



## **ABOUT THIS PUBLICATION**

This publication sets out how Schoeller Allibert works to fulfil its purpose of accelerating sustainable supply chains, through innovative, reusable solutions, which are efficient by design and circular by nature.

Sustainability has always been at the heart of Schoeller Allibert's business model, and our sustainability strategy has been designed to drive progress on the topics that are relevant to our business and most pressing for society and the environment. The Schoeller Allibert sustainability strategy was developed in 2021 based on a materiality assessment carried out together with KPMG Advisory N.V., including extensive consultation, and the first results were published in 2022. This publication is an important source of information for all stakeholders and reports on the progress against KPIs during 2023. Schoeller Allibert is currently preparing for compliance with the Corporate Sustainability Reporting Directive (CSRD) and will report against the CSRD for 2025. All previous publications can be found at <a href="https://www.schoellerallibert.com/sustainability">www.schoellerallibert.com/sustainability</a>.

#### **DUTCH TRANSPARENCY REPORT**

Schoeller Allibert was recognised as the company in the Netherlands that made the fastest improvements to its sustainability reporting in 2023. Organised by the Dutch government, the <u>Dutch Transparency Report</u> assesses the sustainability reporting of the 500 biggest companies in the Netherlands.



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## **SUMMARY**

Schoeller Allibert provides reusable packaging, storage, and logistics products and smart solutions that are built to last, reducing not only costs but also our collective environmental footprint. Our purpose is to accelerate sustainable supply chains through innovative, reusable solutions, which are efficient by design and circular by nature.

It is crucial that we work towards a circular economy — where waste is eliminated, and products and materials are kept in use. The European Union alone generates more than 84 million tons of packaging waste per year. Around a third of packaging waste is transport packaging, the business-to-business packaging that drives supply chains.

Schoeller Allibert's reusable packaging systems are strong, durable, lightweight, and can be reused for five to 15 years, before being recycled. That's why we describe our products as **circular by nature** and why we aim to be **100% circular by 2050**. We are working hard to reduce the carbon footprint of our own operations, and we have an even bigger impact by enabling our customers to decarbonise their supply chains.

#### SUSTAINABILITY STRATEGY

The Schoeller Allibert sustainability strategy is based on three pillars:

- Innovation for a circular economy: we design and innovate reusable packaging systems to meet the world's need for sustainable and circular solutions.
- Future proof planet: we enable the transition to a low-carbon economy and help shape a greener future.
- Integrity at heart: we respect and value our employees and all our stakeholders and live up to the highest standards of ethics and governance.

Page 27, 33, and 43 show our targets, KPIs, and results for each pillar.

#### INNOVATION FOR A CIRCULAR ECONOMY

The **share of recycled materials** used to create our products continues to increase, from 30% in 2022 to 33% in 2023. We are well positioned not only to meet our own 2026 recycling target, but also to meet the 2030 recycled content targets in the revised Packaging and Packaging Waste Regulation.

Schoeller Allibert welcomes the approval of the Packaging and Packaging Waste Regulation (PPWR) by the European Parliament and the Council of the European Union in April 2024. The PPWR is clear on the importance of reuse to reduce waste, and now includes legally binding reuse targets for the transport packaging sector.

The target to make 100% of new products fully recyclable by 2023 was already met in 2021. The importance of this target can be seen in the growing focus on sourcing recycled inputs for new products. Our closed loop system for rental services continued to make a significant contribution to the business.

#### **FUTURE PROOF PLANET**

Assessing our corporate **carbon footprint** and **reducing greenhouse gas (GHG) emissions** is one of our most important targets. We made substantial progress in reducing emissions in 2023. Scope 1 and 2 emissions decreased by 79% compared to the 2020 base year due to energy savings at operations, and an increase in the use of green energy. This reduces the carbon footprint of our products, therefore helping our customers to reduce their scope 3 emissions.

The **transition to renewable energy** continued in 2023, with an increase from 43% to 66%. Hindered by price spikes and volatility due to geopolitical events, we have now set the target for 100% renewable energy for 2025. Further progress will be made in 2024. We are also working hard on increasing **self-generated solar energy.** 

2023 was the first year in which all COVID-related travel restrictions were lifted, but encouraging train travel and mainstreaming of online meetings allowed us to **reduce travel movements** to 35% below the 2019 baseline.

Schoeller Allibert's reusable packaging systems can be connected to the internet via SmartLink, an exclusive logistics application that enables data-driven decision-making. In 2023 we launched Carbonlink that allows the customer to report on their emissions savings achieved due to the foldability of the returnable packaging.

