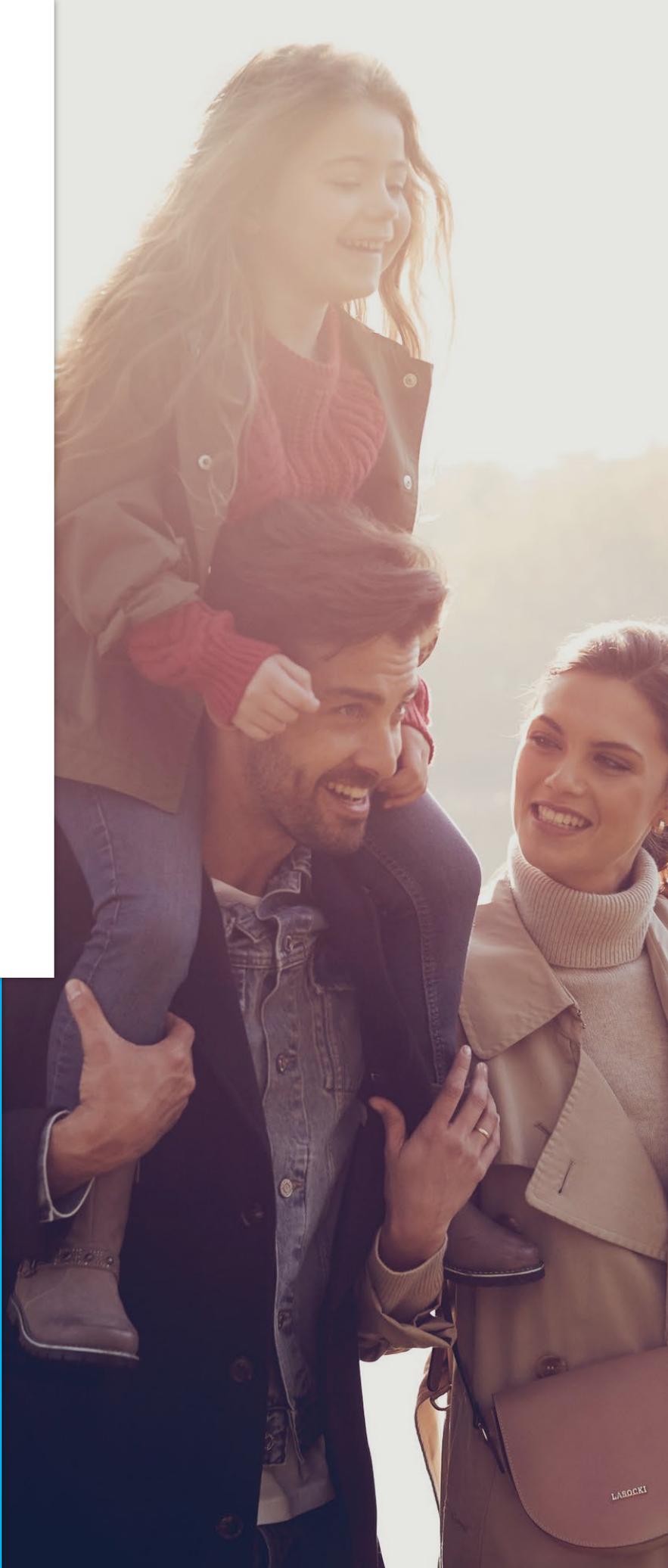


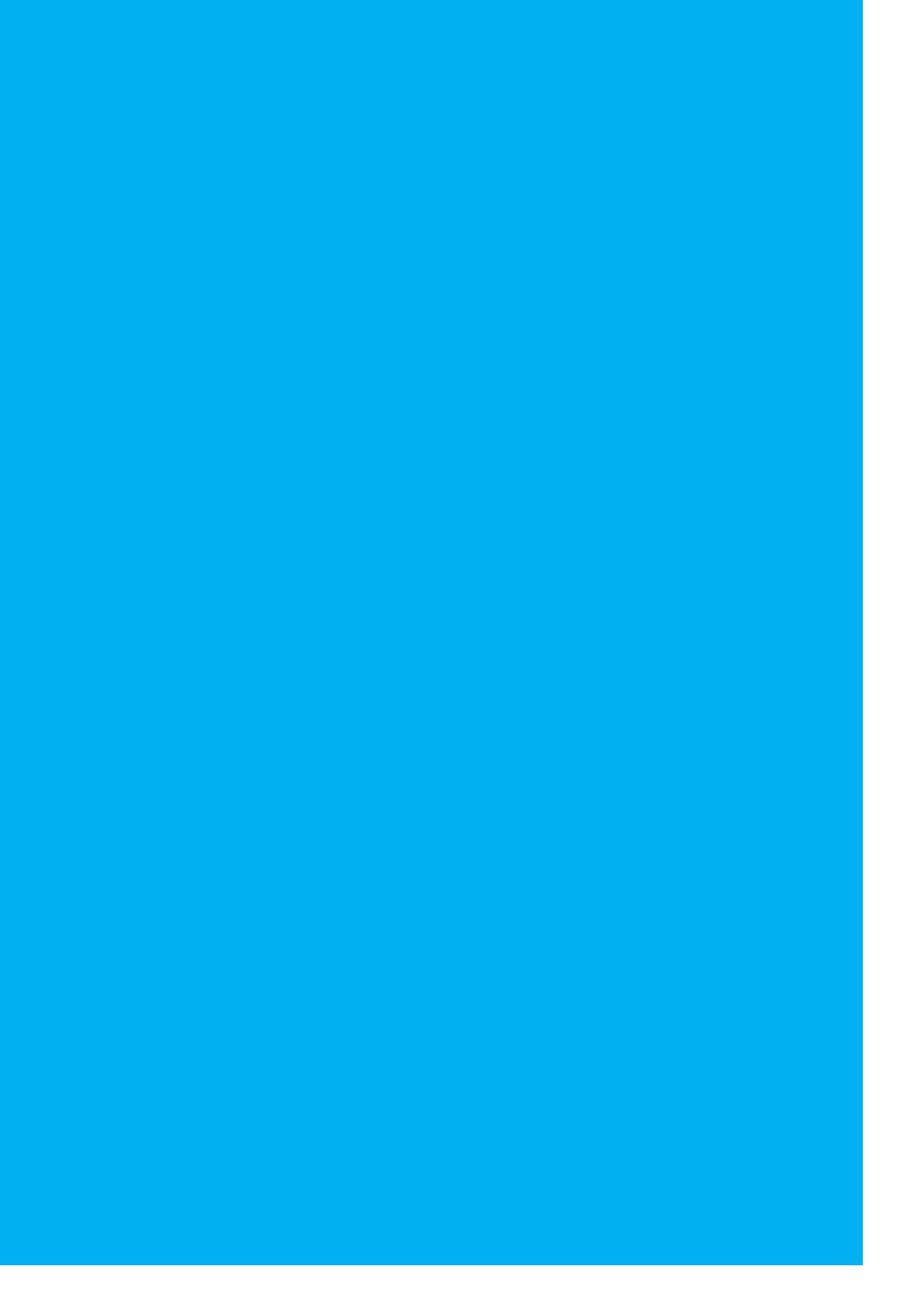


# CLEAN FOOTPRINT

ENVIRONMENTAL STRATEGY  
CCC CAPITAL GROUP 2019 - 2021



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# OUR APPROACH



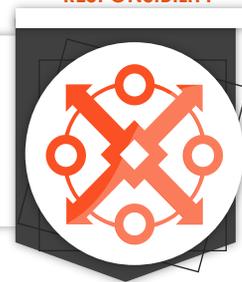


In order to maintain the balance between the constant development of the CCC Capital Group and the care for reducing the impact of our operations on the natural environment, we present the environmental strategy for 2019-2021 based on the principles of sustainable development. We trust that the contribution to the preservation of the natural environment is a long-term and reliable investment that will bring benefits not only for us, but also for future generations.

Below we would like to introduce you to the main areas of activities undertaken by us in the interest of the natural environment, which is treated by us as a common good and company's strategy in the area of systematically lowering environmental indicators.

#### RESPONSIBILITY

This results directly from one of the four values we believe in CCC-  
**RESPONSIBILITY**  
FOR OUR ACTIONS



