

Corporate Social Responsibility Report

2024

DAKO[®]

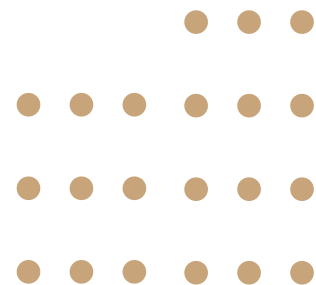
PACKAGING
& CARDBOARD
SOLUTIONS





CONTENTS

Company Overview	3
Our Sustainability Approach	9
Social Responsibility	23

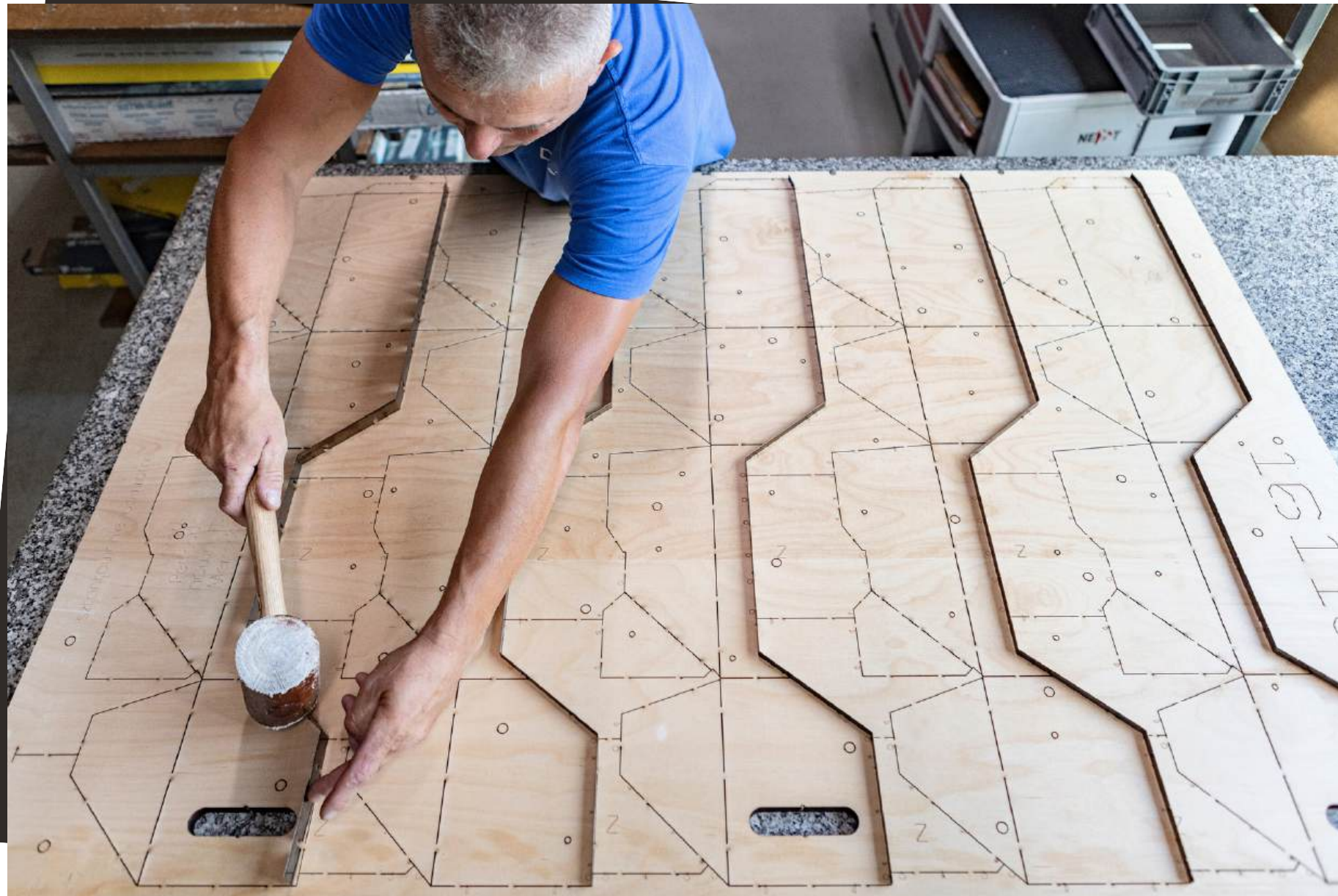




Packaging Excellence Rooted in Tradition

DAKO is one of the leading producers of packaging and corrugated cardboard in Poland. For over 50 years, as a family-owned company, we have been committed to delivering the **highest quality products** that **not only meet the expectations** of our customers but also **comply with essential industry standards**.

Our company specializes in **large-volume, mass-produced, and highly refined packaging solutions** tailored to meet the demands of the most exacting industries. We offer **comprehensive services** that include both offset and flexographic printing techniques, ensuring outstanding quality and precision in every design.



Two Sites. One Standard: Excellence.

Currently, DAKO operates **two modern production facilities** with a combined **area of 80,000 square meters**, enabling us to maintain efficiency and meet growing market needs

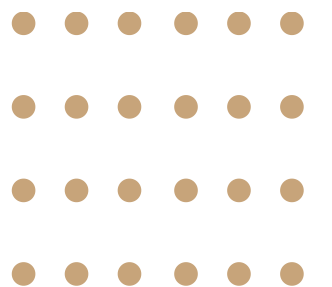
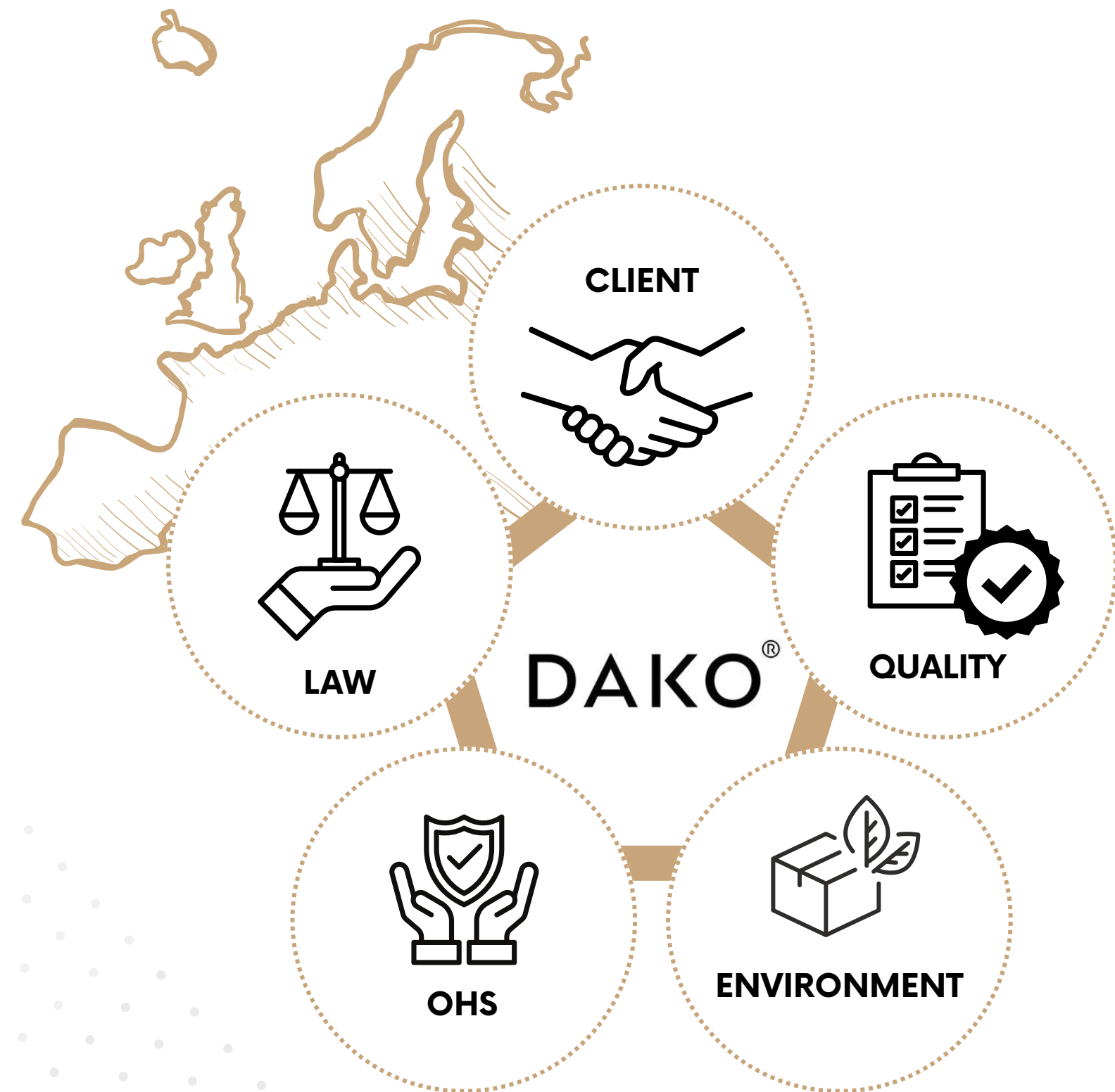
We **employ over 1000 people**, whose **expertise** and dedication are **key** to maintaining our high standards of quality and service.

