

CCC
GROUP

CCC GROUP
ENVIRONMENTAL POLICY



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I. INTRODUCTION

In order to develop its business, the CCC Group uses various types of capital, including natural capital. Natural capital is the world's natural resources, including minerals, soil, air, water and all living creatures.

This Policy sets out the priorities and key commitments to be followed by the CCC Group in using natural capital and managing its relations with the natural environment.

Priorities in using natural capital:

1. We reduce environmental damage and the use of natural resources, primarily non-renewable resources.
2. We compensate for environmental damage where it cannot be reduced.
3. We encourage and support our business partners, suppliers along the supply chain, and customers in improving their use of natural capital in partnership with CCC and through our products.

We apply the hierarchy of priorities shown above, that is we first seek to apply the first priority, and then the second and third ones.

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I.1 Purpose

The purpose of this Environmental Policy is to define the framework within which the CCC Group will manage its relations with the natural environment and methods of using natural capital.

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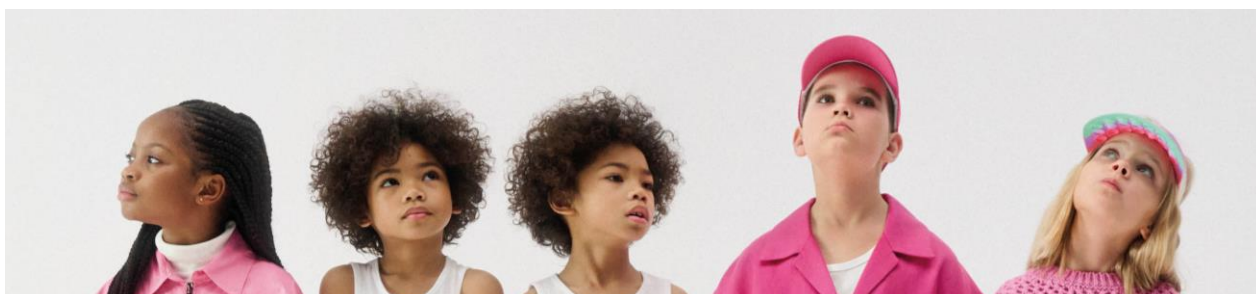
I.2 Scope

This Policy applies to all CCC Group companies regardless of their business profile. It can be adopted and developed by individual CCC Group companies, which are free to further improve the best practices, tailored to their own business profile.

I.3 Environmental Policy and other regulations

The objectives of using natural capital in a given period of time are set in the CCC Group Sustainable Development Strategy.

The commitments of this Environmental Policy are in compliance with Regulation (EU) 2020/852 of the European Parliament and of the Council (the ‘Taxonomy Regulation’) and the Technical Screening Criteria established thereunder



II. APPLICATION

II.1 Top management

This Environmental Policy is established by the Management Board of the CCC Group.

At least once a year, the Management Board of the CCC Group evaluates how this Environmental Policy functions in practice based on information provided by the areas responsible for environmental protection, including:

- **Administration** - real estate management and energy efficiency, waste management, providing data for the calculation of ESG indicators;
- **Logistics** - logistics and storage solutions, packaging;
- **Sales** - low-emission stores, circular downstream solutions;
- **Product** - cooperation with suppliers to reduce the negative impact on the environment, eco-design;
- **Sustainable Development** - supervision over the implementation of environmental goals included in the Sustainable Development Strategy;

(hereinafter: responsible areas).

The Management Board decides whether any changes to this Environmental Policy are necessary.

At least once a year, the Management Board of the CCC Group provides the Supervisory Board of the CCC Group with information on the implementation of this Environmental Policy.

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II.2 Organizational units

This Environmental Policy is to be implemented by all the CCC Group companies.

The application of this Environmental Policy is supervised operationally by the responsible areas.

As part of its operations, the Internal Audit function may verify the correctness of the process, controls and responsibilities indicated in this Environmental Policy.

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II.3 Improvement

The Management Board of the CCC Group is responsible for decisions on reviewing and revising this Environmental Policy.

Responsible areas are responsible for planning and conducting, in cooperation with the HR Department, of training sessions and educational programmes for employees of all the CCC Group organisational units involved in implementing this Environmental Policy



III. ENVIRONMENTAL POLICY COMMITMENTS

This section presents the commitments made in this Environmental Policy. With regard to each of the commitments:

- the scope of its application is clarified;
- examples are provided of activities carried out by individual organisational units as part of a given commitment.

The examples of activities do not represent an exhaustive list, i.e. the organisational units independently and in cooperation with the responsible areas specify the activities they carry out to realise the commitment.

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III.1 Climate change prevention

Activities implemented to mitigate climate change include:

- generation and storage of energy from low- and zero-carbon sources;
- improving energy efficiency;
- developing climate-neutral mobility;
- switching to the use of sustainably sourced renewable materials;
- preventing deforestation, restoration of forests, afforestation, sustainable management and restoration of croplands and grasslands, regenerative agriculture.