### PILLARS OF OUR ENVIRONMENTAL POLICY ARE:

## I

**Minimizing the impact of operations on the natural environment**

## II

**Reduction of energy consumption and greenhouse gas emissions**

## III

**Shaping attitudes and ecological awareness**

## IV

**Minimization of generated waste**

## V

**Saving raw materials in the supply chain**

## VI

**Investments with respect for the natural environment**



2019  
- 2021

**STRATEGIC ENVIRONMENTAL  
OBJECTIVES OF CCC GROUP  
FOR 2019-2021**

## MAIN AIM 2021

Main strategic aim  
for 2019-2021 is

Reduction  
of emission factors  
into the environment by

3x5%

*compared to the indicators from 2015-2017*



## DETAILED OBJECTIVES 2019-2021

reduction of the electricity  
consumption indicator

5%

*until 2021 in relations to the average  
consumption indicator for 2015-2017*

reduction of the CO<sup>2</sup>  
emission indicator

5%

*until 2021 in relation to the average  
emission indicator for 2015-2017*

reduction of the indicator of the  
amount of generated waste

5%

*until 2021 in relations to the average  
indicator for 2015-2017*

PILLAR

I

**MINIMIZING THE IMPACT  
OF OPERATIONS ON THE NATURAL  
ENVIRONMENT**



## MAIN AIM

Reduction of emission indicators to the environment by 3 x 5% until 2021



**W**ithin the CCC Group we strive to understand, identify and measure the direct and indirect impact of our activities on the environment and apply possible solutions to mitigate these effects.

