

A hand holding a small plant seedling against a bright, cloudy sky. The hand is positioned in the center-left, with the thumb and index finger gently holding the stem of a small green plant. The background is a bright, overexposed sky with soft clouds, creating a warm and hopeful atmosphere. A green L-shaped graphic element is on the left side of the page.

# 4. OUR COMMITMENTS

→ Our commitments with the environment

→ Our commitments with the local community

→ Corporate Social Responsibility (CSR) Actions



## Our Commitments with the environment

Respect for the environment is a fundamental requirement for a company that aims to be sustainable, like Tag Systems. In this regard, **we systematically evaluate the environmental impact and effects of our activities and manage the prevention of environmental risks.**

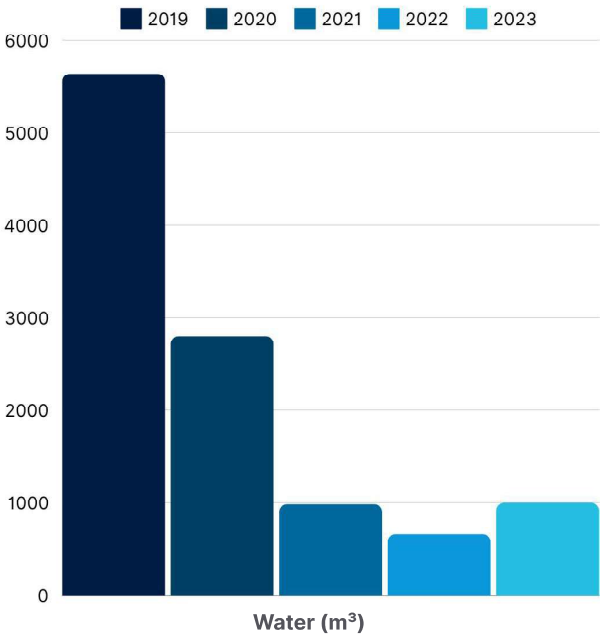
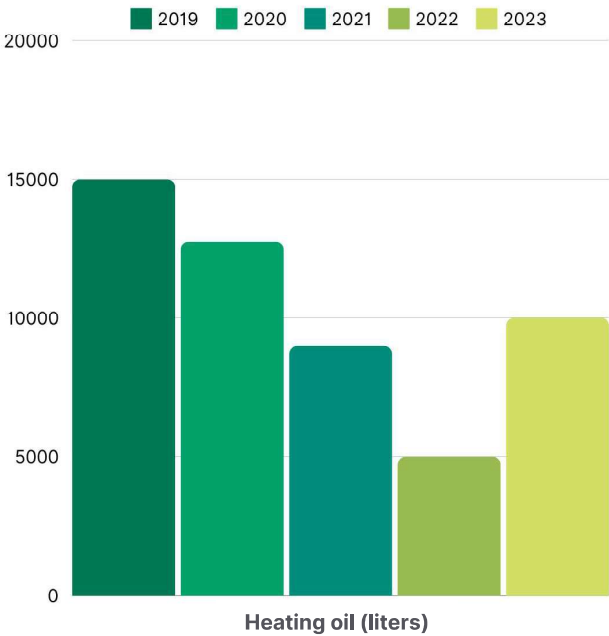
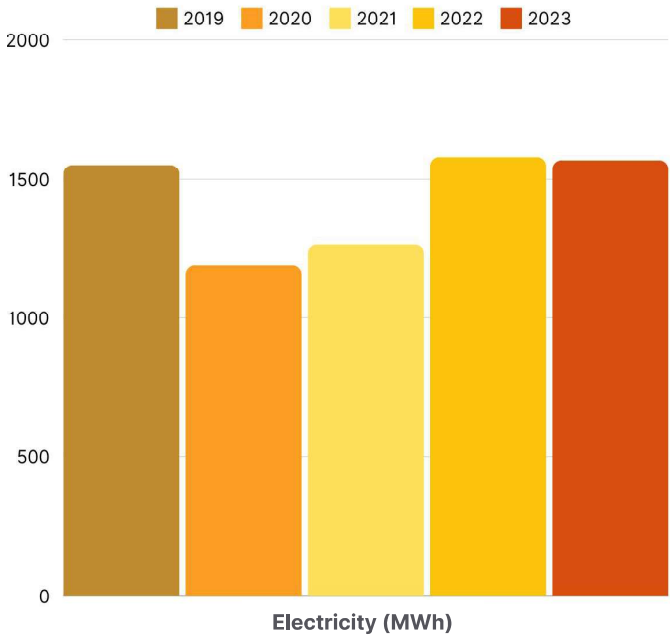
We are constantly investing to minimize energy consumption and improve waste management and processing. We remain loyal to our principles and values, ensuring that our stakeholders also adhere to them. As such, we comply with applicable environmental legislation and hold all necessary licenses for water discharge, air emissions, and hazardous waste production.