Our Commitment to Quality and Compliance

Our goal is to continuously **meet the needs and expectations of our customers**. We aim to strengthen the company's reputation on both domestic and international markets. We are committed to aligning our processes with recognized standards and environmental responsibility.

We pledge to ensure that:

- **the products we manufacture comply with** customer requirements and legal regulations, maintain high quality, and guarantee safety including the health safety of the packed goods
- all identified and potential risks are regularly assessed and monitored as **part of our HACCP plan**, and that our operational prerequisite programs are effectively implemented and continuously improved



Our Commitment to Quality and Compliance

- **prevent errors** and eliminate potential irregularities at the earliest possible stage of the production cycle
- reduce the negative **environmental impact** of the company's operations by optimizing the use of raw materials, utilities, and chemicals, and by improving waste management practices
- **increase employee awareness** and engagement in quality, product health safety, and environmental protection by continuously developing their competencies
- **continuously seek new IT solutions** to manage production processes more effectively



Our Commitment to Quality and Compliance

- **improve the efficiency** of the printing facility through organizational changes, investments in infrastructure expansion, machinery purchases and upgrades, as well as enhancements in hygiene, environmental, and occupational health and safety conditions
- continuously improve the **development plan** for safety and packaging quality culture, along with the quality management system



Certifications

The fulfillment of the commitments is ensured by the implementation of our Integrated Management System for Quality, Packaging Safety, and Environmental Protection, compliant with **ISO 9001, ISO 14001, ISO 22000, the BRC Global Standard for Packaging Materials, and FSC requirements.**

At our facility located at 8 Kozłowiecka Street, we have fully implemented the **BRC standard** with the highest possible rating - AA - covering the entire site.

We declare that the principles of our strategy are effectively implemented, clearly understood, and consistently followed by all employees at DAKO Printing House.





Environmental Protection and Climate Action

Environmental protection is one of the key pillars of **our sustainability strategy**. At DAKO Printing House, we are consistently implementing solutions aimed at minimizing the environmental impact of our operations. We invest in **renewable** energy sources, energy-efficiency systems, and technologies that help reduce greenhouse gas emissions.

Our approach is firmly rooted in the principles of **the circular economy** - ranging from responsible waste management to the design of environmentally friendly packaging.

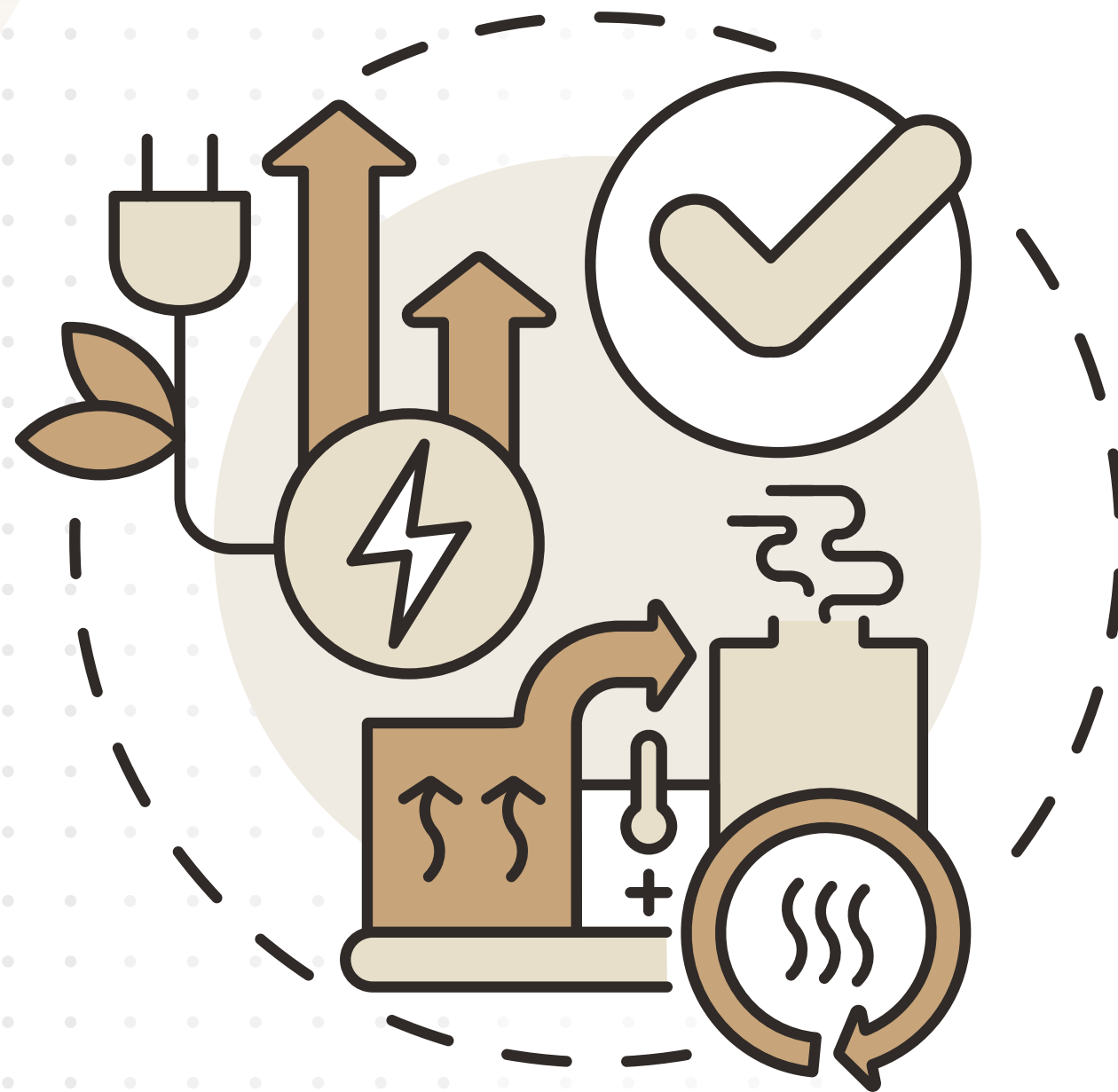
This chapter outlines our environmental strategy, highlights our achievements, and presents our future direction in the areas of ecology and climate responsibility.



Investing in Renewable Energy

As part of our commitment to sustainable development, the company has invested in renewable energy installations, including photovoltaic panels. Currently, **energy sourced from renewables accounts for nearly 25% of our total electricity consumption**, significantly contributing to the reduction of greenhouse gas emissions.