FOR THIS PURPOSE:

# A

We implemented **environmental indicator management system and company strategy** in terms of their systematic reduction

The first step to formulating our company's new policy and strategy in the field of environmental protection and setting strategic goals for 2019-2021, was to verify the areas of significant impacts of our operations on the environment as well as the summary and assessment of the pro-environmental activities undertaken so far.

The next stage was the collection and analysis of environmental data such as: energy consumption, consumption of natural gas, diesel oil and gasoline, water consumption and the amount of discharged sewage, amount of waste generated, CO2 emissions from the years 2015-2017. On this basis, indicators for the evaluation and evaluation of environmental activities for these areas were developed. The indicators selected by us refer to all the analyzed areas, both those in which many initiatives are already implemented, and those in which we are just planning to start operations.

# B

We systematically **monitor main areas** of business activity impact on the natural environment

The environmental indicator management system implemented by us is an important tool for us that will help us verify our strategic goals, highlight areas of environmental losses and waste, formulate corrective actions and measure our progress.

Systematic monitoring of the main areas of impact on the environment and the effects of environmental actions taken will allow us to introduce necessary changes and improvements in the future.

We started the evaluation of environmental activities from the observation of measurable quantitative indicators in relations to:



ENERGY CONSUMPTION



WATER CONSUMPTION



RESOURCES CONSUMPTION



QUANTITY OF WASTE



SEWAGE



GAS EMISSION

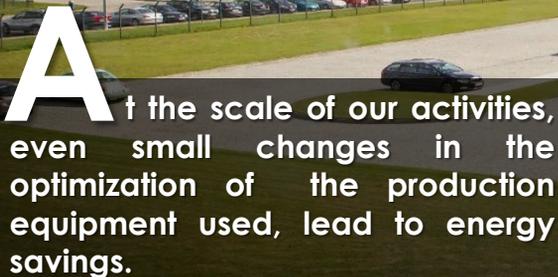
PILLAR

# III



**REDUCTION OF ENERGY  
CONSUMPTION AND GREENHOUSE  
GAS EMISSIONS**





At the scale of our activities, even small changes in the optimization of the production equipment used, lead to energy savings.

### DETAILED AIM

*reducing by 2021 the energy consumption indicator and the CO<sub>2</sub> indicator by a minimum of 5%*



We strive to reduce energy consumption and greenhouse gas emissions by using energy from renewable sources, including our own solar energy. Our annual solar farm generates benefits related to energy saving and CO<sub>2</sub> emissions.

New investments, both at the design and implementation stage, take into account the use of energy-saving technologies. The implemented activities include on the transition to energy-saving sensor systems controlled solutions for the management of energy receivers in buildings.

The main collection areas, and thus energy savings as part of the business at the headquarters of the CCC company, are designated

In a dedicated CBR facility, reducing the energy consumption for lighting is ensured by the modern DALIA system, which task is to manage the lighting of the building intelligently. The system is equipped with sensors which, depending on the building's lighting level, automatically adjust its lighting.

are based on the work of a modern, integrated network control system ZENON.

This comprehensive software implemented by us for better supervision over the power infrastructure of facilities allows for efficient monitoring, analysis and reporting of data in the area of energy. An additional advantage is the accessible data visualization interface.

The main energy receivers at the headquarters are:

- ventilation and air-conditioning systems related to the functioning of office rooms,
- lighting of storage rooms in connection with the 3 shift work system,
- work of compressor systems,
- energy consumption related to the operation of stacker cranes in the AWS building.

**Our priority** is actions leading to the reduction of CO<sub>2</sub> emissions by increasing the percentage of energy consumption from renewable sources in the Group's overall energy balance. Renewable energy sources such as solar energy, geothermal energy, wind farms, energy from biogas combustion, biomass, are the source of "cleaner, green" energy, which is the least harmful to the natural environment. During the production of such energy, no pollution gets into the atmosphere. By 2021, we plan to increase the share of renewable energy sources in the overall energy consumption balance to 50 percent. This share of green energy would allow us to reduce annual CO<sub>2</sub> emissions by around 13,000 tonnes per year. We have taken action in this area.

