

Svoboda  **Press**

Sustainability strategy

Synergy between business and nature



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Introduction



Milan Černý,
Managing Director

Dear colleagues,

Let me introduce our sustainability strategy, which is not only our moral commitment but also our business advantage. Sustainability is a key value for us that will differentiate us from our competitors in the future and increase our attractiveness to our customers, in an already highly competitive environment such as the printing industry.

Our strategy is the result of the collective work and involvement of all our stakeholders. The strategy focuses on four main areas: governance, employees, environment and customers. In each of these areas, we have set specific targets and indicators to help us measure and improve our performance.

We want to be transparent and communicate our successes and challenges.

Our sustainability strategy is not static, but dynamic. We will update it regularly and adapt it to new trends and needs. We want to be innovative and creative in finding solutions that will benefit us and our environment. I believe that together we can achieve our ambitions.

Svoboda III Press

We are Svoboda Press. The largest printing house in the Czech Republic with over 60 years of tradition. We specialize in high-cost rotary offset printing, producing full-color magazines, catalogs, and advertising materials such as brochures and leaflets. Our work results in printed materials of the highest quality, precisely meeting our clients' expectations while striving for a sustainable approach to the printing craft.

Svoboda Press s.r.o. is solely owned by Euro-Druckservice GmbH (EDS) based in Passau, Germany.

Strategy: before and after

45

responses to the
company-wide
questionnaire

4

competitor
searches

140

pages of
final reports

4

workshops

5

suppliers
surveyed

20+

internal documents
studied

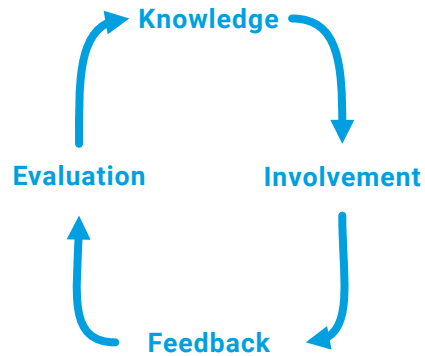
Timeline

What are our plans on the path to sustainability. We have a plan to become a socially responsible company with a low environmental footprint.



Strategy

Basic components



Knowledge: become familiar with the content and objective of the strategy, understand its importance and relevance for the company and the environment

Involvement: to be actively involved in the implementation of the strategy, to be an essential cog in the common wheel

Feedback: share views and experience, provide constructive feedback to help improve company performance

Evaluation: regularly monitor and measure results, identify strengths, weaknesses, opportunities and threats, reflect on new findings