These investments help decrease our reliance on conventional energy sources and directly support our decarbonization goals while improving overall energy efficiency.



Low-Emission Cogeneration

We have launched a cogeneration system that enables the simultaneous production of electricity, heat, process cooling, and steam through the use of hybrid technology. This investment allows us to partially utilize the electricity we generate, helping to reduce the cost of energy purchases.

Additionally, by integrating the steam generator with our existing steam boiler system, we have improved the efficiency of the corrugated board production process. High-efficiency cogeneration is a low-emission source of carbon dioxide, contributing to a reduced carbon footprint and supporting our broader sustainability goals.



Greener Transport and Electromobility

To reduce emissions from transportation, we have implemented route optimization strategies and are gradually expanding our fleet with modern electric vehicles. These measures contribute to a **significant reduction in CO₂** emissions related to product deliveries, supporting a more environmentally friendly logistics system.

In 2024, we acquired several fully electric Mercedes-Benz Citan vehicles, which are now used by employees for commuting between our production sites. Additionally, we purchased **a fully electric Scania delivery truck** in the autumn of 2024. This vehicle is dedicated to handling local deliveries to facilities located close to our main plant.

As our electric fleet continues to grow, we are also investing in the necessary charging infrastructure. Currently, eight EV charging stations are available at our headquarters to ensure efficient use and support for daily operations.



Environmental Awareness

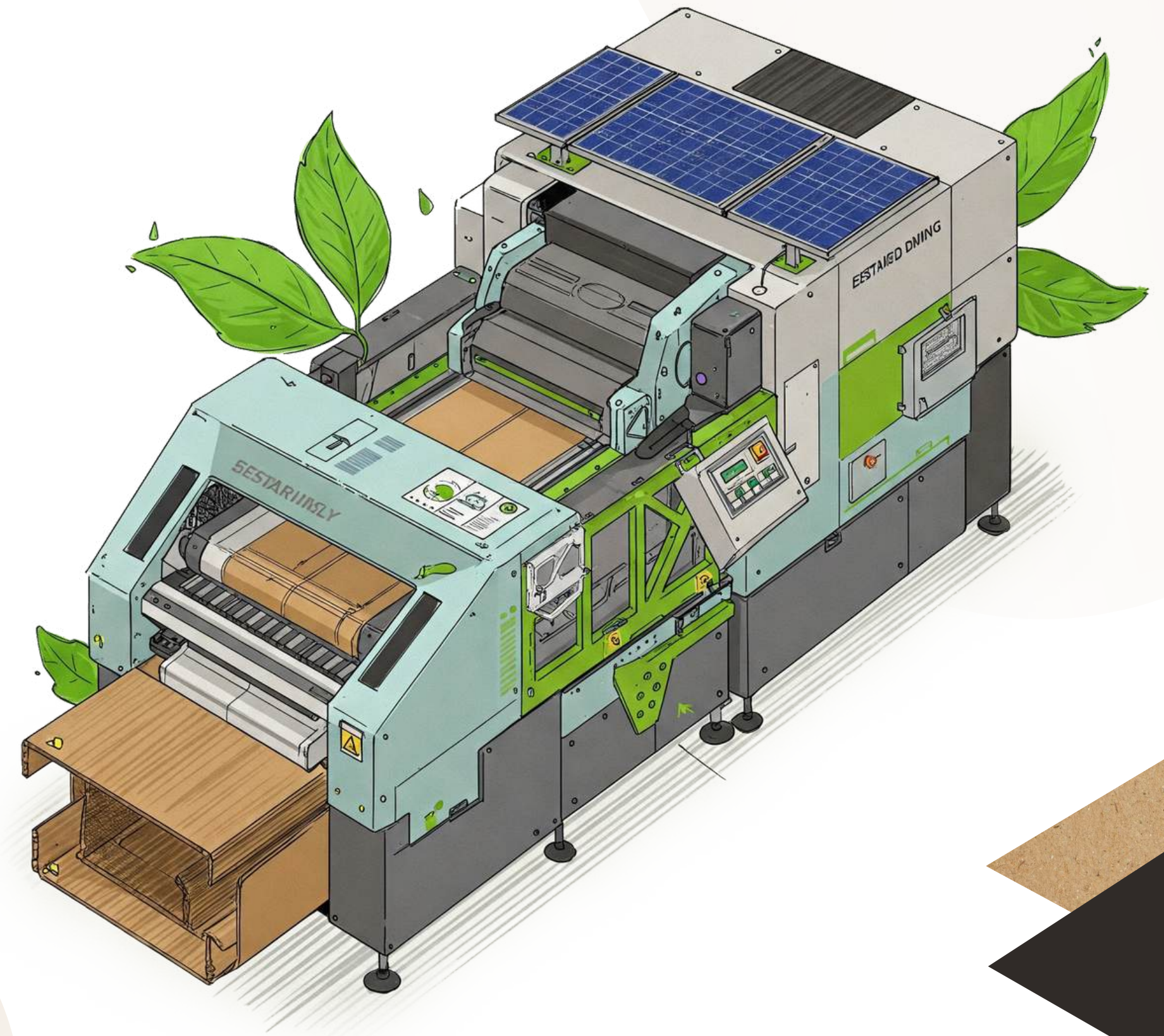
Our company prioritizes **environmental awareness** by regularly sharing educational content with employees across the facility. Informational presentations displayed in common areas serve as a tool **to promote sustainable practices** and encourage environmentally responsible behavior both at work and beyond.

A key element of our sustainability strategy is our **comprehensive waste segregation system**, which ensures the efficient separation of recyclable materials. This initiative substantially reduces the volume of waste sent to landfills, reinforcing our commitment to circular economy principles and environmental stewardship.



Minimizing Energy Use and Emissions

We are continuously working to improve **energy efficiency** by implementing modern technologies that help minimize energy consumption and waste generation. Our investments focus on **high-performance machinery** that reduces energy demand and lowers CO₂ emissions during the production process.



Innovative Packaging Development and Sustainable Material Choices

The mission of our **R&D Center** is to conduct studies focused on new packaging constructions. Collaborating closely with Lodz University of Technology, we are actively working on the development of innovative types of packaging and materials. The project will result in the introduction of lighter packaging solutions to the market, designed to meet all required strength and quality standards.

Our Sales Department supports customers in **selecting materials with improved environmental performance**. As a result, we have seen a growing number of projects utilizing mono-material packaging, which facilitates easier disassembly and waste segregation ultimately supporting more effective recycling and reducing environmental impact.

In addition, we take measures to minimize waste by optimizing raw material and component orders. Materials are carefully selected to meet precise production requirements, ensuring efficient use of resources. We also encourage our clients to choose FSC-certified materials.

In 2024, **the number of orders using FSC-certified materials increased nearly ninefold compared to 2023**. This growth is directly linked to our decision to switch to 100% FSC-certified substrates in all grades produced on our corrugator line as of April 2024.