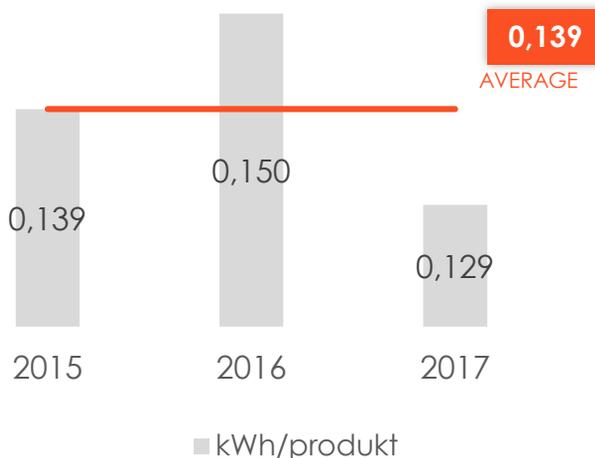
**Another activity** in the field of reducing CO<sub>2</sub> emissions is forest planting, together with the surrounding forest districts. This is the most effective way of offsetting CO<sub>2</sub> emissions generated from business operations. This solution is environmentally friendly and very important and has great educational value.



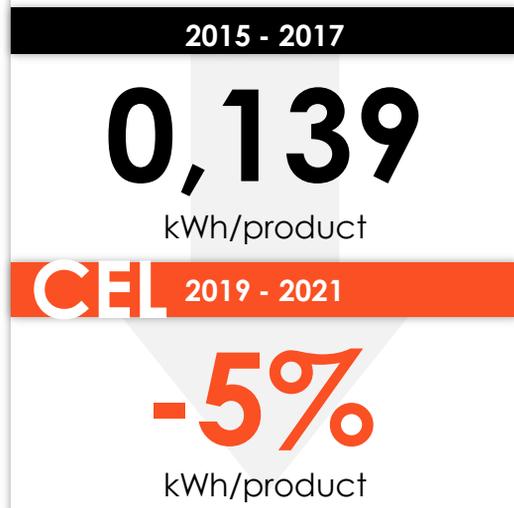
UP TO **13000** TONES YEARLY

- it's amount of CO<sub>2</sub> emission which can be reduced thanks to green energy consumption

**ENERGY CONSUMPTION INDICATOR FOR LOGISTICS SERVICE AT CCC CAPITAL GROUP**  
[kWh/product\*]



**AVERAGE INDICATOR OF ENERGY CONSUMPTION**  
[kWh/ product\*]



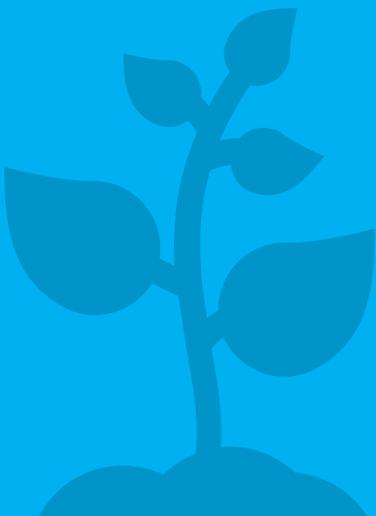
\* Amount of goods sold (shoes, bags)



PILLAR

# III

**SHAPING ATTITUDES  
& ECOLOGICAL AWARENESS**





**A**s responsible company, we actively work to build ecological awareness among employees and the local community. We believe that the knowledge provided will result in pro-environmental choices and attitudes at every level of activity of CCC group employees

The state of the natural environment in a direct and indirect way depends on individual behaviors and choices of each of us.

A high level of ecological awareness in society translates into a reduction of the negative impact on the natural environment.

Popularizing ideas and shaping ecological habits and pro-environmental attitudes is the basic stimulus of changes taking place in society at every level

Being aware of the impact of educational activities on shaping environmentally responsible behaviour, we undertake activities such as:

1. Implementation of a training cycle for employees dealing with issues such as conscious and responsible consumption, segregation and recycling of waste, reduction of waste production or reduction of energy and water consumption.

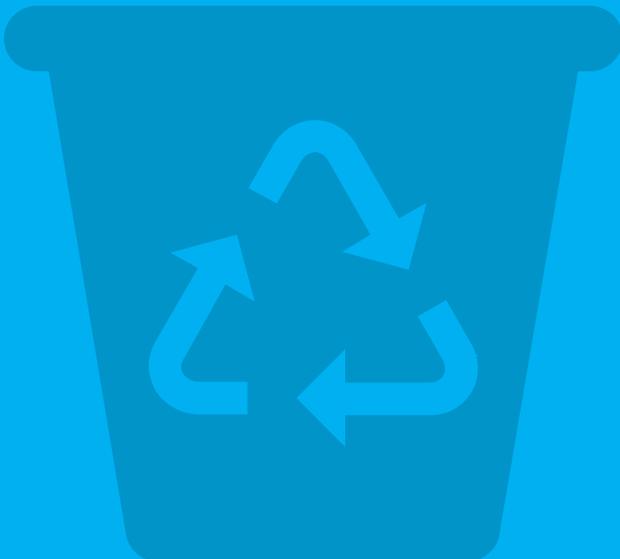
2. Cyclical trainings for employees have in a simple and accessible way to present important issues related to environmental protection and present simple solutions that are available to each of us in everyday life, raise ecological awareness, shape habits and build pro-environmental attitudes among employees.

