Environmental Policy

Masterpack Group

Document Name	Environmental Policy		
Effective Date	August 2022	**Issue**	03

Change History

Revision Date	Description of change
22/08/2022	Assigned responsibility of contact officer and added an approval section. The scope of each topic was extended, and new objectives added to each.
15/03/2024	The lay-out was changed to the latest version, and the policy was renewed in terms of objectives and measures.

Introduction

Masterpack Group aims to be a catalyst for change and preserve and enhance our planet's resources. Through the use of innovative technologies, we have developed new approaches towards increasing sustainability. In our pursuit of continuous improvement, this policy was established as a testament to our commitment to environmental responsibility and the conservation of resources.

To increase the social and environmental value of our packaging and to ensure a sustainable supply chain, Masterpack Group has set the following goals for 2030:

- Reducing her emissions
- Adopting the circular economy concept
- Focus on social responsibility and employee well-being

Scope

This policy applies to all individuals, including employees, contractors and subcontractors working for Masterpack Group, and third-party services acting on behalf of Masterpack Group for its customers.

Responsibilities

Everyone affiliated with Masterpack Group must read and adhere to this policy, and they should take necessary actions accordingly. The designated contact officer is the lead sustainability. They are responsible for conducting an annual review and optimizing this policy. Additionally, they are tasked with monitoring progress toward established objectives, using tools such as our Key Performance Indicator (KPI) dashboard.

Sanctions

Masterpack Group urges all internal stakeholders to contribute to the implementation of this policy for the purpose of fostering a sustainable work environment. In alignment with our mission and vision, it is imperative that all employees strictly adhere to our group policies to attain our objectives. Masterpack Group retains the authority to initiate disciplinary actions in the event of policy violations.

Content

In our commitment to environmental responsibility and the conservation of resources, we have outlined a set of objectives for 2030. These goals embody our commitment to minimizing emissions, reducing waste, and conserving natural resources.

Energy consumption and GHG-emissions

Objectives

1. Comply with all relevant legislations and regulations on energy consumption and CO2 emissions.
2. Commit towards Sustainable Development Goals 7 (Affordable and clean energy), 11 (Sustainable cities and communities), 12 (Responsible consumption and production) and 13 (Climate action).
3. Start monitoring Co2-emissions produced company wide by 2024 and determine a baseline.
4. Obtain validation by 2026 from the Science Based Targets Initiative (SBTi) for Science-Based Targets aligned with the Paris Climate agreement.
5. Achieve a 20% reduction in energy consumption compared to the baseline year 2023.
6. Ensure that 75% of the total energy consumption comes from renewable resources by 2030.
7. Conduct annual energy audits to increase energy efficiency in collaboration with our key production partners.
8. Conduct equipment upgrades whenever possible to improve energy efficiency.
9. Develop tools for monitoring data on energy consumption and CO2 emissions to enhance the data quality.
10. Conduct lifecycle analyses to calculate the CO2 footprint for Masterpack Group's main products.

Measures

1. Masterpack has been reporting on energy consumption and Scope 1 and 2 emissions since 2022. The aim is to include scope 3 emissions in the reporting year 2025.
2. By 2026, Masterpack aims to establish a complete GHG emission inventory, including targets validated by the Science Based Targets Initiative (SBTi) and an action plan.
3. Starting from the reporting year 2023, Masterpack's key production partners must report annually on energy consumption and GHG emissions (Scope 1 and 2) using either a reporting template provided by Masterpack Group.
4. Masterpack strives to have key production partners join the SBTi by the end of 2026, setting targets aligned with the 1,5C pathway or committing to relevant emission reductions with a well-founded action plan.
5. Masterpack's management and operation managers are responsible for educating key production partners on the importance of energy and CO2 emission reduction, providing tools and support to align with Masterpack's ambitions.
6. To further advance our goals of reducing energy usage, we have installed solar panels at our Dutch headquarters and at our key production partners in Thailand and Bangladesh. We aspire to extend this initiative to other entities.
7. Implementing LED lights and sustainable lighting systems in our test centres enhance the energy efficiency.

8. By 2025, Masterpack commits to maintaining up-to-date lifecycle assessments of its main products, updating them periodically or in case of material changes.
9. The Masterpack Group sales team is tasked with informing customers on the significance of energy and CO2 emission reduction, utilizing lifecycle assessments for support and providing insights into specific customer products.

Water and waste management

Objectives

1. Achieve a 15% reduction in water consumption by 2027, compared to baseline year 2022 for Masterpack headquarters and our key production partners combined.
2. Masterpack Group has been monitoring water consumption and wastewater quantities since 2022. We strive to broaden this monitoring scope to include additional factors such as the concentration of pollutants in wastewater.
3. Minimise the water consumption at all of our sites, by implementing more water efficient infrastructures and technologies.
4. Ensure that 100% of the wastewater generated at our key production partners undergoes treatment and adheres to local environmental standards prior to discharge.
5. We strive to have zero reported incidents of water pollution by 2030.
6. Adhere to relevant local legislations regarding the use and treatment of hazardous materials, chemicals and waste.
7. Align with Sustainable Development Goals 3 (Good health and well-being), 6 (Clean water and sanitation), 8 (Decent work and economic growth), 11 (Sustainable cities and communities), 12 (Responsible production and consumption), 14 (Life below water).
8. Ensure proper storage, transportation, and responsible recovery or disposal of all hazardous materials and chemicals.
9. Enhance processes for waste recycling or the use of recycled materials to achieve a recycling rate of 35% by 2030.
10. Aim for a 35% reduction in non-recyclable or non-reusable waste by 2030, incorporating e.g. optimisation of product design.
11. Ensure 100% waste is recycled or disposed of safely without affecting product and environmental safety.
12. Start monitoring the waste produced within the production facilities by 2023.
13. Ensure that our partners in the supply chain have adequate measures in place regarding the correct handling and disposal of waste.
14. Implement a response procedure for emergencies regarding local pollution at 100% of our production facilities by 2025.