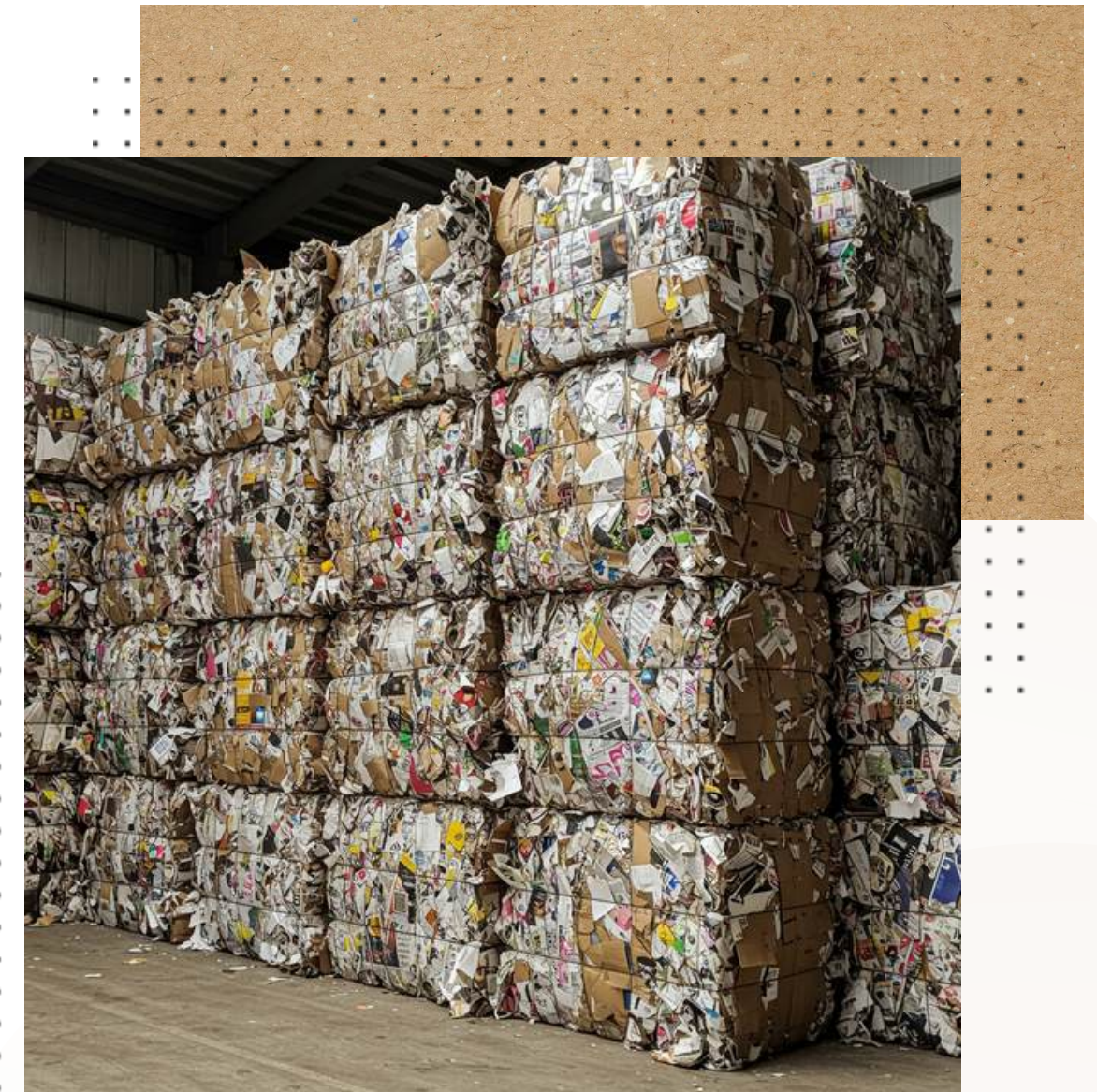


Minimizing Waste and Supporting Circular Practices

We take a proactive approach to waste reduction, placing great emphasis on responsible resource management. Throughout our production processes, wastepaper and plastic film are meticulously sorted and sent to specialized recycling partners, reinforcing our commitment to circular economy principles.

In line with our **“zero waste” approach**, we have implemented policies to reduce the generation of both hazardous and non-hazardous waste. These efforts contribute to more efficient material use.

We have also expanded our segregation system to include construction and renovation waste, ensuring that all types of waste generated across our operations are properly managed and disposed of in a responsible manner.



Standards and Education for Sustainable Development

We hold several certifications, including ISO 14001, which enable us to systematically manage our environmental impact and monitor the effectiveness of our pro-environmental initiatives. **These certifications reflect our ongoing commitment to environmental protection and sustainable development practices.**

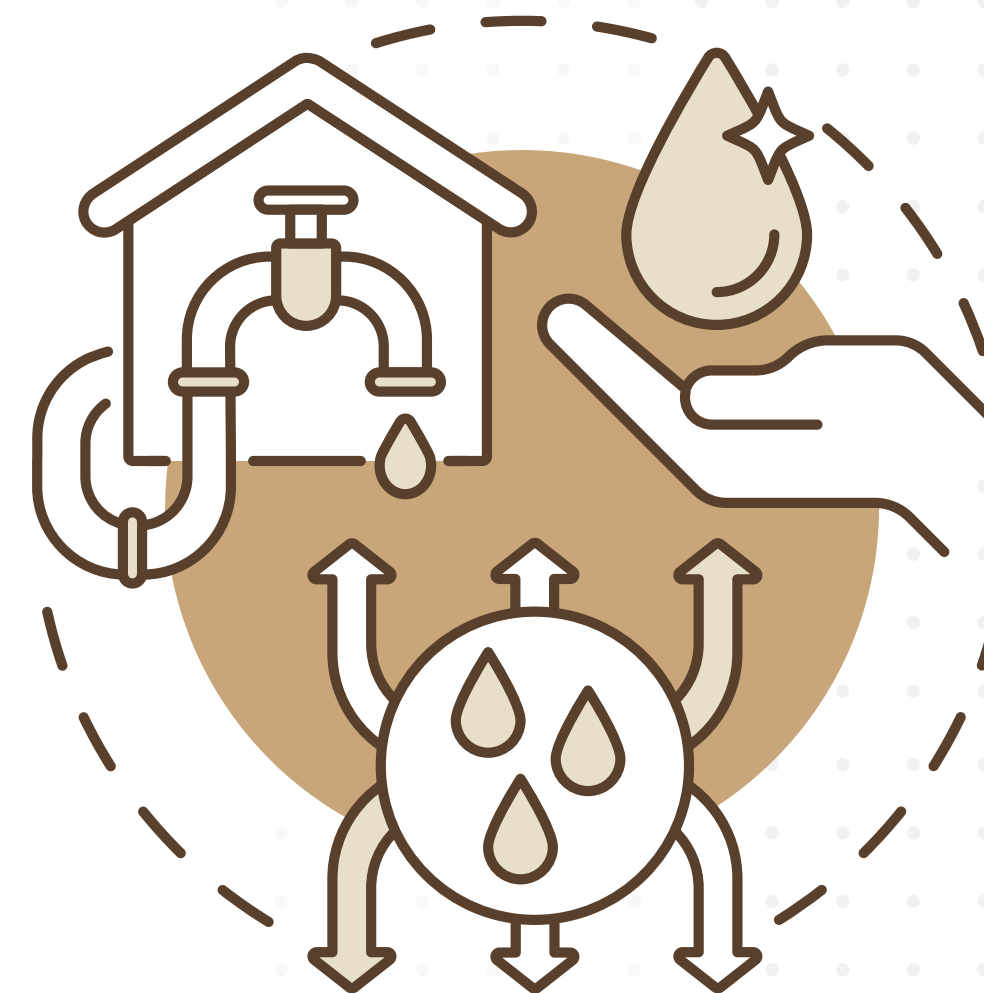
In 2024, **our ESG project team** completed a training program focused on the **implementation of ISO 26000** guidelines. This training marks the beginning of our broader journey toward deeper integration of social responsibility principles and continued learning in this area.



Water Efficiency

As part of our efforts to minimize water usage, we have implemented a range of solutions aimed at optimizing the cleaning processes for our printing machines. Each machine is equipped with a dedicated cleaning system, and our staff follow **strict procedures** and cleaning schedules in accordance with equipment manuals.

We also **plan production orders in a way that reduces** the need for frequent cleaning. Additionally, we are testing and introducing more effective cleaning agents, which help shorten cleaning times and further reduce water consumption.



Green Roof as a Natural CO₂ Absorber

Beyond its undeniable aesthetic value, vegetation on the rooftop serves as a natural carbon sink, lowering the concentration of CO₂ in the air. Through photosynthesis, plants absorb carbon dioxide from the atmosphere and convert it into oxygen and organic biomass.