3. Organization of ecological classes in cooperation with local educational institutions. The aim of the classes is to build attitudes and ecological awareness of children.

PILLAR

# IV

**MINIMIZATION  
OF GENERATED WASTE**





**A**n important aspect of the environmental impact of our operations is the generated waste. The main waste streams are produced in connection with the conduct of production and logistics and warehousing works. The largest percentage of waste is cardboard packaging, plastic packaging, and waste from the production of footwear.

The strategic goal is to minimize the waste generated thanks to the effective management of the materials and raw materials used as well as the generated waste.

Constant monitoring of the amount of waste generated and the analysis of data from previous years help us to identify sensitive areas.

We implement and communicate to employees and contractors the rules of handling both production and municipal waste. First, we prevent them from arising, then we re-use and recycle what the uprising could not be prevented, and as part of this step, we segregate secondary raw materials.

In order to reduce the amount of packaging waste, we carry out continuous work on: prevention of waste generation and increasing the level of reuse of packaging and its recycling.

**In order to reduce the amount of waste cardboard ackaging, we carry out continuous work on:**

PREVENTION OF WASTE

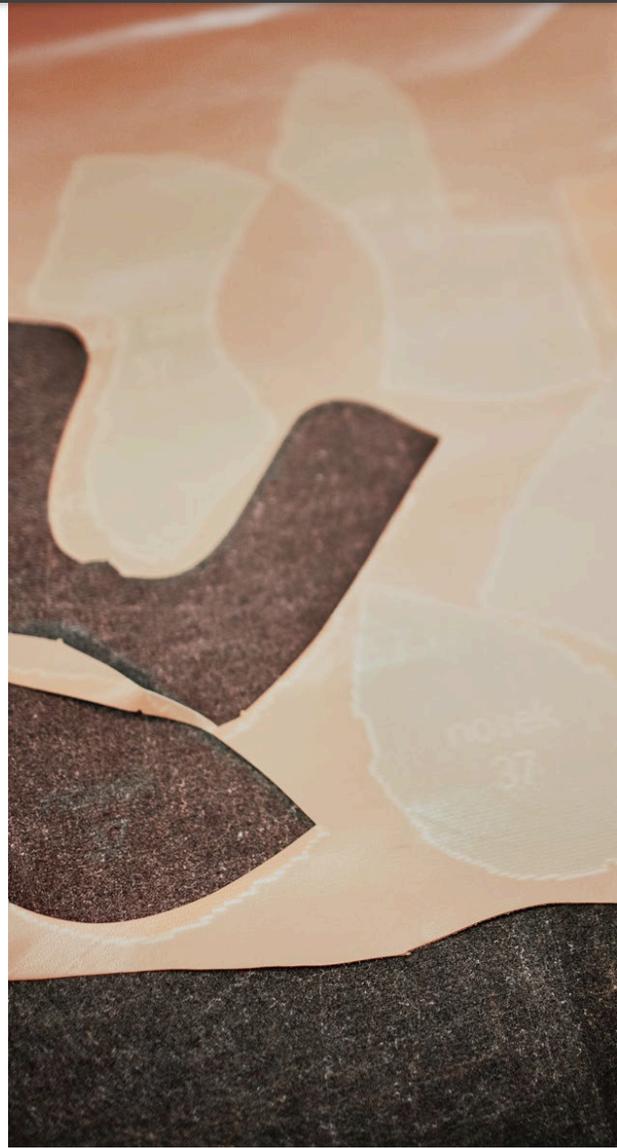
INCREASING THE LEVEL OF REUSAGE OF PACKAGING

INCREASING THE LEVEL OF WASTE RECYCLING WHICH HAS NOT BEEN PREVENTED

In order to improve the management of the effective use of materials and raw materials and waste generated, at our Research and Development Center (CBR) we work on projects optimizing the use of materials and reducing the amount of waste, and thus reducing their negative impact on the environment.

CBR works on: innovative packaging concepts for products, new technologies for footwear distribution, implementation of a new packaging concept for goods, minimization of waste generated, prototype of a device gluing shoe packaging, development of an optimal scheme of action reducing carton consumption, testing packaging durability and aging packaging materials.

Wherever possible, we strive to reuse packaging and prevent packaging waste by: limiting the repacking of post-season footwear (e.g. in cases of damage to unit packages). Bulk packaging is a material used by us many times. During warehousing and distribution as well as picking up off-season goods to the central office or storing goods in depository warehouses. The most damaged cartons, which reuse is not possible are intended for recycling. Before transferring the secondary raw material to authorized recyclers, cartons and paper go to balers that optimize the waste occupied by space, and the cost of transporting them.