Double Materiality

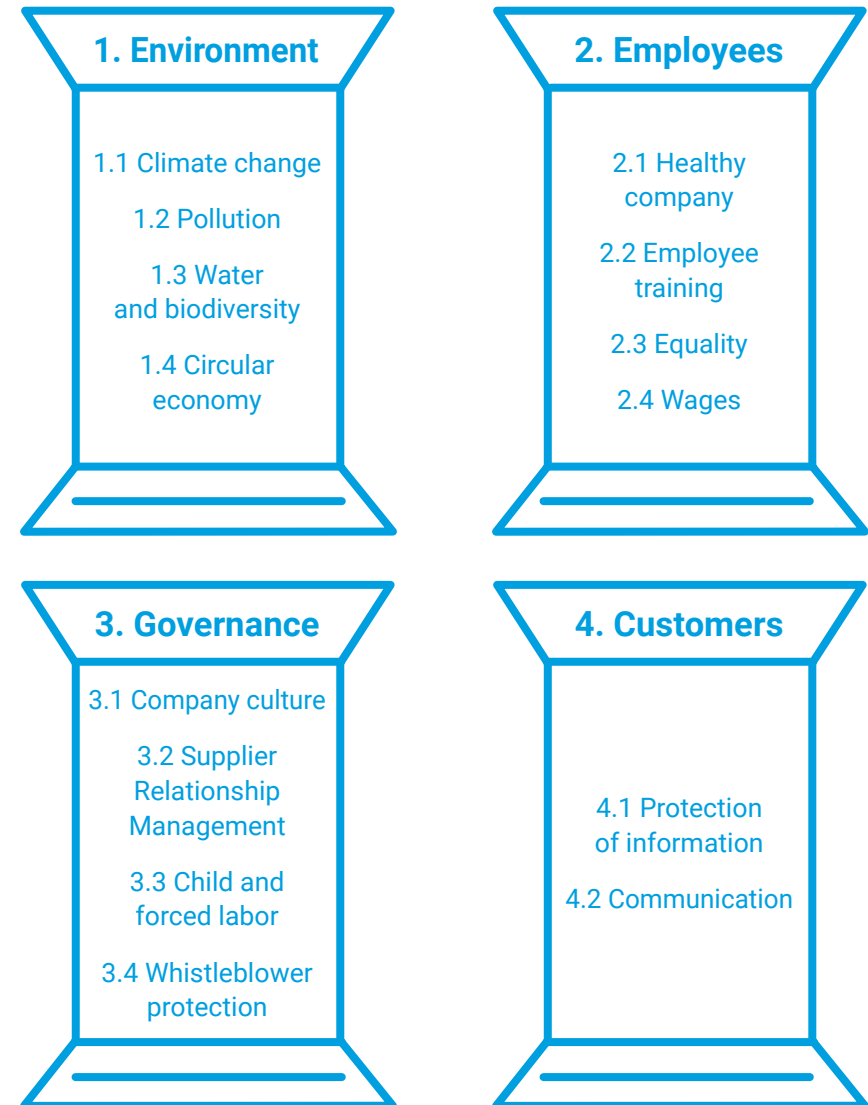


Financial Materiality
(management, investors, banks)



Social & Environmental Materiality
(staff, community, management)

Sustainability strategy pillars



1

Environment

Protecting the environment is one of the key pillars on which Svoboda Press operates. We aim to minimize negative environmental impacts and actively communicate our actions and ambitions to our suppliers and customers.

Minimizing negative impacts

Active communication

Our commitments

- By the end of 2023, compare products based on their environmental impacts.
- By the end of 2024, tailor the communication approach towards customers.
- By the end of 2025, create EPDs (Environmental Product Declarations) for at least 3 products of Svoboda Press.
- By 2028, establish market leadership in sustainable printing.

Milestones

- Actively communicate to customers about the possibilities of environmentally responsible solutions.
- Actively seek opportunities for improvements in environmental practices.
- Actively address sustainability issues with suppliers.

Where is it projected

- Code of Ethics, Sustainability Management System, Corporate Climate Change Policy, ISO 50001: Energy Management Policy, Air Pollution Plan and Emergency Plan, ISO 140001: Integrated Quality Policy

"Regarding the use of natural resources, it is necessary to prepare for the effects of climate change and rationalize the consumption of materials. Coworking with suppliers and involving them in our objectives is an essential part of this process."

– **Milan Černý**, CEO



1.1

Impacts of climate change mitigation

The impacts of climate change will directly and indirectly affect all sectors. Mitigating these effects and preparing for them will enable Svoboda Press to meet stakeholder and customer demands, and respond flexibly to external factors like rising prices or shortages of energy and raw materials.

Ready for change

Flexible response

1.2

No pollution

In the printing industry, the topic of pollution mainly includes waste production, volatile organic compounds (VOCs) and their evaporation, and the use of non-ecological inks and dyes. In the case of Svoboda Press, it also includes the prevention of wastewater pollution.

Eco-friendly production processes

Certification

Our commitments

- Set Science based targets (SBT) by the end of 2023
- Meet the targets set in the SBT annually.

Milestones

- Count the carbon footprint in Scope 1/2/3 annually.
- Implement PV and heat pumps.
- Educate staff on energy conservation.
- Investigate the possibility of using bio CNG.
- Reduce emissions from transport (hybrid and electric).
- Purchase materials with a lower carbon footprint (paper and aluminum).
- Set up processes for zero landfill by 2025.

Our commitments

- By 2030, more than 50% of Svoboda Press' products will be environmentally certified.
- By 2030, Svoboda Press' products will be free of VOCs and mineral oils.
- We will maintain the ISO 140001 standard.

Milestones

- Monitor trends in pollution prevention.
- Educate our customers about the possibility of using mineral oil-free colors.
- Install dual water metering (to prevent water pollution allegations).

1.3

Protecting water and biodiversity

Biodiversity is a key issue, especially with regard to wood as an input material. Analyzing water consumption and finding ways to use it efficiently and reduce its consumption are key steps for Svoboda Press to reduce the company's impact and achieve economic savings.

Consumption analysis

Saving

Our commitments

- Conduct a water audit by 2024.
- Analyze the company's impacts on biodiversity by 2025.
- Develop a biodiversity policy by 2027.

Milestones

- Maintain FSC and PEFC certification.
- Calculate the water footprint of the product.
- Reduce water consumption per product.
- Actively seek opportunities to reduce impacts on biodiversity.
- Seek opportunities to use rainwater.

1.4

Circular economy

The theme of circular economy reflects the use of resources and the flow of materials in a company. This topic has significant implications for supplier-customer relationships. In the case of Svoboda Press, the aim is to manage packaging and waste responsibly, including as a supplier.

