WATER FOOTPRINT POLICY

This policy defines the approach for management and water resource usage in Alkaloid, applying the principles of Sustainable Development goals (SDG6) of the United Nations and the guidelines from the Water Framework Directive of the European Commission 2000/60/EC to preserve and improve the status of water bodies.

This policy applies to all activities and to all products and processes within the Integrated Management System of Alkaloid regulated by cGxP, CE and Alkaloid's implemented standards.

Alkaloid is committed to:

- (a) Identification of all water resources, processes and activities in company where there is a water consumption and water footprint quantification;
- Annual estimation of the water footprint and trend comparation with the previous period (based year);
- © Defining reduction measures for water footprint and following their realization with purpose of nature conservation;
- Raising the awareness of employees regarding their influence in water consumption;
- Monitoring and practical application of the latest innovations in the field of water resource management, infrastructure and production systems, as a way to achieve more efficient management of water consumption;
- Application of water recycling and reuse methods in technical systems, as part of circular economy requirements;
- Industrial wastewater treatment, in order to prevent the pollution of the surrounding recipients and the environment;
- Incorporation of requirements for reduced water consumption in the development of new products and in the evaluation of their future production;
- Encouraging entities from the distribution chain to apply the principles of sustainable use of water resources in order to protect water as a significant natural resource.

Alkaloid demonstrates its commitment to its water resource management principles by ensuring the following:

- Sets and publicly reports water efficiency targets;
- Promotes adoption of best practice water management plan for all new changes in process, raw material, equipment and premises;
- Properly identify, monitor and manage risks in water usage;
- Provides targeted training and education to staff and stakeholders;
- Engages with stakeholders to encourage best practice water management behavior;
- @ Implementation and continuous improvement of an environmental management system.

Skopje, February 14th, 2023

Chief Executive Officer
Zhivko Mukaetov

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