→ OPTIMIZATION OF RESOURCES

At Tag Systems, we ensure that we use resources rationally and efficiently. **Our efforts focus on energy consumption (electricity, heating oil, and water).**

Consumption Data (2019-2023):



## Our commitments with the local community

The actions of Tag Systems in the local community are carried out through initiatives that allow the projection of corporate values, such as teamwork, or that allow it to participate actively in bringing solutions to local challenges.



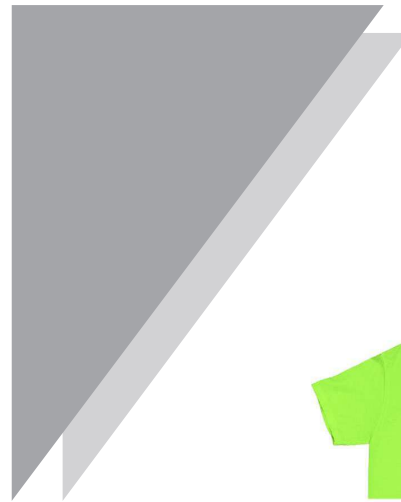


In 2023, we participated in various activities to promote a healthier lifestyle and raise funds for charitable organizations:

- Participation in “Mou-te” (Move), a government of Andorra initiative promoting a healthier and more active lifestyle.
- Sponsorship of various Andorran athletes (Kevin Esteve, Margot Llobera), FC Club Andorra, Orgel·lia football school, and the Women's Association of Andorra.
- Donation and participation in the “Walk for Cancer” to raise funds for cancer research.

We have also continued our collaboration with the University of Andorra and the Vocational Training Centers in the country to offer students a work experience that facilitates their incorporation into the labor market.

○ During 2023, our teams included 6 disabled workers.



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## Corporate Social Responsibility (CSR) Actions

In 2023, we continued our commitment to CSR activities promoting community well-being, solidarity, and health. We have collaborated with various organizations and participated in events to make a positive impact on society.



- Donations to Caritas: We donated shoes and shirts to help those in need, contributing to their comfort and well-being.
- Sponsorship of the Women's Race: We actively sponsored Assandca (local NGO) and participated in this solidarity race that raises awareness for breast cancer.
- Participation in the Illa Carlemany Race: This event helped promote an active lifestyle among employees and the community.
- Team Building: During an internal team-building event, we delivered 500 kg of food to Caritas to support those in need.
- Participation in the ProAm Tournament: An event where our first team and sponsors shared the field.

2023 has been a year full of solidarity and commitment. With these actions, we have not only contributed to the improvement of the quality of life of many people, but also strengthened our corporate values. We will continue to work for a more inclusive and supportive future.





# 5. OUR CONTRIBUTION TO THE SDGs

→ The 2030 Agenda and the SDGs

→ Alignment with the SDGs

→ Our Contribution to the SDGs

→ Next Steps

→ Solidarity Food Bank

→ Donations and Sponsorships

→ Environmental Management and Climate Action

→ Sustainable Mobility



# The Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) consist of 17 integrated and interrelated objectives aimed at ending poverty, protecting the planet, and ensuring peace and prosperity for humanity by 2030.

As part of our Corporate Social Responsibility strategy, we are committed to the 17 SDGs, which guide the implementation of the United Nations' 2030 Agenda for Sustainable Development. We actively communicate this commitment to all stakeholders and work continuously to make these goals a reality.