All wastes that can not be prevented are stored selectively and transferred to companies with appropriate permits for the management of a specific type of waste.

**OVER**

**90%**

Waste produced by us  
is recycled

**OVER**

**100** tones

this is how much the annual saving  
of cardboard will be thanks  
to the implementation  
of the innovative cartoner



**B**ased on the analysis of data from the years 2015-2017, an environmental indicator of the amount of waste generated in relation to logistics services of the CCC Capital Group was developed. The index is expressed in kilograms per unit of product sold. Our strategic goal in the reduction of this indicator is its reduction by 2021 by 5% in relation to the average ratio for the years 2015-2017

### DETAILED AIM

Reduction of environmental indicator until 2021 by 5% in relations to the average indicator for 2015-2017

Continuous monitoring of the amount of waste generated and analysis of data from previous years enable the identification of sensitive areas.

#### AVERAGE INDICATOR OF AMOUNT OF WASTE GENERATED IN CONNECTION TO CAPITAL GROUP OPERATIONS [kg/product\*]

2015 - 2017

**0,074**

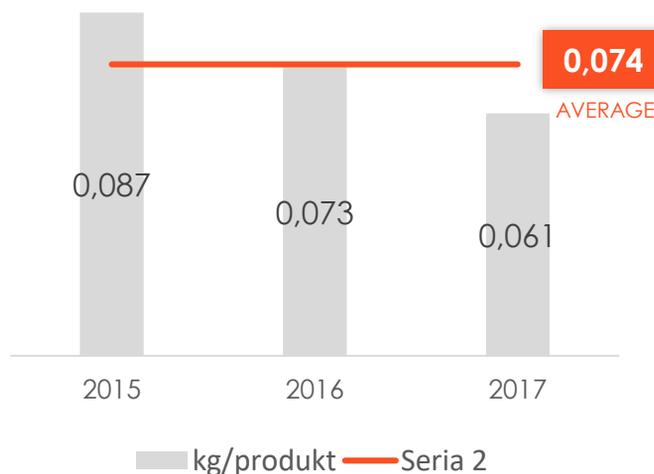
kg/product

**AIM** 2019 - 2021

**-5%**

kg/produCt

#### INDICATOR OF AMOUNT OF WASTE GENERATED IN CONNECTION TO LOGISTICS OPERATIONS AT CCC CAPITAL GROUP [kg/product\*]



\* Amount of goods sold during the year (shoes, bags)

PILLAR

V

**SAVING RAW MATERIALS  
IN THE SUPPLY CHAIN**





**T**his pillar presents in a comprehensive way the CCC Capital Group approach to the challenge of achieving the greatest savings in the supply chain. We strive to diagnose and implement more pro-ecological solutions at all stages of the supply chain, which will help reduce the negative impact of our business on the environment in this area

Issues related to environmental protection in the supply chain are a serious challenge for us, especially due to the scale of supply as well as the dynamic development of the sales network.

**We promote green logistics, whose** assumptions are low energy consumption and low emission of pollutants during production, storage and transport, and thus care for environmental protection. Our approach to the supply chain is based on the network management standard of our subcontractors in the field of procurement, production and distribution, or transport.

We oblige our subcontractors to comply with environmental protection regulations and a commitment to respect and care for issues related to the saving of raw materials. These commitments were included in the implemented "Code of Conduct for Suppliers".

Environmental objectives which we require from our suppliers in the field of water and sewage management - minimization of water consumption in the production process and effective water resources management.

In the area of post-production sewage disposal from the tanning industry proper sewage treatment before they are discharged.

In the scope of emission of pollutants into the atmosphere: monitoring the level of pollution emission to the environment and care for the protection of employees and local society against the harmfulness of such an impact.

**All suppliers undertake to comply** with applicable environmental protection regulations and economical use of resources.

Our supply chain consist of suppliers of raw materials, producers of goods, transport, storage and distribution.

### TRANSPORT IN THE SUPPLY CHAIN

Activities implemented by us include ecological management of own transport as well as transport service providers, through:

- selection of appropriate means of transport for the routes and type of cargo,
- optimization of the surface of the means of transport by cargo, which reduces CO<sub>2</sub> emissions to the atmosphere.