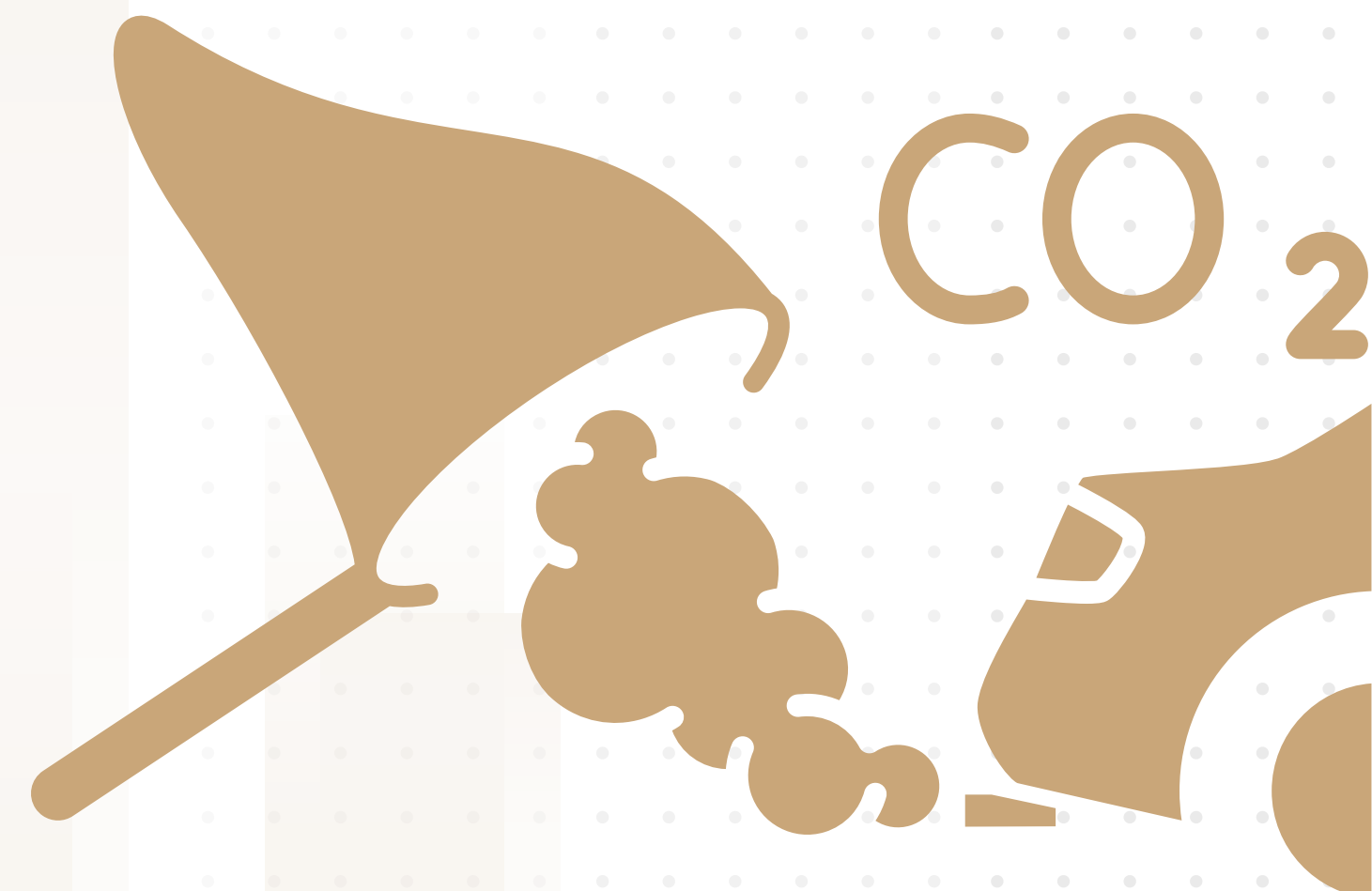
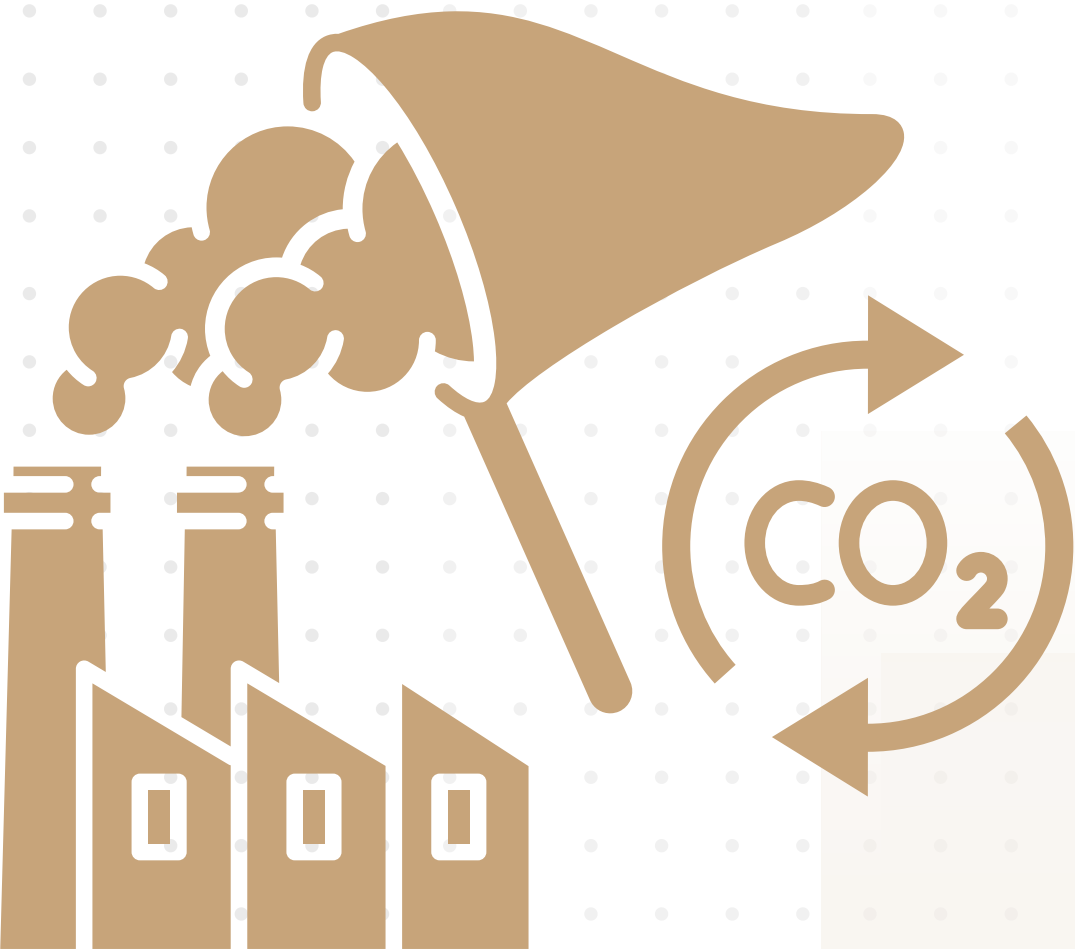
At the same time, rooftop greenery **supports biodiversity** by creating a habitat for insects and birds, even in industrial settings.



Decarbonization as a Pillar of Climate Policy

Decarbonization of the economy has become one of the key objectives of climate policy. The EU has committed to achieving **climate neutrality by 2050** by significantly reducing greenhouse gas (GHG) emissions and implementing measures to offset unavoidable CO₂ output through enhanced natural carbon capture.

As part of our commitment to sustainable development, DAKO Printing House is implementing a range of **initiatives aimed at reducing CO₂ emissions**, with a focus on all three areas: **direct, indirect, and value chain-related emissions**.



