

ADA STRA

Environmental Policy





1. Introduction

Adastra Group SE and the business entities under its control (collectively referred to as “Adastra Group”) acknowledge their responsibility to establish, promote, and maintain high social and environmental sustainability standards and business ethics throughout their value chain.

The Adastra Group is therefore committed to and requires all its employees, partners and suppliers to comply with the principles set out below in this Environmental Policy.

This policy is not intended to replace the environmental laws and regulations in force in the countries where the Adastra Group operates. The Adastra Group fully respects these laws and regulations and ensures their faithful and effective application.

This policy sets out the minimum behaviours, standards and practices that the Adastra Group expects and requires all persons involved to comply with.

1.1 Purpose and Scope

The current state of our planet is facing unprecedented challenges in terms of climate change and environmental degradation. Human activities such as burning of fossil fuels, deforestation, and unsustainable land use practices have led to significant negative impacts on our planet's health. As a result, there is a pressing need for policies and regulations that can address these challenges and ensure a sustainable future for all.

At Adastra, we recognize the urgency of the environmental challenges we face and are committed to doing our part to reduce our environmental footprint. Our Environmental Policy outlines our approach to sustainability, highlighting the steps we are taking to minimize our carbon emissions, reduce waste, and promote a culture of environmental responsibility throughout our organization. We believe that by implementing these measures, we can make a positive impact on the environment while also demonstrating our commitment to corporate social responsibility.

This Environmental Policy applies to all operations of the company, including its employees, contractors, and stakeholders. The policy covers the entire lifecycle of the company's products and services, from inception to disposal, and aims to minimize the negative impact on the environment caused by their activities.

1.2 Legal Requirements

Adastra is committed to operating in a manner that complies with legal and other requirements, which includes measuring and continuously improving its environmental performance. To continuously improve economic and ecological performance and to demonstrate environmental awareness, we aligned our policies with the two globally accepted and applied standards **ISO 14001:2015** and **ISO 50001: 2018**, with some companies under the Adastra Group also certified to these standards.

ISO 14001 is an international standard that provides guidelines for developing and implementing an environmental management system (EMS). This standard requires organizations to develop and implement policies, procedures, and objectives aimed at reducing the negative impact of their operations on the environment.

On the other hand, **ISO 50001** is a standard for energy management systems (EnMS). It provides a framework for organizations to develop and implement policies, procedures, and systems to improve their energy performance, reduce energy consumption and carbon footprint while complying with relevant environmental regulations.

By progressively implementing these standards and complying with relevant laws and regulations, Adastra can improve its overall environmental performance and contribute to a more sustainable future.

1.3 Responsibilities

All **employees**, **contractors**, and **stakeholders** are responsible for following environmental procedures and policies, reporting any environmental incidents or concerns, and contributing to the company's overall environmental performance.

2. Environmental Goals and Objectives

2.1 GHG Emissions

At our company, we are fully committed to reducing our greenhouse gas (GHG) emissions and contributing to the protection of our planet. We understand the significant impact that these emissions have on our environment and are determined to do our part in reducing them. Our goal is to implement sustainable practices across all aspects of our operations to minimize our carbon footprint.

We believe that every individual has the power to make a difference, and our staff plays a critical role in achieving our environmental goals. By encouraging our employees to adopt sustainable practices, such as using public transportation, turning off lights when leaving a room, and recycling, we can all contribute to the reduction of GHG emissions and protect our planet for future generations.

2.2 Energy Efficiency and Renewable Energy

Energy efficiency and the use of renewable energy sources are critical aspects of environmental protection. They help to reduce our reliance on non-renewable energy sources, minimize our carbon footprint, and mitigate the effects of climate change. By promoting energy efficiency, our company can reduce our energy consumption and associated costs while also minimizing waste and emissions. Furthermore, by utilizing renewable energy sources such as solar, wind, and geothermal power, we can generate clean, renewable energy and reduce our dependence on fossil fuels. Overall, our commitment to energy efficiency and renewable energy is an integral part of our environmental strategy and our responsibility towards future generations.

2.3 Sustainable Resource Management and Waste Reduction

Sustainable resource management and waste reduction are important issues in environmental protection because they help reduce the negative impact of business operations on the environment. They also contribute to the conservation of natural resources, the reduction of greenhouse gas emissions, and the protection of ecosystems and biodiversity. By pursuing these goals, companies can improve their reputation, attract environmentally conscious customers and investors, and ensure long-term profitability while minimizing their impact on the environment.