## SUSTAINABLE DEVELOPMENT GOALS

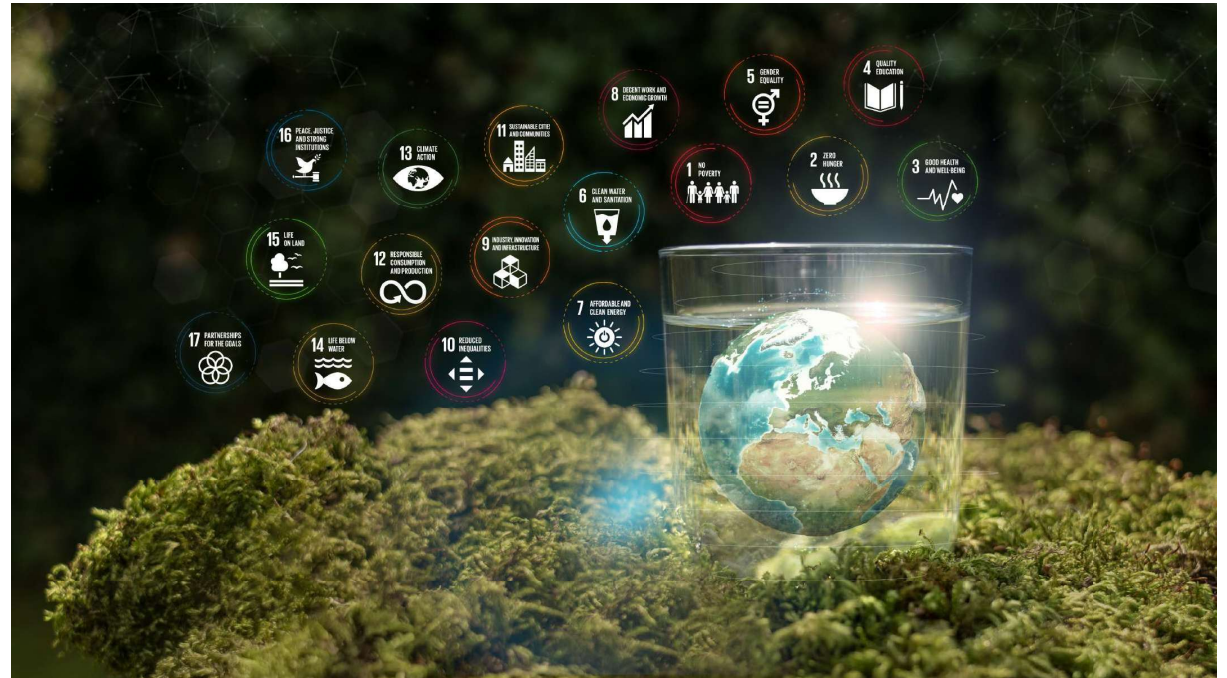




## Alignment with the SDGs

The 17 Sustainable Development Goals (SDGs) are global, inclusive, and ambitious, guiding the implementation of the United Nations' 2030 Agenda for Sustainable Development. Throughout this Sustainability Report, we have included the SDGs that align with Tag Systems' activities and who we are as a company. Through dialogue with stakeholders, we have validated the sustainability topics that are relevant to us.

- This allows for strategic planning with a greater awareness of our capacity to create positive impacts on people and the environment.





# Our Contribution to the SDGs

Our commitment to sustainability is present in all departments and activities: from product marketing to the well-being of our employees, through the responsible purchase of raw materials to suppliers and ecologically efficient production processes.



At Tag Systems, we participate in initiatives proposed by the government to promote healthier and more active lifestyles.

Promote wellness among our employees.



At Tag Systems, we offer training programs to most of our employees, encouraging them to develop their skills throughout their careers.

Promote lifelong learning for all our employees.



At Tag Systems, we incorporate gender perspectives into our corporate culture and promote equality and integration.

Achieving gender equality / Offer the same opportunities to all our employees, regardless of gender.





At Tag Systems, we promote sustainable water management with the implementation of new machinery to reduce water consumption during the production process.

Promote the substantial increase in water use efficiency throughout the organization.