Examples of levers implemented in our operations under Scope 1

- **Use of Lower-Carbon Energy Sources:**

As part of our efforts to reduce greenhouse gas emissions, we are gradually replacing our transport fleet with electric vehicles powered exclusively by renewable energy. This transition will significantly reduce emissions generated by company transport.

- **Adoption of Natural Refrigerants:**

In our air conditioning systems, we have introduced the use of natural refrigerants with very low Global Warming Potential (GWP). This approach not only minimizes the environmental impact of cooling processes but also helps protect the atmosphere from substances that contribute to global warming.



Examples of Levers Implemented Under Scope 2

- **Use of Renewable Electricity:**

We have committed to sourcing electricity exclusively from renewable sources, which directly reduces CO₂ emissions associated with our energy consumption.

- **Reduction of Utility Consumption:**

A range of measures has been implemented to reduce the use of electricity, water, and other utilities. These efforts support more efficient resource management and contribute to the overall reduction of our emissions.

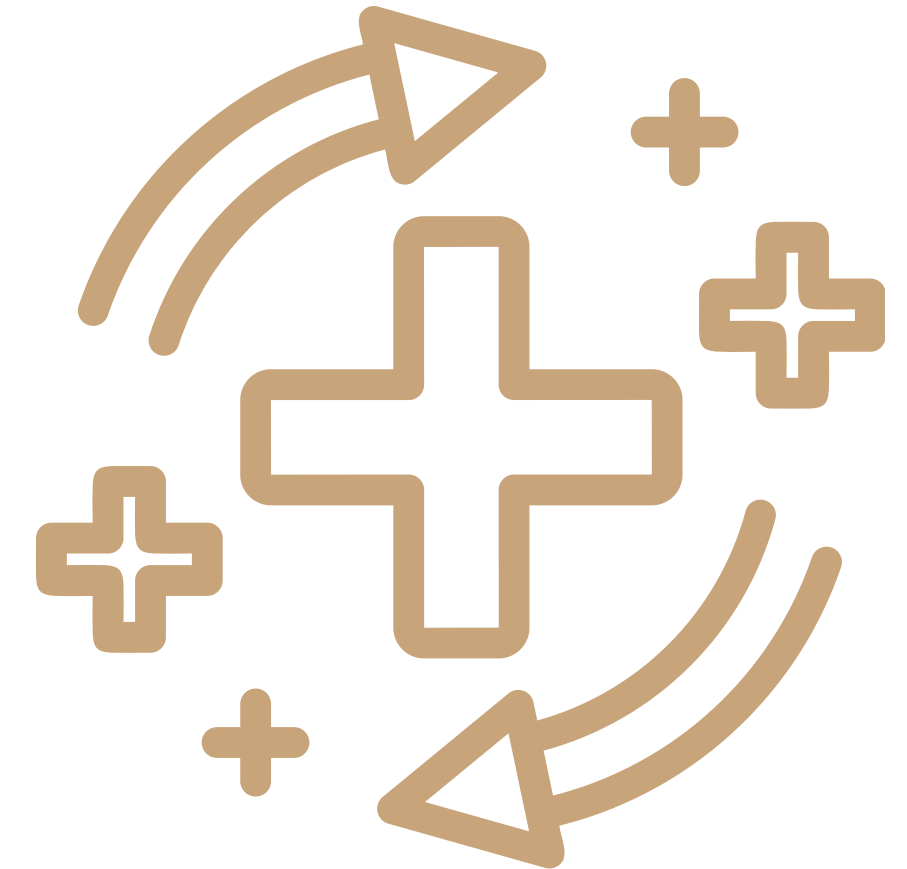
- **Cogeneration Technology:**

The implementation of cogeneration systems enables us to simultaneously produce electricity and heat, significantly improving energy efficiency and reducing CO₂ emissions. This solution also contributes to reduced fuel consumption.

- **Heat Recovery via Economizer Installation:**

We have launched an economizer installed on the flue gas system of the BHS boiler to recover heat for central heating purposes. This solution reduces the demand for heating energy, thereby lowering energy use and limiting emissions.

As part of our ongoing climate strategy, we plan to expand our carbon footprint calculations to include **Scope 3 emissions**, covering those associated with the activities of our suppliers and customers. Over time, we will systematically extend these measurements to additional categories, aiming for a complete understanding of our environmental footprint across the entire value chain.



Creating a Supportive Workplace

We are committed to building a workplace culture based on safety, mutual respect, and employee engagement. Our initiatives focus on **supporting the professional and personal development of our team members**, while also extending our impact beyond the company through active involvement in the local communities where we operate.

Our ambition is to foster a socially responsible organization that not only upholds the highest standards of ethics and occupational health and safety, but also cultivates an inclusive, and supportive working environment.



SMETA 4-Pillar Audit Completion

In April 2024, we successfully completed **SMETA** (Sedex Members Ethical Trade Audit) in its **extended 4-Pillar version, the most comprehensive format of this internationally recognised ethical compliance assessment**. This audit evaluated our operations in four key areas: labour standards, health and safety, environmental management, and business ethics. The results confirmed DAKO's adherence to high standards of responsible business conduct. The audit highlighted a number of good practices implemented across our company, including:

- **A wide range of additional employee benefits**, such as free medical care, insurance coverage, holiday bonuses, lunch cards, and access to sports facilities through the Multisport programme.
- **High availability of first aid equipment** across production sites, ensuring rapid emergency response capabilities.
- **Implementation of environmental policies** aimed at reducing the consumption of natural resources.
- **Possession of relevant certifications** related to human rights, labour practices, and environmental impact, including ISO 9001:2015, ISO 14001:2015, ISO 22000:2018, FSC® Chain of Custody, and BRCGS Packaging Materials.

The Sedex logo, featuring the word "Sedex" in a bold, black, sans-serif font, followed by a red circular icon containing a white stylized 'S' shape.

Breaking Barriers - Inclusive Workplace Practices

We are committed to breaking down stereotypes related to the employment of people with disabilities, while actively working to remove barriers and **promote equal opportunities**. We strive to create a working environment where every individual feels empowered and valued.

In recognition of our ongoing efforts to build an **inclusive and socially responsible workplace**, in 2024 **we were honored with a distinction during the Lodołamacze Gala, in the Inclusive Workplace Practices category**. Lodołamacze (translated as "Icebreakers") is a Polish competition that recognizes employers who actively support inclusive employment and the professional integration of people with disabilities. The initiative promotes social responsibility, equal opportunities, and diversity in the workplace.

DAKO collaborates with the Association for Local Initiatives and the Fuga Mundi Foundation, both of which are dedicated to supporting the employment of people with disabilities and individuals from marginalized or socially excluded groups. Through these partnerships, we contribute to building a more inclusive labour market and promoting equal opportunities for all.



Spreading Cheer Through Creativity

During the holiday season, we had the opportunity to support a meaningful initiative thanks to one of our interns, who volunteers at a local children's home in Lublin.

Together with our project team, we prepared creative DIY cardboard kits—mini reindeers designed for children to assemble and decorate. It was a small gesture aimed at bringing joy and festive spirit to young residents, while also encouraging creativity and hands-on play.



Promoting Blood Donation

In 2024, we continued to support the activities of the **Honorary Blood Donors Association** by providing branded gifts for participants of upcoming blood donation events.

Additionally, we helped spread the word by sharing information about the event on our social media channels, encouraging others to get involved in this important cause.



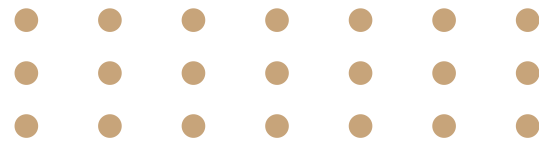
GADŻETY DLA
KRWIODAWCÓW

A Workplace Built on Trust and Support

Our team continues to grow, now comprising over 1,000 **employees**, many of whom have been with us for a decade or more. These are not just colleagues, but often neighbors, friends, and familiar faces within **our community**. We remain committed to supporting our people not only in their professional development but also in times of personal hardship. When unforeseen challenges arise, we provide non-repayable financial aid, guided by empathy, solidarity, and a strong sense of responsibility towards those who help shape our company every day.