At our company, we are committed to introducing sustainable resource management and waste reduction practices in order to minimize our impact on the environment. As part of this effort, we ask that all employees be mindful of their resource consumption and waste generation in the office. Simple actions like choosing office equipment with eco-friendly materials, minimizing single-use plastics, turning off electronics when not in use, printing only when necessary, and using reusable containers for food and drinks can have a significant impact. Additionally, we encourage employees to suggest ideas for improving sustainability in the workplace. By working together, we can all play a role in creating a more sustainable future for our company and the environment.

2.4 Further Goals

2.4.1 Water Quality and Consumption

Ensuring high water quality is crucial for the overall health of ecosystems and human well-being. Clean water supports aquatic life, biodiversity, and various ecosystem services. By minimizing water consumption and promoting responsible water management, we can conserve this precious resource and minimize the strain on freshwater ecosystems.

2.4.2 Air Quality

Clean air is vital for the health and well-being of both humans and ecosystems. Poor air quality can lead to respiratory issues, ecosystem degradation, and climate change. By reducing air pollutants and greenhouse gas emissions, we can improve air quality, mitigate climate change impacts, and protect the health of communities and ecosystems.

2.4.3 Biodiversity

Biodiversity is the foundation of healthy ecosystems and plays a crucial role in providing essential ecosystem services. It contributes to the stability of ecosystems, helps regulate climate, supports pollination and nutrient cycling, and provides habitat for countless species. Protecting and conserving biodiversity is essential for maintaining ecological balance and sustaining the health of our planet.

2.4.4 Land Use and Deforestation

Sustainable land use practices are vital for preserving natural habitats, preventing deforestation, and conserving biodiversity. Excessive land clearing for agriculture, urbanization, and other purposes leads to habitat loss, soil erosion, and increased greenhouse gas emissions. By promoting responsible land use, we can protect vital ecosystems, maintain soil fertility, and mitigate climate change.

2.4.5 Responsible Chemical Management

Proper handling and management of chemicals are crucial to prevent pollution and minimize risks to human health and the environment. Harmful chemicals can contaminate water bodies, soil, and air, negatively impacting ecosystems, wildlife, and human populations. By adopting responsible chemical management practices, we can protect ecosystems, safeguard human health, and minimize the ecological footprint of our operations.

2.4.6 Noise Emissions

Excessive noise pollution can have adverse effects on both humans and wildlife. It can disrupt animal behaviour, interfere with communication and reproduction, and negatively impact human health and well-being. By reducing noise emissions, implementing sound insulation measures, and promoting quieter technologies, we can create healthier and more harmonious environments for both people and wildlife.

2.4.7 Animal Welfare

Animal welfare is of paramount importance today, and its significance cannot be understated. It encompasses the ethical treatment of animals, promoting their well-being, and ensuring they are free from unnecessary suffering. As an organization, we firmly commit to taking animal welfare seriously and integrating it into our core values. We recognize that animals are sentient beings deserving of respect and compassion. We regularly evaluate our practices and policies to ensure they align with the highest standards of animal welfare. By engaging in continuous improvement, we strive to set an example for others and drive positive change in the industry. In conclusion, animal welfare is not just a moral obligation; it is a fundamental responsibility that we embrace as an organization. We are committed to promoting the well-being of animals, and through our actions, we aim to inspire others to join us in making a difference. Together, we can create a world where animals are treated with the dignity, kindness, and respect they deserve.

3. Review and Continuous Improvement

At our company, we are committed to continuously improving our Environmental Policy. We recognize the importance of protecting our planet and reducing our impact on the environment, and we are taking steps to make sure that our operations are as eco-friendly as possible.

The environmental policy should be **reviewed on an annual basis**. Main objectives for the review process are:

- involvement of all members of the AdastrA Executive Management Team in the Group level;
- discussion of the available information about issues or areas for improvement of the Environmental Policy;
- review of cases where environmental requirements have not been met, including those established by the company and those agreed upon with clients;
- performing follow-up activities to close the identified issues/gaps.

4. Conclusion

From Adastra's perspective, environmental protection is highly relevant for the success of our business. In today's world, customers and clients are increasingly conscious of their impact on the environment and are willing to choose businesses that prioritize focus on mitigating environmental challenges.

By implementing environmentally-friendly practices in our operations, we can not only reduce our own carbon footprint but also attract a wider audience of eco-conscious customers.

Additionally, adhering to environmental regulations and standards can improve the credibility and reputation of our company. Investing in sustainable technologies and practices can also lead to cost savings in the long run, as we can reduce energy consumption and waste production.

In summary, environmental protection is not only a moral obligation, but also a smart business decision that can yield benefits in terms of customer satisfaction, reputation, and cost savings.