At Tag Systems, we promote sustainable, inclusive economic growth and decent work for everyone by fostering youth employment, diversity, and cultural inclusivity.

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



At Tag Systems, we adopt clean and environmentally respectful industrial processes and technologies.

Build resilient infrastructures, promote inclusive and sustainable industrialization and foster innovation.



At Tag Systems, we make efficient use of energy and natural resources, we choose raw materials taking into account their environmental impact and incorporate environmental criteria when choosing suppliers.

Guarantee sustainable production and consumption patterns.



At Tag Systems, we have introduced an ISO 14001-certified environmental management system. We require environmental policies and certifications from our suppliers and work to minimize our environmental footprint by optimizing resource consumption and properly managing waste.

Take urgent measures to combat climate change and its impacts.



Tag Systems alliances allow us to be part of different networks that enhance what we are and what we do as a company, as well as share experiences and knowledge of the future challenges of our market and the economic and business context.

Leverage partnerships and networks to achieve the SDGs faster and with greater impact, especially for climate action and quality employment.



The fundamental pillars of Tag Systems' activities are ethics and integrity. Beyond what we are required to comply with according to regulations, we are committed to sustainability, professional ethics, and respect for society and working people.



## Next Steps

At Tag systems, we are always looking forward to new actions that we can implement to achieve the SDGs and the United Nations 2030 Agenda. The projects presented here will be launched from 2023, with special emphasis on Andorran society and environment.



### *Circular economy*

The requirements to start a circular economy project are being developed with the main objective being to make use of 100% of the purchased PVC.



### *Corporate Well-being Program*

A wellness program will be implemented for employees, focusing on physical, mental, and emotional well-being.



### *Gender Equality*

Our corporate culture promotes gender equality and the inclusion of disadvantaged groups.

At Tag Systems, in addition to contributing to the growth and positive development of Andorran society and its environment, we also care about helping the less privileged and strive, through our actions, to make the world a more just and equal place, as well as a safe space for minorities.



### ***Solidarity food bank***

Creation and maintenance of a solidarity food bank in collaboration with the Red Cross of Andorra, aiming to support families in need.



### ***Donations and sponsorships***

Restructuring of donations and sponsorships to offer more specific support to the Andorran community.



### ***Climate action***

Follow established environmental management principles and contribute to reducing waste during the production process.

# Solidarity Food Bank

In collaboration with the Red Cross of Andorra, Tag Systems aims to create and maintain a solidarity food bank. This initiative will involve all employees in addressing the realities of Andorran society and supporting families in need.