Regulated material flow

Waste reduction

Our commitments

- By 2025 develop a policy for a circular economy and systematic waste reduction.
- By 2025, no company waste will end up in landfill.

Milestones

- Actively reduce the amount of all waste in manufacturing processes and administrative buildings, minimize the amount of landfill waste.
- Investigate how waste is managed.
- Purchase all colors, stabilizers, developers, silicones, adhesives in returnable packaging by 2025.
- Educate customers to maximize the use of recycled paper.
- Find a suppliers of recycled paper.

2 Employees

Employees are an integral part of Svoboda Press, on whom the success of the entire company is based. It is important to set good working conditions not only in the supply chain, but especially for core employees. Office professions and management have the possibility of flexibility (e.g. home office), while weekends, holidays and public holidays are fully respected.

Good working conditions

Safety

Upskilling

Our commitments

- Anchoring social dialogue in the company's strategic framework.
- Becoming an attractive employer.

Milestones

- Regularly survey the needs of employees.
- Ensure their safety and physical and mental health.
- Maintain existing working hours and their flexibility.
- Retain dedicated staff.
- Establish a transparent system for employees.

Where is it projected

- Code of Ethics, Wage Rules, Occupational Health and Safety, Training Plan



"The ESG strategy focuses on developing and protecting the employee environment at Svoboda Press. Key topics include training for all levels, from manual labor to senior management. Enhancing employee skills is crucial for both our staff and competitiveness."

– **Kateřina Mlnaříková**,
HR manager

2.1 Healthy company reputation

The long-term health of all employees, including mental well-being, is one of Svoboda Press' most important goals. We are setting up a development plan for the Healthy Company Programme, where we set out a form of physical and mental health mapping for office and management professions.

Health protection

Adequate salary

2.2 Employee training

Employee training plays an important role in the development of employee skills and engagement, and therefore in the competitiveness of the company. The training will focus not only on topics related to the profession and on statutory training, but also on languages, financial literacy, personal development and other necessary areas resulting from regular questionnaires.

Competitiveness

Training plan

Our commitments

- Provide adequate salary compensation.
- Reduce the number of serious injuries by 5% annually by 2026.

Milestones

- First aid training for employees.
- Setting up processes for identifying employees' needs regarding workplace safety (including alcohol and psychotropic substances in the workplace).
- Establishing a method for mapping the physical and mental health of workers.
- Establishing a development plan for the Healthy Company programme for the years 2024–2025 and monitoring the positive impact on workers in addition to the negative one.

Our commitments

- Systematize employee training.
- All employees have the opportunity to participate and 30% will be trained by 2025.

Milestones

- Update the training plan.
- Implement the project of the Operational Programme Employment Plus (if support is obtained).
- Search for other subsidy possibilities
- Creating an effective system of information gathering.
- Implementation of first aid courses for all employees, including foremen.

2.3 Equality

Svoboda Press has a 50% representation of women in management in 2023. It declares its approach to gender equality through flexible working hours for parents on parental leave, and works with equality-sensitive language in its communications. These aspects will be reinforced and added to the company's code of ethics, which will emphasize respect for the family and social background of employees.

Pro-family policy

Flexible working hours

2.4 Fair wages

The company has guaranteed minimum wage employees, and there is no minimum wage. The Company is committed to increasing wages year over year and maintaining all benefits offered in 2024. In the future, the company will seek to increase wages for manual labor positions instead of adding benefits, as indicated by the employee survey.

Benefit retention

Wage increases

Our commitments

- Maintain an approach to gender equality and tolerance towards employees.

Milestones

- Update Svoboda Press' values, strengthen the passage on equality, including management representation.
- Describe what a family company means for the practical functioning of the company.
- Use the company's values, including the family character, in communication inside the company and externally – for example in advertisements.
- Set up a form of support for parents on parental leave.

Our commitments

- Provide adequate wages.

Milestones

- Prepare a wage increase plan.
- Prepare a benefits plan for 2024–2025 to maintain benefits.
- Initiate discussions with management on the possibility of wage increases for manual labor positions.

3

Governance

Svoboda Press was one of the first large printers in the Czech Republic, and today the company continues a more than 70-year tradition of printing and production of print products. Much has changed in that time and Svoboda Press strives to keep up with modern trends in order to be a reliable and stable employer for its employees and a partner for its customers who understands their current needs.

Modern processes

Sustainable printing

Following trend

Our commitments

- Establish a more open approach to our stakeholders.
- Create our first sustainability report by 2025

Milestones

- Continuously assess the needs of our stakeholders.
- Establish a clear corporate structure and approach to ESG.
- Start collecting the data needed for reporting.