At the beginning of 2024, one of our employees and their family faced a serious personal crisis. In response, the company provided direct financial assistance, continuing our long-standing practice of supporting team members in times of hardship. We believe that standing by our employees during difficult moments is an essential part of being a responsible and people-centered organization.

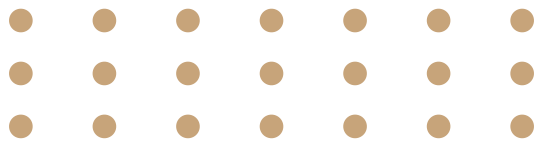




Employee Benefits and Engagement

Our employees benefit from a **comprehensive range of benefits**, including co-financed medical care, insurance plans, and lunch vouchers. Each year, children of our staff receive festive holiday gift packages, reflecting our ongoing commitment to caring for our employees and their families.

Additionally, every June for many years now, we have been organizing a company-wide event aimed at fostering **team integration** and building a strong sense of community. These initiatives contribute to **employee well-being** and help strengthen workplace relationships across all departments.



Compliance and Integrity: Whistleblower Procedures in place

In 2024, in compliance with the applicable legislation, we implemented all necessary procedures related to the **Whistleblower Protection Act**. We established secure and confidential channels for reporting potential violations of law or internal regulations.

The procedure is designed to ensure robust protection for whistleblowers, safeguarding them from any form of retaliation and maintaining full confidentiality throughout the reporting process. It also establishes a transparent framework for handling reports and documenting follow-up actions in a dedicated register. Additional information is available on our website, under the "Contact" section.

These practices underscore our commitment to **ethical conduct**, operational integrity, and a culture of accountability.



Employee Development and Training

We recognize that our people are our greatest asset. A well-trained, knowledgeable team is one of our key competitive advantages, DAKO invests consistently in their growth and development. Each year, we allocate significant resources to employee education, ensuring our team is equipped to meet both current and future challenges.

In 2024, we continued this commitment by organizing a **wide range of training programs tailored to the diverse needs of our organization**. Our technical staff participated in specialized training necessary for maintaining optimal operational performance. Managers from our sales and procurement departments received targeted leadership and process training, while our ESG team completed a dedicated course on ISO 26000 guidelines.

Environmental awareness remains a priority. Our employees are regularly educated on sustainability practices through digital displays and internal communications. Furthermore, all employees are required to complete health and safety training, including a mandatory knowledge test to ensure practical understanding.

We also conducted a comprehensive, hands-on first aid training program.

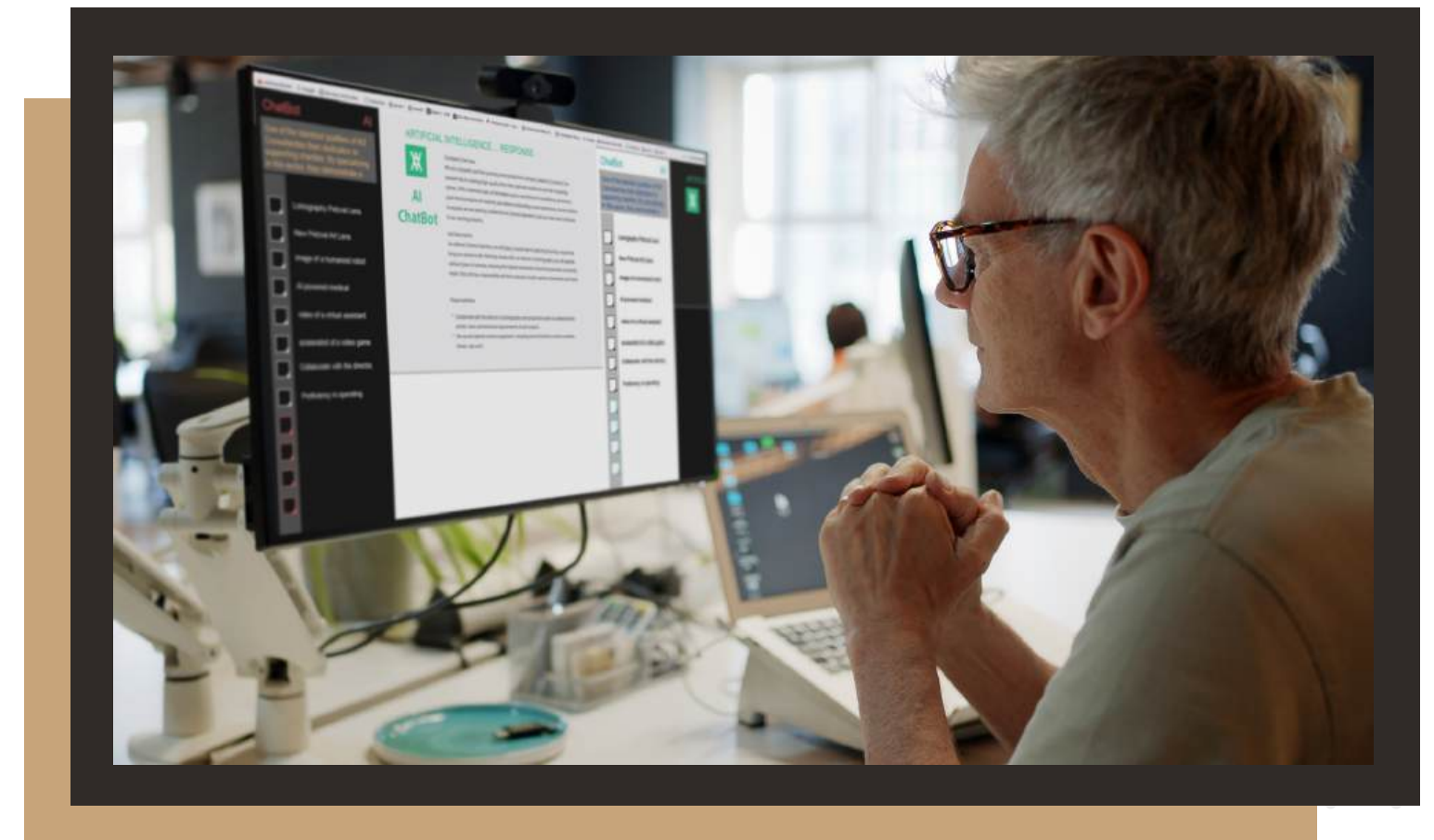


Employee Development and Training

In line with the growing importance of artificial intelligence across industries, we initiated **AI-focused training programs**. These began with general upskilling and evolved into customized, in-depth workshops for key departments. Additionally, our HR department completed postgraduate studies in **workplace wellbeing** at Kozminski University, enhancing our long-term focus on employee satisfaction and mental health.

As we launched our new Creative Department, team members received **practical training** in **graphic design** tools and methods to support innovative packaging development.

Moreover, **FSC certification training** was provided to specialists involved in sustainability and raw material sourcing.



Building a Proactive Safety Culture

We are committed to continuously improving workplace health and safety conditions. Our overarching goal is to minimise the number of incidents through **proactive risk management and preventive action**. Monthly H&S inspections are carried out by our internal Health & Safety team to identify potential hazards and ensure regulatory compliance. Findings from these inspections feed into corrective and improvement plans. Preventive measures include **regular risk assessments**, targeted training, and safety awareness initiatives. Through these efforts, we strive to foster a culture of safety, accountability, and well-being across all levels of the organisation.

We also conducted a **comprehensive, hands-on first aid training programme, which brought together 140 employees** from across all operational areas of our facility. Participants included managerial staff, team representatives, shift supervisors, and specialists in production organisation, ensuring the availability of first responders on each work shift. This initiative not only enhanced life-saving competencies across our teams but also reinforced our commitment to cultivating a proactive, safety-first workplace culture.



