

# **ENVIRONMENTAL POLICY**

#### Legal Basis

- 1. Law of the Republic of Indonesia Number 32 of 2009 concerning Environmental Protection and Management.
- 2. Government Regulation (PP) Number 22 of 2021 concerning the Implementation of Environmental Protection and Management.

Impack Pratama ("**Impack**" or "**the Company**") is committed to protecting the environment and contributing to sustainable development. This environmental policy outlines our environmental management system, reflecting our commitment to minimizing our environmental impact, conserving natural resources, and promoting environmental awareness among our stakeholders.

### I. Commitment to environmental protection

We vow to protect the environment through responsible stewardship of our natural resources and promoting sustainable practices in all of our operations. As part of this commitment, we actively contribute to rehabilitating terrestrial and marine ecosystems damaged by plastic pollution and marine debris. This is achieved by partnering with relevant stakeholders, including government agencies, NGOs, local communities, and risk owners.

### II. Commitment to effective use of natural resources and energy

We are devoted to efficiently using our natural resources and energy across our facilities and operations. To achieve this, we implement an overall equipment effectiveness (OEE) monitoring system that helps us assess the efficiency of our energy consumption and resource utilization. Through continuous improvement initiatives–either in terms of technology or production process–the Company seeks to reduce its carbon footprint and boost energy efficiency. Our commitment is further demonstrated by installing renewable energy sources at our facilities and adopting the 3R (Reduce, Reuse, Recycle) policy.

### III. Commitment to monitoring and regular reporting of environmental performance

We will continuously monitor our environmental performance, as it is pivotal in measuring our progress towards achieving our sustainability targets as well as the Sustainable Development Goals (SDGs). Impack commits to transparently reporting its environmental performance and initiatives to its stakeholders regularly either through meetings or annually through the Sustainability Report. To ensure rigorous oversight, every month we actively collect, analyze, and evaluate performance data from subsidiaries. This information is then reported by the Director of Sustainability and Product Development during the monthly Board of Directors meeting. Annual internal audits concerning environmental performance are conducted to ensure reliability and accountability of the data. It is the responsibility of the Company's employees to promptly report and document any



environmental issues-should they arise-to ensure the swift implementation of corrective measures and preventive procedures.

## IV. Commitment to reduce emissions, releases, and wastes

We are committed to reducing emissions of greenhouse gases (GHGs) and other pollutants from our operations by implementing robust controls, monitoring systems, and best practices. Our goal is to minimize the risk of accidental releases and ensure compliance with regulatory requirements and industry standards. We strive to minimize waste generation by implementing our "Towards Zero Waste" policy and Impack's Circularity principles, which involve:

- a. Investing in the Impack Research & Innovation Center (IRIC) to deliver sustainable building product innovations from industrial waste and post-consumer waste while still maintaining the product's premium quality.
- b. Facilitating the identification of used products to ease the sorting process through the resin identification numbers found on product packaging.
- c. Carrying out a take-back program for unused Company products from/through the Company's distributors/agents to be recycled back into building materials.

### V. Commitment to promote environmental awareness among stakeholders

Impack recognizes the importance of fostering environmental awareness among its stakeholders such as employees, suppliers, and the communities in which the Company operates. We pledge to promote environmental awareness, training and/or capacity building programs, and initiatives to encourage environmentally responsible behavior and decision-making, including:

- a. Conducting regular training sessions for employees regarding sustainability, such as waste management, circularity, and other environmentally responsible practices.
- b. Engaging and collaborating with the main suppliers to encourage sustainable value chains.
- c. Launching campaigns and initiatives to raise responsible environmental practices among stakeholders.
- d. Involving local communities in Creating Shared Value (CSV) projects to improve living standards and raise awareness regarding responsible environmental practices.
- e. Collaborating with NGOs, NPOs, business partners, governmental institutions, educational institutions, and other organizational bodies to promote environmental conservation and preservation.

All employees and stakeholders are expected to adhere to this policy and support the Company's environmental commitments. Non-compliance may result in disciplinary action as per Company policies. This policy will be reviewed periodically to ensure its relevance, effectiveness, and



alignment with the Company's environmental objectives. Impack is committed to continual improvement in its environmental performance and practices.

This environmental policy has been reviewed and approved by the Company's Board of Directors. It serves as a guiding framework for the Company's environmental efforts and demonstrates our commitment to environmental responsibility.