#### **INTEGRITY AT HEART**

In 2023 we continued to roll-out Anti Bribery and Corruption training programme: 21% of our employees have now been trained. Staff surveys continue to show positive results for staff satisfaction on diversity and inclusion as well as feeling safe at work. In 2024 we will be analysing all our locations in preparation for a global Diversity, Equal Opportunity and Inclusion policy.

We ensure our procurement practices help to drive positive change. The majority of direct and indirect suppliers are now committed to our supplier code of conduct, and 50% of our critical supplier base now have an Ecovadis assessment in place.

Leading sportwear brand Puma collaborated with Schoeller Allibert on an unparalleled sustainability initiative, resulting in a reduction of 94,885 kg CO<sub>2</sub>e from transportation and 81,224 kg CO<sub>2</sub>e from reuse and circulation. (see page 42).

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THIS REPORT SUMMARY INDEX PREFACES ABOUT SCHOELLER ALLIBERT CHALLENGES & SOLUTIONS SUSTAINABILITY STRATEGY & PROGRESS



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# SMART, SMARTER, SMARTEST, AND MORE RESILIENT

Jerome Vezin | Chief Operating Officer

For Schoeller Allibert, corporate strategy and sustainability strategy are inextricably linked. We made that clear in 2023 when we rolled out our renewed purpose: accelerating sustainable supply chains through innovative, reusable solutions, which are efficient by design and circular by nature.

Efficiency and sustainability are not just goals; they are the essence of who we are. Our journey is one of continuous learning, growth, and a deep-rooted commitment to making a positive impact on the world around us.

Likewise, businesses across all industries are waking up to the fact that business needs and sustainability requirements are intertwined. Interest in reusable and circular solutions is growing.

Reusable packaging is a perfect illustration of the connection between business needs and sustainability, making it the smartest and most future-oriented choice for many supply chains.

Efficiency and sustainability aren't just goals; they are the essence of who we are.

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THIS REPORT SUMMARY INDEX PREFACES ABOUT SCHOELLER ALLIBERT CHALLENGES & SOLUTIONS SUSTAINABILITY STRATEGY & PROGRESS MATERIALITY UN/SDG CONTACT

A product with a long life is smart because it reduces the total cost of ownership; it also reduces environmental footprint. A lightweight, foldable crate is smart because it takes up less space and increases efficiency; at the same time, it reduces emissions from transport. Integrated digital technology is smart because it enables data-driven decision-making; and it also increases efficiency, which reduces emissions. After years of supply chain disruptions, businesses also see the value of reusable packaging in making supply chains more resilient.

A product with a long life is smart because it reduces the total cost of ownership.

Further incentive to act on sustainability comes from the growing regulatory framework around corporate sustainability more generally and packaging specifically. When the Corporate Sustainability Reporting Directive (CSRD) comes into force from 2025, more companies will be looking for ways to reduce their waste and emissions, and making the shift to reusable packaging systems is one way to make significant progress. The approval of the Packaging and Packaging Waste Regulation (PPWR) will also give many businesses the nudge they need to adopt a circular economy approach and include reusable packaging systems in their supply chains.

This report gives an update on Schoeller Allibert's sustainability progress, but because sustainability is such a strong part of our DNA, it gives a clear insight into our progress as a whole. As COO, every day I experience how sustainability and operational strategies continue to merge, be it in the push towards more recycled material in production, toward the buying of green energy, or environmental stewardship at our factories. Sustainability is a journey, not a destination, and we are committed to continuing this journey with determination, and a sense of responsibility to the planet and its inhabitants. Thank you to all our internal and external stakeholders who are working to help make our vision a reality.

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## **TOGETHER WE ACHIEVE MORE**

Britta Wyss Bisang | Vice President Sustainability and Strategic Marketing Communications

Four years into the implementation of our sustainability strategy I am delighted to see how sustainability has become a centrepiece of daily discussions and actions across the company. There is a real feeling of confidence about the strategy and the decisions made around it.

I can feel this confidence when we discuss sustainability topics in every executive committee meeting; I can hear it in the ease with which my colleagues share our story with customers; and I can see it in the enthusiasm of colleagues from across the organisation to submit their suggestions for how we can take further steps in our daily operations.

Our Schoeller Allibert colleagues and other stakeholders are working hard on implementing our sustainability strategy and I am proud of the important progress that you will read about in this report. Emissions continue to go down each year, reducing Schoeller Allibert's footprint as well as helping our customers to reduce their scope 3 emissions.

I'm proud of the important progress that you will read about in this report.



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As well as reporting on results, we continue to refine our methodologies to align with ever-changing reporting requirements. This means, for example, recalculating baselines when needed to ensure they reflect the latest scientific standards.

