

## *Sustainable Procurement Policy*

### Masterpack Group

<b>Document Name</b>	Sustainable Procurement Policy		
<b>Effective Date</b>	August 2021	<b>Issue</b>	03

### Change History

<b>Revision Date</b>	<b>Description of change</b>
08/08/2022	No changes were made.
12/01/2024	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. To do that, we are dedicated to making environmentally and socially conscious choices in our procurement processes, aligning with our core values. Through this policy, we affirm our collaboration with our partners and our responsibility to prioritize products and services that minimize harm to the environment, promote fair labour practices, and uphold high ethical standards.

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

We are committed to integrating sustainable practices into our supply chain by selecting partners who can both provide more sustainable materials and who are working towards the same standards and values. Therefore, we have established the following objectives to be achieved by 2030.

### Objectives

1. Ensuring that all our key partners undergo a valid onsite (third-party) CSR audit, aiming for a 100% compliance rate.
2. Ensuring that all our relevant products meet the following criteria:
  - a. Compliance with EU Regulation 10/2011 concerning plastic materials and articles intended for contact with food, including the latest amendments.
  - b. Adherence to Council of Europe Resolution AP(89) 1 and Nestle Abstract of Standards on Materials in Contact with Food (latest version 4.0, 1-09-2016, EU)
  - c. Compliance with REACH regulations.
3. Taking steps to establish industry-leading standards that guide our suppliers toward delivering high-quality products from ethical sources, ensuring safety and sustainability.
4. Commit towards Sustainable Development Goals (SDGs) 2 (zero hunger), 3 (good health and well-being), 4 (quality education), 8 (decent work and economic growth), 12 (responsible consumption and production), 13 (climate action).
5. By 2025, every employee engaged in purchasing or sales activities has undergone training on Decent Work and labour standards within global supply chains.
6. The Sustainable Procurement training has been successfully completed by 100% of Masterpack Group's workforce.
7. Promoting responsible sourcing practices and ensuring the compliance of suppliers with internationally recognized labour and human rights standards.
8. Ensuring a fair wage for 100% of key production partners employees.
9. Implementing occupational health and safety programs to ensure safe and healthy work environments for all employees.
10. Adhering to every standard outlined in the OECD Guidelines for Multinational Enterprises during the procurement of our raw materials.
11. Sourcing at least 75% of our raw materials exclusively from certified sustainable origins by 2030.
12. Achieve a 42% reduction in greenhouse gas emissions within the operational activities of key production partners.
13. Attain a recycling rate of no less than 35% for key production partners by 2030.
14. Strengthening our partnerships by having 100% of our key partners and 50% of all other partners signing and adhering to our Partner Code of Conduct.
15. Have 75% of our suppliers committed to climate action and reducing their impact on marine ecosystems by 2030.



## Measures

### *Evaluation of partners*

1. All production partners must endorse the Partner Code of Conduct and are expected to join Sedex, complete the Sedex Self-assessment Questionnaire, and provide evidence of compliance through company policies, certifications and audit reports. Oversight of this process falls under the purview of Masterpack Group's Quality Manager.
2. Masterpack Group's procurement procedure has the OECD Guidelines for Multinational Enterprises incorporated to ensure adherence to its standard.
3. The Quality Manager and Lead Sustainability are accountable for the annual update and scoring of production partners based on risk, considering geological and socio-political risk assessments, Sedex risk scores, and product types. High-risk partners are mandated to provide evidence of compliance on additional risk topics such as forced labour. They may also be subject to an additional SMETA audit conducted by certified independent auditors. Medium-risk partners must provide additional proof of compliance, such as certifications.
4. The management of Masterpack group, local site management, Masterpack Group operations managers and the lead sustainability all hold the responsibility of educating key production partners on the company's sustainability objectives and setting measurable goals for partners to contribute to these aspirations. They are both tasked with annually monitoring this progress.
5. Record-keeping of all production partners and their compliance of proof with social, environmental, and product quality standards is the responsibility of the Lead Sustainability and Quality Manager.
6. Operations managers and the Quality Manager at Masterpack Group are mandated to conduct internal audits and assess product quality, Partner Code of Conduct compliance, and progress towards achieving Masterpack Group's 2030 goals visits to all key production partners on a regular basis.

### *Product safety*

1. All suppliers must provide satisfactory evidence demonstrating that their products comply with REACH requirements.

### *Responsible material use*

1. Masterpack Group mandates its production partners to disclose detailed information about each product, including the materials utilized and their origins, for every component, along with the corresponding weight of the materials.
2. The obligation of maintaining specifications sheets for each product, encompassing dimensions, certification data, technical information, and material weights, lies with Masterpack Group's operations managers and the Quality Manager.
3. Masterpack Group and its key production partners are anticipated to forge partnerships with suppliers of responsible raw materials, like recycled materials, ensuring a consistent supply of high-quality raw materials.
4. It is essential for Masterpack Group's operations managers and production partners to collaborate actively in researching and incorporating more sustainable materials and material combinations that align with the company's goals.
5. To the extent feasible, both Masterpack Group's headquarters and key production partners are encouraged to procure raw materials from sustainable sources.



### Training

1. Every relevant employee at Masterpack Group is required to finish the Sustainable Procurement training and a course on Masterpack Group's Sustainable Development Goals within the initial month of employment or following the release of any new mandatory course.

### Approved by

<b>Name</b>			
<b>Position/ function</b>			
<b>Date</b>		<b>Signature</b>	<i>T de Winter</i>