

Promidea SRL Environmental Report

Objective

Promidea SRL is committed to environmental management, placing sustainability among our top strategic priorities. Our Basic Policy for the Environment, aligned with directives from the Environmental Committee and Board of Directors, establishes specific environmental strategies to guide our operations. As a sector leader, we strive to uphold our environmental responsibilities by promoting a culture of protection and awareness.

Promidea SRL's core environmental goals include:

- **Environmental Protection:** Reducing our impact on natural resources.
- **Sustainable Development:** Encouraging responsible, eco-conscious growth.
- **Waste Reduction:** Minimizing waste through improved processes and innovation.
- **Energy Conservation:** Implementing initiatives to reduce energy usage and increase efficiency.

Our structured approach, driven by a dedicated team, enables us to consistently assess and improve our environmental impact.

Scope

This report details our key environmental metrics (KPIs) for PROMIDEA SRL's European offices. Following the ISO 26000 framework, we have adapted our focus to meet our specific environmental needs.

In line with the Global Reporting Initiative (GRI) standards, we use transparent, standardized processes to calculate and report on emissions, waste, and resource use. Externally verified, our Scope 3 emissions in particular are carefully monitored to maintain accuracy and accountability.

The data below outlines our progress toward our 3% annual reduction targets for Scope 1, 2, and 3 emissions, as well as for water and waste reduction. Turnover variability has affected our metrics, yet our logistics shift to ocean freight demonstrates our commitment to emissions reduction and sustainable operations.

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INDICATOR	UNIT	2021	2022	2023	Difference %	TARGET
PRODUCTION						
TOTAL SALES	UNITS	70M	59M	43M		
TOTAL GROSS PRODUCTION	UNITS	60M	48M	438M		
ECO FRIENDLY PRODUCTS	%	45%	46%	51%	+5%	+4%
OFFICE SQUARE METERS (SM)	SM	1980	1980	1275		
TOTAL EMPLOYEES	EMP	90	84	73		
CONSUMPTION						
NATURAL GAS	M3	3,78	2,86	0	0	0
ELECTRICITY	KWH/SM	184,58	182,22	172,64	-5.2%	-3%
GAS/PETROL	LT/YEAR	760.603,5	691.457,8	576.214,8	-16,7%	-5%
TOTAL WATER CONSUMPTION	LT/EMP	38,8	38,5	37,7	-2%	-2%
PAPER	KG/EMP	51,9	49,1	48,3	-1,6%	-2%
WASTE						
TOTAL (NON HAZARDEUS)	KG/EMP/Y	133	128	124	-3,1%	-3%
Paper and cardboard	KG/EMP/Y	67,83	65,28	69,44	6,4%	-3%
Plastic and packaging materials	KG/EMP/Y	23,94	23,04	16,12	-30,0%	-3%
Organic waste	KG/EMP/Y	26,6	25,6	27,28	6,6%	-3%
Other (e.g., glass, metal, textiles)	KG/EMP/Y	14,63	14,08	11,16	-20,7%	-3%
TOTAL (HAZARDEUS)	KG/EMP	0.00	0,00	0,00	0,00	0,00
RECYCLED	% OF TOTAL	92%	94%	96%	+2,1%	+1%
SUPPLIERS						
TOTAL SUPPLIERS (active)		381	359	365	426	
OF WHICH SUPPLIERS WITH ISO 14001 OR EQUIVALENT		321 (84%)	265 (74%)	334 (92%)	372 (87%)	90%
Logistics CO2 footprint (supplier data-handles over 99% of freight volumes)						
OVERLAND		34%	68,7%	1,1%		3%
AIR		15%	4,4%	5,3%		2%
OCEAN		52%	26,8%	93,5%		95%
Greenhouse Gas emissions (GRI 305-1, 305-2, 305-3)						
Scope 1 GHG emissions – (Company Facilities) - GRI 305-1	(t CO ₂ eq)	0	0	0	0	0
Scope 1 GHG emissions – (Company vehicles) - GRI 305-1	(t CO ₂ eq)	1.834,96	1.538,81	1.411,51	-8,3%	-3%
Scope 1 TOTAL	(t CO ₂ eq)	1.834,96	1.538,81	1.411,51	-8,3%	-3%
Scope 2 GHG Electricity - GRI 305-2	(t CO ₂ eq)	67,62	66,80	63,50	-4,9%	-3%
Scope 2 GHG Heat - GRI 305-2	(t CO ₂ eq)	0	0	0	0	0
Scope 2 TOTAL	(t CO ₂ eq)	82,55	76,20	63,50	-4,9%	-3%