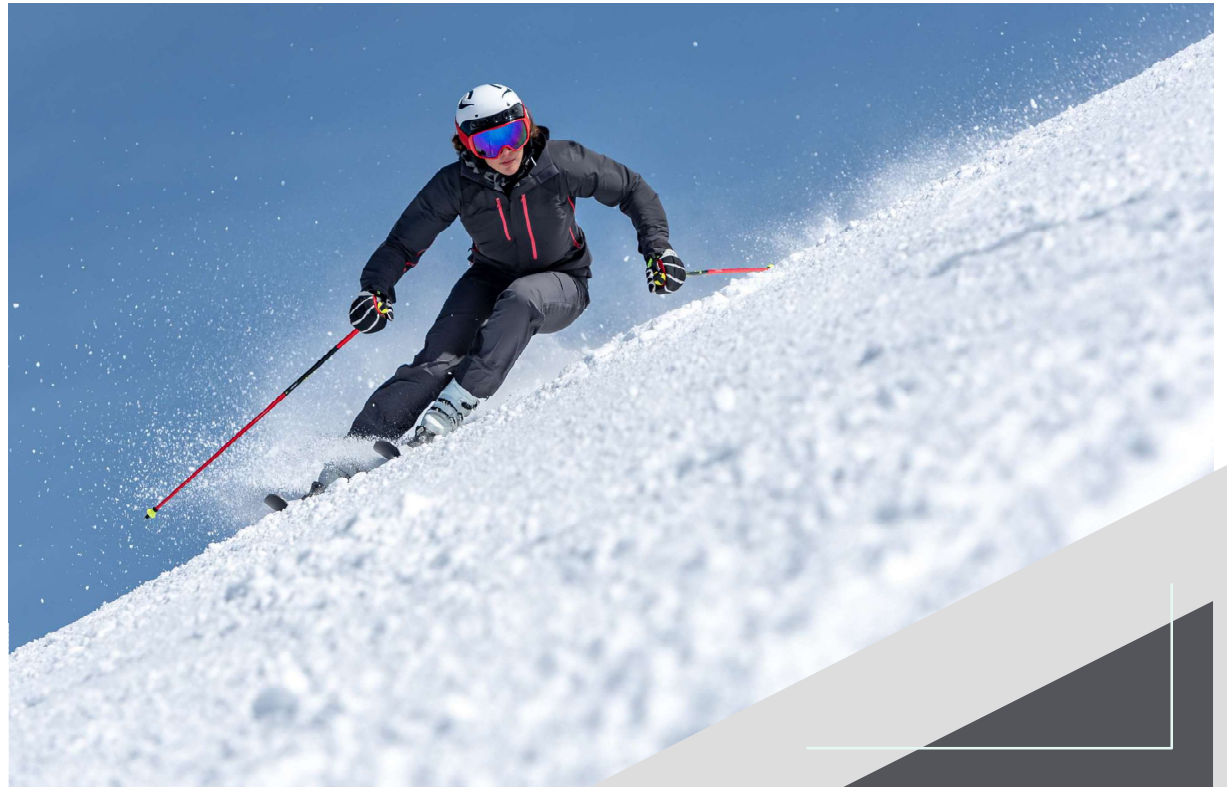
The goal of this project is to engage employees with the community and provide vital support to families through the Red Cross' food bank.



## Donations and Sponsorships

Tag Systems will continue to support the Andorran community through donations and sponsorships, restructuring these efforts to focus on specific causes and athletes that align with the company's values and interests.

The goal of this restructured program is to ensure that Tag Systems' contributions have a more direct and meaningful impact on Andorran society.





# Environmental Management and Climate Action

**Tag Systems follows established environmental management principles and contributes to waste reduction during the production process.**

In 2023, we implemented solar panels at our headquarters, combined with the use of ECOTERM-produced energy and water consumption reduction initiatives, making us more energy-efficient and environmentally friendly. Tag Systems also received the "Green Light" certificate, guaranteeing that 100% of the company's electricity consumption comes from renewable sources (hydraulic resources).

Tag Systems is working on reducing the carbon footprint of its employees by implementing a Mobility Plan, which encourages

employees to reduce their environmental impact through actions like carpooling or using electric vehicles.



## Sustainable Mobility

**In line with the goals of the Energy Transition and Climate Change Law, the Mobility Plan aims to reduce the carbon footprint of Tag Systems' employees and lower emissions related to the company's mobility.**

In 2022, we launched several actions as part of the Mobility Plan, including awareness campaigns, carpooling initiatives, bike use, public transportation promotion, and parking limitations. In 2023, we will take further steps to achieve the plan's objectives.







# 6. REPORTING METHODOLOGY

→ Methodology

→ Carbon Footprint Breakdown

→ Emissions Compensation Projects

# Methodology

Tag Systems has initiated a process for calculating and monitoring its carbon footprint, as well as other indicators included in the GRI Index, in order to better address the challenges our planet faces and establish a series of actions and changes to align with the 2030 Agenda and its SDGs. The methodology presented below primarily refers to the calculation of the carbon footprint across all scopes, as well as the calculation of waste produced and managed for 2022.





## → CARBON FOOTPRINT CALCULATION METHODOLOGY

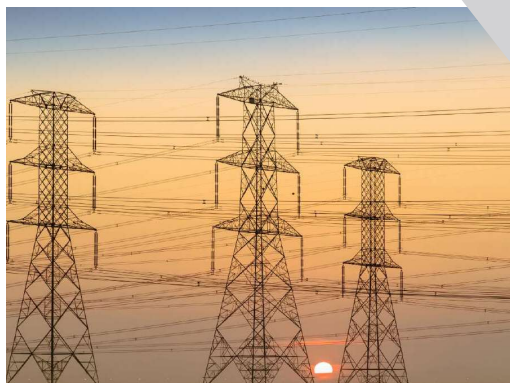
### Scope 1

Refers to direct emissions from combustion processes, such as those from boilers, ovens, or company-controlled vehicles. It also includes fugitive emissions, such as air conditioning leaks.