The commitment to climate change prevention is realised mainly through the following activities:

- eliminating unnecessary energy consumption in retail stores;
- continuously improving the energy efficiency of retail stores, including in-store equipment;
- applying the energy efficiency criterion when selecting a retail location (a building in which a retail store is to be located, e.g. a shopping centre) and expecting partners (lessors) to bring those buildings into compliance with the Technical Screening Criteria (for new or existing buildings, as the case may be);
- construction of new and renovation of existing buildings of the CCC Group will be carried out to meet the Technical Screening Criteria;

- the selection of logistics partners will depend on their meeting the low-carbon transport criterion;
- low-and zero-carbon means of transport will be preferred for transporting goods from suppliers to the CCC Group (inbound logistics), in order to ultimately opt out of air transport;
- employees will travel on business by train or other means of public land transport; Electric or hybrid vehicles will be chosen for car travel; Air transport will be reduced to a minimum and chosen only where there is no alternative viable option;
- renewable materials from sustainable sources will be preferred when designing products and selecting goods;
- plant-based and animal-based raw materials will be monitored on an ongoing basis; Once monitoring is put in place, business partners will be expected to use raw materials from regenerative agriculture, and raw materials from suppliers contributing to deforestation will no longer be purchased.

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III.2 Climate change adaptation

Activities implemented to adapt to climate change include:

- introducing solutions to reduce the risk of negative climate impacts.

The commitment to climate change adaptation is realised mainly through the following activities:

- construction of new and renovation of existing buildings of the CCC Group will be carried out so they can withstand sudden and long-term effects of climate change (such as higher frequency of sudden weather changes, prolonged heat waves, droughts, etc.).

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III.3 Protection of water and marine resources

Activities implemented to protect water and marine resources include:

- preventing urban and industrial wastewater discharges;
- protecting water resources against newly emerging microplastic pollution;

- protecting water resources intended for human consumption by ensuring that they are free of microorganisms, parasites and substances that constitute a potential danger to human health;
- improving water management efficiency.

The commitment to protection of water and marine resources is realised mainly through the following activities:

- regular monitoring of the impact of the CCC Group's business partners on water resources, particularly where they use raw materials that require significant amounts of water for manufacturing and processing;
- applying supplier selection criteria that relate to their impact on water resources;
- promoting sustainable (circular) water use practices among suppliers;
- analysing artificial materials used in the production of goods in terms of their impact associated with microplastic pollution;
- gradual reduction and then elimination (by business partners) at the design and production stage of materials causing microplastic pollution.

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III.4 Transition to a circular economy

Activities implemented to drive the transition to a circular economy include:

- reducing the consumption of primary raw materials and increasing the use of by-products and secondary raw materials;
- increasing resource use efficiency;
- increasing the durability of products, including their repairability, upgradability or reusability, especially at the design and production stage;
- extending the use of products, including through reuse, design for longevity, repurposing, disassembly, remanufacturing, upgrades and repair;

- increasing the recyclability of products, including the recyclability of individual materials contained in products, and replacing and reducing the use of non-recyclable materials, in particular in designing and manufacturing activities;
- preventing waste generation.

The commitment to driving a circular economy is realised mainly through the following activities:

- integrating design policies compliant with the principles of a circular economy into all design processes at the CCC Group and into the commercial goods selection criteria;
- continuous exploration, analysis, evaluation and, where applicable, implementation of circular business models contributing to the CCC Group's transformation into an organisation fitting into the circular economy system;
- providing CCC Group customers with access to product care goods and providing relevant information to enable product lifespan extension;
- designing and manufacturing (by business partners) of products that are repairable and ensuring access to appropriate spare parts; In the case of non-repairable products, ensuring that they are manufactured only from materials that are reusable or recyclable or effectively biodegradable;
- reducing the amount and weight of packaging used in inbound logistics, internal logistics (to stores) and outbound logistics;
- using packaging made from recycled and recyclable materials;
- designing and furnishing stores with furniture, accessories and appliances that can be reused, disassembled and recovered.

III.5 Pollution control and prevention

Activities implemented to control and prevent pollution include:

- preventing or, where impracticable, reducing emissions of pollutants into the air, water or soil;
- preventing or minimising any adverse impact on human health and the environment of the production, use or disposal of chemicals.

The commitment to pollution control and prevention is realised mainly through the following activities:

- analysing all materials used in the CCC Group's products and goods for harmful substance content;
- ensuring due diligence (at the stages of design, procurement and manufacture by business partners) in preventing the marketing of products and goods containing substances of very high concern.

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III.6 Protection and restoration of biodiversity and ecosystems

Activities implemented to protect and restore biodiversity and ecosystems include:

- nature and biodiversity conservation, prevention of environmental and biodiversity degradation, protection and restoration of ecosystems;
- sustainable land use and management, including adequate protection of soil biodiversity, land degradation neutrality and the remediation of contaminated sites;
- sustainable agricultural practices, including practices contributing to enhancing biodiversity or preventing the degradation of soils and other ecosystems, deforestation and habitat loss;
- sustainable forest management, including practices contributing to enhancing biodiversity and preventing deforestation.

The commitment to protection and restoration of biodiversity and ecosystems is realised mainly through the following activities:

- introduction and regular monitoring of the sources of raw materials and materials used in production by the CCC Group's business partners in terms of their impact on biodiversity and ecosystems;
- increasing the share of plant-based and animal-based raw materials from sustainable and regenerative agriculture;
- causing business partners to stop using raw materials from suppliers who contribute to deforestation and land degradation.





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