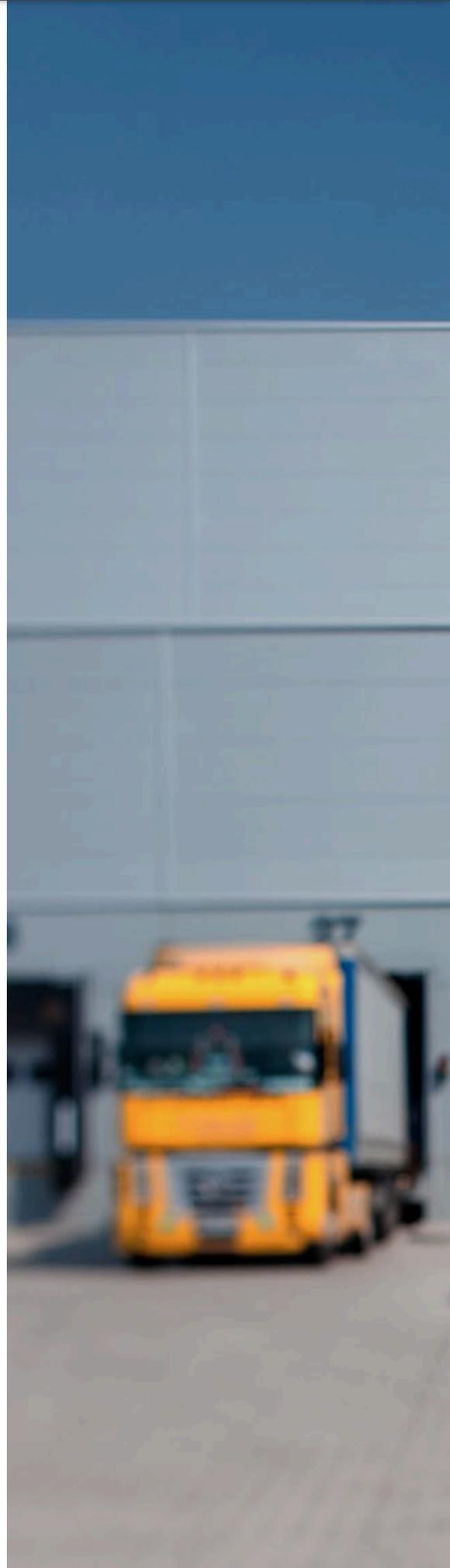
One of the elements analyzed during the decision on choosing a transport service provider are environmental aspects, e.g. compliance with Euro 5 and 6 standards, defining the permissible emission level of pollutants emitted by vehicles.

### WAREHOUSES IN THE SUPPLY CHAIN

One of the key elements in the supply chain are storage processes. Storage infrastructure is connected with storage processes. The key area where we care about saving raw materials in storage processes is the reduction of energy consumption.

Energy consumption in warehouses is related to maintaining optimal temperature, lighting of facilities and energy expenditure related to air movement.

Our warehouses have innovative, energy-saving LED lighting. Warehouse facilities have also been equipped with many other solutions reducing energy consumption, such as air curtains, automatic shutter systems and glazing limiting the penetration of solar radiation objects.



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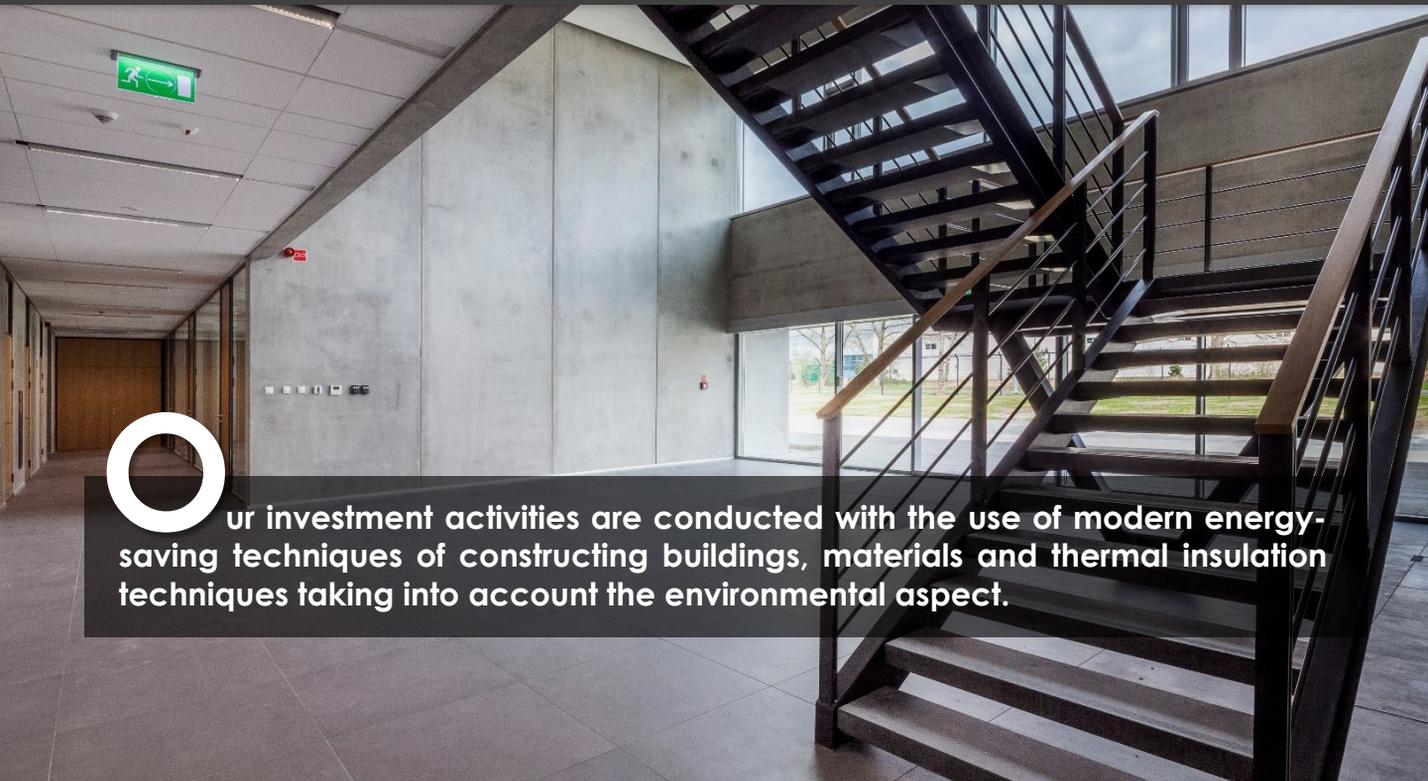
PLEASE DO NOT  
SMOKE OR  
DRINK ALCOHOL  
HERE



