

ENVIRONMENTAL POLICY

PT Impack Pratama Industri Tbk (“**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 environmental impact, conserving natural resources, and raising environmental awareness among our stakeholders.

I. Legal Basis

1. Law No. 32 of 2009 on Environmental Protection Management; and
2. Government Regulation No. 22 of 2021 on the Implementation of Environmental Protection and Management.

II. Policy

1. **Commitment to protecting the environment**

Impack is committed to protecting the environment through responsible natural resource management and the implementation of sustainable practices in all of our operations. As part of this commitment, the Company actively contributes to rehabilitating ecosystems affected by pollution—particularly plastic pollution—both on land and in the sea, through partnerships with relevant stakeholders, such as government agencies, NGOs, local communities, and risk owners.

2. **Commitment to the effective and efficient use of natural resources and energy**

The Company is devoted to using natural resources and energy efficiently across our facilities and operations. To achieve this, we implement an overall equipment effectiveness (OEE) monitoring system that helps us assess our energy consumption efficiency and resource utilization. Through continuous improvement, both in terms of technology and production processes, the Company strives to reduce its carbon footprint and enhance energy efficiency. Our commitment is further demonstrated by the use of renewable and new energy sources in our facilities and the application of the reduce, reuse, and recycle (3R) principles.

3. **Commitment to monitoring and reporting on environmental performance regularly**

Impack actively tracks and reports the Company’s environmental performance and initiatives. This information is reported by the Director of Sustainability

and Product Development to the Board of Directors at monthly meetings. Internal audits on environmental performance are conducted to ensure the reliability and accountability of the data. Every employee of the Company is responsible for promptly reporting and documenting any environmental incidents—if any—so that preventive and corrective actions can be taken.

4. **Commitment to reducing emissions, discharges, and waste**

We are committed to reducing greenhouse gas emissions and other pollutants from our operations by implementing strong 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 and contribute to a more sustainable future. To achieve this, we have adopted the **Towards Zero Waste Policy** and **Hazardous Waste Management Policy**, which are components of our environmental management strategy.

Our Towards Zero Waste Policy focuses on minimizing waste generation across our operations. This includes a circular economy approach that emphasizes reducing, reusing, and recycling materials to maximize resource efficiency. The Company aims to prevent waste generation at its source, promote the recycling of industrial and post-consumer waste, and recycle and/or upcycle materials to extend their lifecycle. Through continuous improvement efforts, we are dedicated to optimizing sustainable practices in our manufacturing operations and daily activities.

Furthermore, our Hazardous Waste Management Policy ensures the proper handling of hazardous materials used in or generated from our operations. This policy is designed to ensure proper storage, traceable usage, and the responsible disposal of hazardous waste while minimizing potential environmental and human health impacts. By adhering to all domestic regulations and industry best practices, we prioritize the safety of our employees, communities, and the environment.

The principles of Impack's Circularity, which includes the Towards Zero Waste Policy and Hazardous Waste Management Policy, play a key role in our efforts to advance sustainable practices. These principles include:

- a. Investing in the Impack Research and Innovation Center (IRIC) to produce sustainable building products from industrial and post-consumer waste while maintaining premium product quality.
- b. Facilitating the identification of used products to ease sorting processes through resin identification codes on product packaging.

c. Conducting a buyback program for used Company products through distributors and/or agents for recycling back into building materials. Through these integrated efforts, we aim to promote a responsible and sustainable approach to waste management across our business operations.

5. Commitment to raising environmental awareness among stakeholders

Impack recognizes the importance of fostering environmental awareness among stakeholders, such as employees, suppliers, and local communities where the Company operates. We are committed to promoting environmental awareness, training programs and/or capacity building initiatives, and efforts to encourage the environmentally responsible behavior and decision-making, including:

- a. Conducting regular training sessions for employees on sustainability, such as waste management, circularity, and other responsible environmental practices.
- b. Engaging and collaborating with key suppliers to promote a sustainable value chain.
- c. Launching campaigns and initiatives to enhance responsible environmental practices among stakeholders.
- d. Involving local communities in creating shared value (CSV) projects to improve living standards and raise awareness about 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.