Where is it projected

- Code of Ethics, Organizational and Working Regulations, Whistle Blowing Regulation

"Svoboda Press aims to develop a company that, together with its management, employees, suppliers and customers, creates a sustainable world. The intention is to maximize the positive impacts of Svoboda Press' activities and to systematically improve environmental and social conditions."

– **Iva Prošková,**
Sustainability & System
Quality Manager



3.1 Strong company culture

The corporate culture of Svoboda Press has a long tradition. The company has a large number of employees who have celebrated their 40th anniversary in the printing industry. The company highly values loyalty, trust and stability. In line with this, there is an effort to maintain a stable company culture while not closing it to new initiatives and ideas.

Stability

Casual activities

3.2 Supplier Relationship Management

In the area of supply chain management, Svoboda Press has good relationships with its suppliers, however, there is now no specific policy in place for paying suppliers on time, it is standard company practice to pay on time regardless of the size of the supplier.

Dialogue with suppliers

Environmental requirements

Our commitments

- Zero violations of the Code of Ethics.
- Meet targets against staff turnover.

Milestones

- By the end of 2023, update the Organizational and Working Regulations.
- Set up and describe processes for addressing actions in violation of the Code of Ethics.
- Set processes for investigating allegations of bribery.
- Establish regular communication between management and employees (production visit).
- Dialogues with employees.
- Family day, Open day, employee bonding activities.

It will also be important to include a discussion of environmental and social sustainability issues in supplier relations, leading to the introduction of minimum requirements for each supplier.

Our commitments

- Measure and declare timely payment to suppliers.
- Prepare ESG requirements for suppliers by 2026.

Milestones

- Ensure and measure timely payments to suppliers.
- Set up a form of dialogue with suppliers on ESG topics.
- Gradually implement ESG requirements in tenders.

3.3

Child or forced labor free World

In the Czech Republic and throughout the European Union, child and forced labor is almost non-existent. Unfortunately, a significant part of the world, especially in South East Asia and Africa, still uses child and forced labor practices. In the case of Svoboda Press, this issue is particularly relevant in the supply chain.

Supplier audit

Responsibility

Our commitments

→ Avoid child labour throughout the supply chain by 2028.

Milestones

- Set up a system for auditing suppliers.
- Proactively communicate with suppliers.
- Seek alternative suppliers where necessary.
- Prepare for incoming CSDDD legislation.

3.4

Whistleblower protection

Early reporting of potential problems and misconduct is an important element in preventing loss of customer confidence, employee bullying, corruption and other phenomena that are not and will not be tolerated at Svoboda Press company.

No corruption

Protection of background

For the reasons stated above, it is important to protect whistleblowers who choose to report suspected incidents that violate Svoboda Press's policies.

Our commitments

→ Set strategy on whistleblower protection policy by the end of 2023.

Milestones

→ Describe whistleblower protection in the event of reporting.

4 Customers

Customers are key partners on whose trust and long-standing partnership Svoboda Press builds its success. We want to act as a reliable and responsible partner to our customers, offering the right solutions to their business needs. It is important to actively communicate with them, to maintain their trust and to involve them as much as possible in the sustainability debate.

Customer confidence

Discussion on sustainability

Reliable and responsible partner

Our commitments

- Set up a system of continuous dialogue with customers on sustainability-related topics.
- Become a leader in sustainable printing.

Milestones

- Prepare documents for the sales department.

Where is it projected

- Code of Ethics, ISO 27001

"Customers are our most important stakeholders, with whose help we can best achieve Svoboda Press' ambitious sustainability and social responsibility goals."

– Karel Blecha,
Managing Director



4.1 Protection of information

Maximum protection of information is the foundation of a good reputation. At Svoboda Press, we come into contact with sensitive customer information every day. If this information reaches the public before the customer has planned, it could have major economic and reputational implications not only for Svoboda Press, but also for the entire EDS group.

Reputation

Information in safety

4.2 Communication with customers

Customers are a key partner for the implementation of sustainable solutions. The topic of sustainability is an increasingly strong trend among customers and end consumers, and for this reason it will be important to inform customers about Svoboda Press' commitments and achievements in each area.

Communication potential

Information on sustainability

Our commitments

→ Have zero leaked customer information.

Milestones

→ Cybersecurity training.

→ Maintain ISO 27001.

The absolute necessity associated with transparent and partnership communication is to avoid false and misleading information called greenwashing or bluewashing.

Our commitments

→ Start proactively communicating with customers.

→ Avoid greenwashing and other false claims.

Milestones

→ Identify the communication potential of Svoboda Press.

→ Develop a communication strategy linked to the theme of sustainability.



Svoboda Press

Svoboda Press s.r.o
Sazečská 560/8
108 25 Praha 10
www.svoboda.cz/en