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# VI

**INVESTMENTS WITH RESPECT  
FOR THE NATURAL ENVIRONMENT**



Our investment activities are conducted with the use of modern energy-saving techniques of constructing buildings, materials and thermal insulation techniques taking into account the environmental aspect.

### INVESTMENTS WITH RESPECT FOR NATURAL ENVIRONMENT

Conducting new investments taking into account respect for the natural environment and use of modern technological solutions minimizing environmental impact. Intensive development of our sales network prompts us to pay special attention in this area of environmental activity.

### DEVELOPING AN OPTIMUM ENERGY MODEL

In the investment department, we work on the concepts of efficient and energy-saving infrastructure. We implement eco-friendly solutions in stores. In 2018, work began on developing an optimal model for managing energy parameters in showrooms. This model was developed thanks to the test measurement of all areas of electricity consumption in a designated group of model stores.

This will allow you to locate areas of energy losses and eliminate them. These activities are aimed at: ensuring the elimination of all unnecessary sources of energy consumption, resignation from all devices in the "stand by" mode outside the server circuits. The elimination of an excessive number of sources is to be ensured by the implementation in the showrooms of an optimally refined management model and the elimination of unnecessary receivers. The application of these solutions is expected to bring results in the field of energy efficiency. In the following years, research will be carried out on the test model.



### **ECOLOGICAL AND ENERGY-SAVING LIGHTING/ LED**

Since 2015, we have been carrying out periodic work related to the elimination of metal halide lighting in our showrooms. The advantage of changing technology is mainly the optimal use of energy. LED lamps do not generate thermal losses to the environment when converting energy into light, without thereby weighing the object's air-conditioning systems, whereas metalhalogens only use half of the energy consumed, replacing the rest with waste heat transferred to the environment.

Another advantage of this solution is the long lifetime of this technology, up to 50,000 hours of LED lamp operation, and hence the lack of frequent light exchanges and less generated waste, which generates additional benefits. In addition, LED lamps guarantee good quality light, which does not torment the eyes and is friendly to the human eye, does not produce harmful UV radiation and thus guarantees comfort for employees and clients.

We systematically follow the development of new technologies and innovative solutions that we could apply. The changes implemented in the field of lighting allowed to limit the consumption of electricity. We are working on new solutions allowing to reduce power consumption by LED screens. Modern technologies and screen management will allow you to achieve measurable benefits associated with the work of screens.

### ECOLOGICAL FINISHING MATERIALS AND MULTIPLU USAGE EQUIPMENT

In addition, during the finishing work we care about Bio-environmentally friendly and human, not containing toxic substances - finishing materials, as well as the equipment itself.



#### Actions for energy efficiency in stores

YEARS	ACTIVITY	SAVING
<b>2019-2021</b>	FURTHER REPLACEMENT OF LED LIGHTNING FOR MORE MODERN AND LESS ENERGY-FREE	- 36,8 MWh/1 store/year of energy saving - 32310 kg/ 1 store/year of CO <sub>2</sub> saving
<b>2019 - 2021</b>	DEVELOPING AND IMPLEMENTING THE OPTIMAL ENERGY MODEL	- 32 MWh/1 store/year of energy saving - 28096 kg/ 1 store/year of CO <sub>2</sub> saving