### Scope 2

Refers to indirect emissions from greenhouse gas (GHG) associated with the generation of electricity purchased and consumed by the organization. Scope 2 specifically refers to emissions from electricity and heat generation consumed by the organization.



### Scope 3

Includes other indirect emissions not controlled by the organization. This scope covers emissions related to the production system for cards.





# Carbon Footprint Breakdown

In 2023, Tag Systems calculated the **total carbon footprint** of its organization:

The total carbon footprint for the organization in 2023 was:

**266 t**  
**CO<sub>2</sub>eq**



**SCOPE 1: 19.6%**  
52,14 tCO<sub>2</sub>eq (Direct).

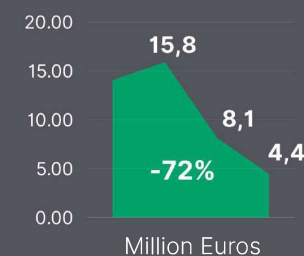
**SCOPE 2: 0%**  
0,00 tCO<sub>2</sub>eq (Indirect).

**SCOPE 3: 80.4%**  
213,84 tCO<sub>2</sub>eq (Other Indirect).

TCO<sub>2</sub>eq/M Cards



TCO<sub>2</sub>eq/M€



Global Emissions Distributed as  
TCO<sub>2</sub>eq/Million Cards



→ CARBON FOOTPRINT PER PRODUCT

Tag Systems **calculated the carbon footprint** for its credit cards using the following methodology:  
ISO 14040. LIFE CYCLE ASSESSMENT SOFTWARE SIMAPRO 9.1 AND THE ECOINVENT 3.6

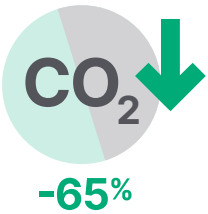
Credit Card Material	Units produced	kgCO2eq/unit
R-PVC 80%	9.470.916	0,0263
R-PVC 95%	3.333.955	0,0256
PVC Standard+degradable	20.856.394	0,0373

Thanks to LIVEO RESEARCH and the use of recycled PVC (SICO-R CORE), we contribute to the reduction of the environmental impact associated with the production of raw materials.

The new solution generates only 1.15 kg of CO<sub>2</sub> equivalent per kg of film, a significant reduction of 65% compared to the 3.29 kg of CO<sub>2</sub> emitted by VIRGIN PVC FILM.

In 2023, the annual production of our credit cards amounts to:

1.112,4 t CO<sub>2</sub>eq



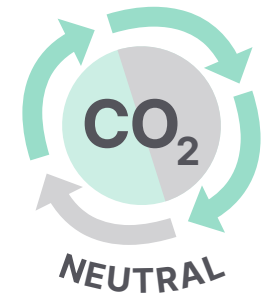
# Emissions Compensation Projects

To compensate for our carbon emissions, Tag Systems has selected two projects from the [United Nations carbon offset platform](#).

**1. Guatemala:** A project that distributes ONIL stoves to households to offset the company's organizational carbon footprint.

**2. Ghana:** A project that manufactures efficient stoves to replace traditional cooking methods, offsetting the product's carbon footprint.

**These efforts have allowed Tag Systems to receive government certification that confirms our carbon emissions were compensated in 2023.**



**Distribution of ONIL Stoves—Guatemala**

"Distribution of ONIL Stoves — Guatemala" project involves the distribution of fuel-efficient, improved cook stoves to households across Guatemala in households that currently use conventional open fire.



**Clean Cook Stoves in Sub-Saharan Africa by ClimateCare Limited**

CookClean manufactures efficient cookstoves to displace the resources wasteful and unhealthy traditional stoves which kill 13,400 people and subject 21 million to Household Air Pollution yearly in Ghana.



Govern d'Andorra