serves also as supervisory body by including two non-executive Board Members.

All the five Board Members were trained against the sustainability requirements, including the training in the year 2023.

– Head of the Management Board

internal (overall ESG themes including CSRD issues training by the Head of Sustainability and CSR Group and the Energy Manager of Schumacher Packaging Zakład Grudziądz Sp. z o.o.) and external training in the area of ESRS ES (Climate change issues).

– Member of the Management Board – Sales Director:

internal (overall ESG themes including CSRD issues training by the Head of Sustainability and CSR Group and the Energy Manager of Schumacher Packaging Zakład Grudziądz Sp. z o.o.) and external training in the area of ESRS ES (Climate change issues).

– Member of the Management Board – Finance Director:

internal (overall ESG themes including CSRD issues training by the Head of Sustainability and CSR Group and the Energy Manager of Schumacher Packaging Zakład Grudziądz Sp. z o.o.) and external training in the area of ESRS ES (Climate change issues).

– Non-executive Members of the Management Board:

internal (overall ESG themes including CSRD issues training by the Head of Sustainability and CSR Group).