Creating Safer and More Ergonomic Workspaces

As part of our preventive efforts, the Health & Safety Department regularly verifies the qualifications and medical fitness of employees working with specialized equipment, including lifting platforms, cranes, gas and energy systems, and welding processes.

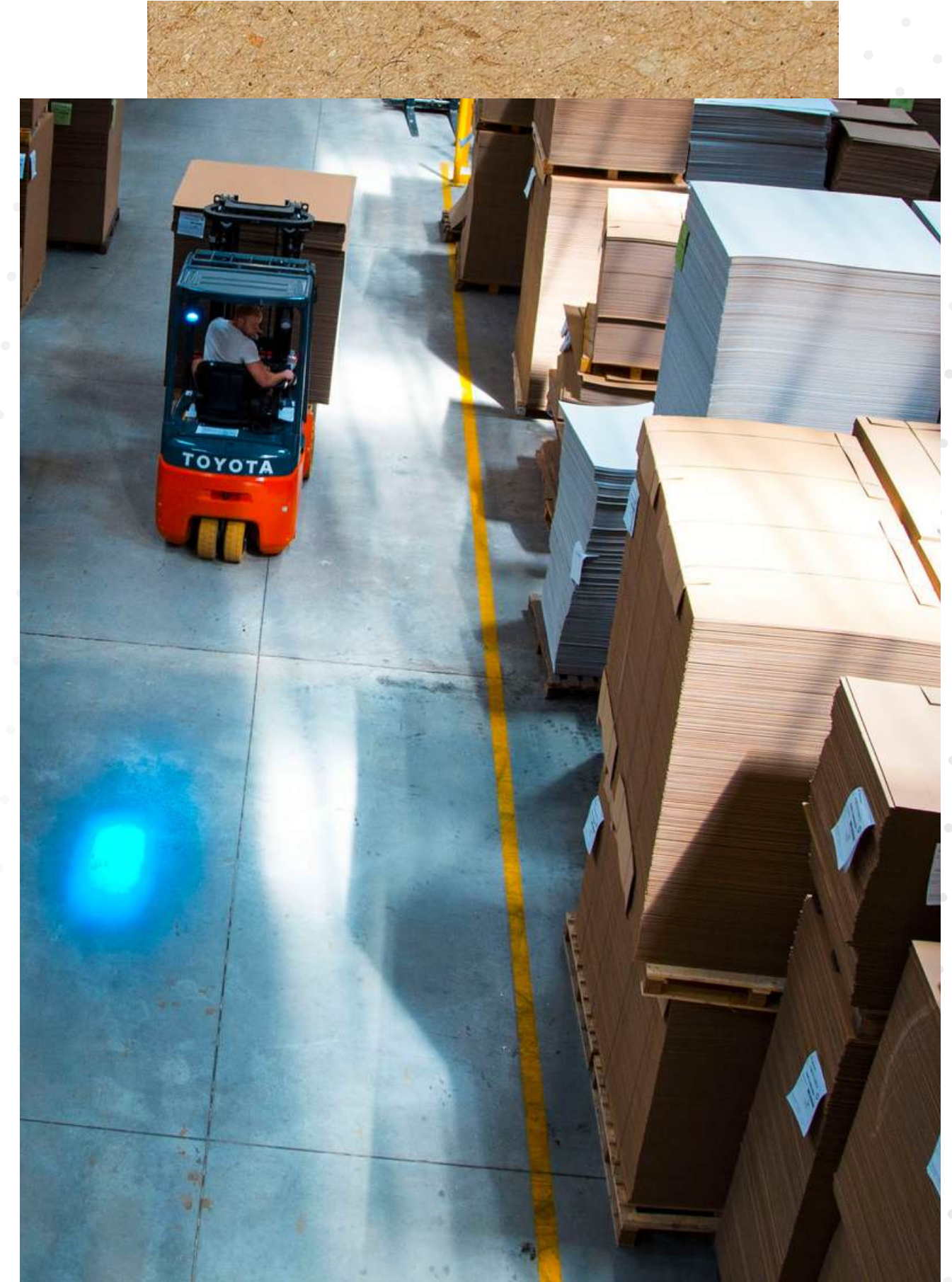
To **enhance safety and well-being**, we conduct ongoing infrastructure and equipment maintenance, update pedestrian routes, and improve workplace ergonomics - such as upgrading protective footwear and providing joint support bands. In response to rising temperatures, we introduced additional rest breaks and installed air conditioning in the employee cafeteria **to ensure greater comfort** during warmer months.



Workplace Safety and Inclusive Protection Measures

The company provides employees with appropriate personal protective equipment, including safety footwear, gloves, aprons, goggles, face shields, and ear protection. **Thanks to continuous training and upskilling**, as well as technical upgrades and modernization of our machinery, **the number of work-related incidents has been reduced by half in recent years**, most of which are classified as minor.

Our warehouses are equipped with forklifts featuring blue light warning systems. These lights increase visibility and serve as visual warnings, particularly benefiting our hearing-impaired employees. **This solution complements traditional auditory alerts** and demonstrates our commitment to creating an accessible, inclusive, and secure working environment for all team members.



Supporting Education and the Local Community

DAKO actively supports local community through a wide range of educational, social, and health-related initiatives. We place particular emphasis on fostering **youth development** by building strong partnerships with **local technical schools**. Since 2022, we have been running a dedicated vocational training program in collaboration with a secondary technical school in Lubartów. The initiative combines **classroom education** with **hands-on experience** in our production environment, offering students a unique opportunity to gain practical skills in printing. Participants can choose between two development tracks: offset printing and flexographic printing.

In 2024, the **company sponsored** a printing technology **student** from Warsaw University of Technology to attend DRUPA in Düsseldorf, the world's leading trade fair for the printing industry.

Beyond educational initiatives, we also engage in **local events** for children and youth. This year, we provided branded materials and small promotional items for a school festival in Lubartów, helping to create a positive and engaging experience for the local community.



Solidarity in Times of Crisis

In the autumn of 2024, southern Poland was struck by a devastating flood that caused severe damage across the region. The disaster resulted in serious injuries and left many families without shelter.

In response to this tragedy, DAKO provided financial support to a foundation that organized a fundraising campaign to help rebuild houses for employees of one of our client companies who were affected by the flood.

The donated funds were used to help restore homes that had been heavily damaged. This contribution was an expression of solidarity with those facing the consequences of this humanitarian crisis and a testament to the importance we place on supporting our partners and their communities in the most difficult times.



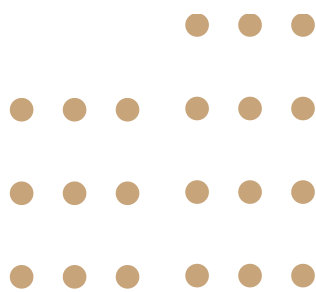


Building an Equitable Workplace

We are committed to building a workplace that values equality. Salary levels and promotion opportunities are determined solely **based on experience, competencies, and professional merit** - regardless of gender, age, or background.

We support employees at every stage of life and career. To ease the return to work for young mothers, we offer flexible working hours tailored to individual needs. At the same time, we value the experience and loyalty of long-serving team members - the **Silver Generation currently accounts for 27% of our workforce**, many of whom have been with us for over two decades, contributing their deep knowledge and mentorship.

As of 2024, women hold **more than half of all management positions**, reflecting our ongoing efforts to foster gender balance in leadership positions.





DAKO®

PACKAGING
& CARDBOARD
SOLUTIONS

Corporate Social Responsibility Report 2024

Prepared by

Barszcz-Styczula Natalia, Environmental Manager

Drozd Urszula, Marketing Project Coordinator

Gregorowicz Paulina, Health and Safety Manager

Kocon Małgorzata, Research and Development Manager

Kowalczyk Magda, Environmental Specialist

Osior Wioleta, HR Specialist

Sikora Aleksandra, Creative Packaging Designer

Smyk Magdalena, HR Specialist

Zarzecka Anna, Quality Assurance Specialist