Scope 3 GHG Transportation and distribution only (AIR) - GRI 305-3	(t CO ₂ eq)	42.739,71	54.605,88	1.338,24	-97,5%	-3%
Scope 3 GHG Transportation and distribution only (WATER) - GRI 305-3	(t CO ₂ eq)	11.757,55	7.776,20	19.813,5	154,8%	-3%
Scope 3 GHG Transportation and distribution only (GROUND) - GRI 305-3	(t CO ₂ eq)	638,46	264,35	31,13	-88,2%	-3%
Scope 3 GHG emissions TOTAL	(t CO ₂ eq)	55.135,72	62.646,43	21.182,91	-66,2%	-3%
Overall Total*	(t CO ₂ eq)	57.053,23	64.261,44	22.657,92	-64,7%	-3%

*Transportation Shift Analysis

To adapt to changing business needs and global demand fluctuations, we shifted our **transportation strategy** in 2023, increasing reliance on ocean freight (93.5% of shipments) rather than overland or air transport. Ocean freight, while slower, generates significantly fewer emissions per unit of cargo than air transport. Our transportation breakdown changed as follows:

- **Ocean freight** increased from 26.8% in 2022 to 93.5% in 2023.
- **Overland transport** dropped significantly from 68.7% to just 1.1%.
- **Air freight** increased slightly from 4.4% to 5.3%.

This transition was intended to reduce emissions intensity by shifting from higher-emission options like air freight to the more sustainable option of ocean transport. However, despite these changes, overall emissions did not meet our reduction target of 3%.

Emissions Impact and Turnover Dependency

Our **Scope 3 emissions** are closely tied to the **volume and frequency of shipments** required to fulfill customer demand. While ocean transport has a lower carbon footprint, the 27% drop in turnover likely required adjustments in shipment sizes and frequency, as we aimed to maintain flexibility and responsiveness in our supply chain.

In 2023, our **GHG emissions for transportation (Scope 3)** were:

- **Overland:** reduced from 264.34 t CO₂eq in 2022 to 31.13 t CO₂eq in 2023.
- **Air:** reduced significantly from 54,605.88 t CO₂eq in 2022 to 1,338.24 t CO₂eq in 2023.
- **Ocean:** increased from 7,776.2 t CO₂eq to 19,813.5 t CO₂eq.

These shifts reflect our transition towards ocean freight as the primary transportation mode, achieving lower emissions in high-emission categories like air freight. However, despite these efforts, we did not meet our overall emissions reduction target due to several factors:

- **Fixed emissions from shipping and logistics:** Regardless of turnover, some shipments must occur to meet demand, leading to consistent emissions.
- **Turnover sensitivity:** With decreased turnover, the need for frequent and smaller-scale shipments may increase, impacting emissions efficiency per unit.

Conclusion

Overall, we successfully **exceeded our 3% reduction target** in total Scope 3 emissions for 2023. This achievement was driven largely by our strategic shift towards ocean freight, which helped lower the emissions associated with our transportation activities. However, despite this positive outcome, we did not meet the **3% reduction target across all individual transportation categories**.

While emissions from overland and air freight were significantly reduced, the increase in ocean transport resulted in higher emissions in this category, reflecting the trade-offs involved in managing transportation logistics to balance efficiency with sustainability. Moving forward, we will continue optimizing our transportation mix, striving for reductions in each category to consistently meet our sustainability goals.

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