Measures

1. Reinforce awareness among Masterpack Group employees regarding water-saving practice, emphasizing actions like minimizing tap water usage.
2. Key production partners are strongly encouraged to invest in wastewater treatment and the reuse of water.
3. Monitor various aspects of water usage, encompassing volume, quantity, and local stress factors, to establish a foundation for continuous improvement in water management across Masterpack Group.
4. Conduct regular assessments of water stress to identify the intensity of pressure in specific water areas and formalize customized water management strategies based on the identified stress levels.
5. Establish designated storage areas equipped with appropriate safety measures and labelling for various waste stream, including hazardous materials and chemicals.
6. Collaborate with partners to explore methods for incorporating recycled materials into the production process e.g. by conducting a waste audit to identify opportunities.

7. We have taken proactive measures to reduce the waste generated during our production process by optimizing the design of our products. For instance, we produce custom made big bags with liners which reduces the wate generated during operations compared to traditional production methods.
8. Implement a waste management system that includes data to be collected regularly. Additionally the system should prioritizes safety and compliance with environmental regulations.
9. Regularly evaluate waste disposal practices to ensure continuous improvement.
10. Collaborate with key production partners to establish clear guidelines and expectations for waste handling. This includes but is not limited to an emergency response procedure for local pollution.

Air pollution

Objectives

1. Establish an air quality monitoring system to enhance the comprehensive evaluation of the relevant pollutants.
2. Monitor air pollution annually to verify adherence to the standards set by the AAQS (National Ambient Air Quality Standards) or the World Health Organization. If cases where air quality falls below these standards, corrective actions must be taken to ensure compliance.
3. Ensure the implementation of equipment to prevent the release of dust/particles at all of our key production partners. We have successfully installed equipment to eliminate airborne dust and particles at the facilities located in Thailand, China, and one of our partner sites in Bangladesh.
4. Ensure the implementation of equipment to reduce atmospheric pollutants like volatile organic compounds, where deemed necessary.

Measures

1. Deploy air quality monitoring systems at key production facilities to continuously monitor pollutant concentrations. Operations and local quality managers should analyse trends and promptly address any breaches of air quality standards.
2. Implement technologies that minimize emissions of particulates, volatile organic compounds (VOCs) and other air pollutants.
3. Develop and regularly revise emergency response procedures to address potential incidents related to air quality.

Biodiversity

Objectives

1. Establish a baseline and reporting method for Masterpack Group, encompassing topics like waste management and noise control.
2. Reduce threats to biodiversity throughout Masterpack's operations.

Measures

1. Conduct a risk assessment of Masterpack's impact on local biodiversity, and formulate an action plan outlining potential contributions and collaborations for the conservation of biodiversity and ecosystems.
2. Enforce and monitor control measures to document and report on the loss of biodiversity within Masterpack Group's operations.

Sustainable product management

Objectives

1. Ensure compliance with environmental product standards such as REACH.
2. Ensure the proper recycling of Masterpack Group's products and achieve a recycling rate of 35% by 2030.
3. Implement the first version of a take-back program by 2025.
4. Enhance product designs to minimize environmental impact and material use.

Measures

1. Inform customers on the sustainability of Masterpack Group's FIBC's by e.g. offering insights into the materials used, thereby promoting effective recycling practices.
2. Establish a collection system for used FIBC, exploring alternative applications in collaboration with our partners to extend the FIBC's lifespan, such as recycling them into regranulate to the production of new FIBC's.,
3. Evaluate the sustainability performance of main products through a life cycle analysis, and implement modification to enhance their overall sustainability performance.

Trainings

Objectives

1. Ensure the training of 75% of employees on energy efficiency in production sites.
2. Conduct company-wide awareness training on waste handling and disposal, targeting 80% of employees by 2025.
3. Provide 100% of all employees with mandatory training on the importance of global sustainability. This includes but is not limited to topics such as water and waste management, air pollution and climate-conscious practices.
4. Involve and educate key stakeholders on energy consumption and greenhouse gas emissions.

Measures

1. Develop an energy efficiency training program in collaboration with key production partners.
2. Design training modules on proper waste handling and disposal practices. These training modules should be tailored to the specific needs of production sites.
3. Develop a comprehensive global sustainability training curriculum covering topics like water and waste management, air pollution, and climate-conscious practices.
4. Implement a training schedule and monitor completion through a centralized tracking system.
5. Set up periodic assessments to evaluate effectiveness of the training and identify areas for improvement e.g. by seeking feedback from employees.
6. Develop informational materials and reports to share progress with key stakeholders on Masterpack Groups progress, achievements, and future plans in the context of energy and emissions.

Approved by

Name	Tim de Winter		
Position/ function	Director		
Date	15-03-2024	**Signature**	T de Winter