I am pleased to see that all the work we have done so far is of great help for the mandatory reporting that is on the horizon, such as the Corporate Sustainability Reporting Directive (CSRD). With all the in-house expertise we have built up so far, we are ready to embrace the reporting challenge.

Of course, as well as showing our progress, this report also shows the areas where we still have a way to go. Sustainability is a journey, and sometimes the path we are on takes an unexpected turn or requires a detour. For example, we have extended the deadline for the renewable energy (in operations) target to 2025 due to volatility in energy markets in recent years.

Sustainability is a journey, and sometimes the path we are on takes an unexpected turn.

Last but not least I am excited to share that just before the publication of this report, the Science Based Targets initiative validated and approved our updated decarbonisation targets and assessed that the scope 1 and 2 target ambition is in line with the 1.5C trajectory and the company's new scope 3 reduction target meets SBTi's requirements. This makes Schoeller Alllibert the decarbonisation frontrunner in the returnable transport packaging industry, and underpins our commitment to help limit global temperature rise to 1.5°C.

I'm excited to share that the Science Based Targets initiative validated and approvad our updated decarbonisation targets.

We are looking forward to the next year of sustainability action and I hope you share our confidence that we are on the right track to create a world where reusable, circular solutions are the smartest choice.



## THE SCHOELLER ALLIBERT STORY

As a trusted pioneer with a legacy spanning 65 years, Schoeller Allibert has led the change in revolutionising supply chains with solutions that are both efficient and sustainable, since the inception of the plastic crate. We provide reusable packaging, storage and logistics products and smart solutions that are built to last, reducing not only costs but also our collective environmental footprint.

We are dedicated to setting new sustainability standards within our industry. Innovation lies at the heart of our operations, from minimising waste and embracing recyclability to incorporating recycled materials into our products. Through continuous improvement, we strive to lead the way in reusable packaging and sustainable logistics practices, to drive progress towards a circular economy.

We have also embraced the transformative potential of digital technologies in fostering sustainability. By harnessing smart digital solutions, we empower our customers with the data and insights needed to make informed decisions, driving efficiency and circularity on a global scale.

Schoeller Allibert is shaping the future of packaging, creating a world where reusable, circular solutions are the smartest choice.

#### **OUR PURPOSE**

Our purpose is simple yet profound: to accelerate sustainable supply chains through innovative, reusable solutions, which are efficient by design and circular by nature. With every product we take a step towards a more sustainable future.

#### **OUR MISSION**

#### WE WILL ADVANCE THE USE OF REUSABLE PACKAGING SYSTEMS.

Our reusable packaging solutions have a long lifespan, reducing the total cost of ownership and environmental footprint for our customers.

## WE WILL CONTINUE TO SET NEW STANDARDS FOR SUSTAINABLE PACKAGING, STORAGE, AND LOGISTICS PRODUCTS.

Our innovative products reduce waste, are fully recyclable and will increasingly be made from recycled materials.

#### WE WILL DRIVE SMART DIGITAL SOLUTIONS.

Our digital technologies enable data-driven decision-making for our customers, enhancing supply chain efficiency and circularity at a global scale.











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# MARKETS AND PRODUCTS

Our packaging, storage, and logistics products are efficient by design and circular by nature.

#### **MARKETS**



AGRICULTURE



AUTOMOTIVE



BEVERAGE



FOLDABLE SMALL CONTAINERS

Handheld

Bulk



**PRODUCT GROUPS** 

STACKABLE CONTAINERS



STACKABLE/NESTABLE CONTAINERS



CHEMICALS



COSMETICS & PHARMA



FOOD AND FOOD PROCESSING



DOLLIES



BEVERAGE CRATES



PAILS



INDUSTRIAL MANUFACTURING



POOLING



RETAIL



FOLDABLE LARGE CONTAINERS



RIGID PALLET CONTAINERS



**PALLETS** 



SYSTEM INTEGRATORS



INTERMEDIATE BULK CONTAINERS



ROTATIONALLY MOULDED PRODUCTS

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## **LOCATIONS**

**EUROPE** 

Austria

Czech Republic

Finland

France •

Germany •

Hungary

Italy

Latvia

Netherlands (HQ) •

Norway

Poland •

Romenia

Russia

Serbia

Spain •

Sweden

Switzerland •

United Kingdom •

Slovakia

Turkey

**ASIA** 

China

Hong Kong

India

United Arab Emirates

**MIDDLE AMERICA** 

Mexico

**NORTH AMERICA** 

United States •

**AFRICA** 

South Africa

Working worldwide:

11 production sites (•)

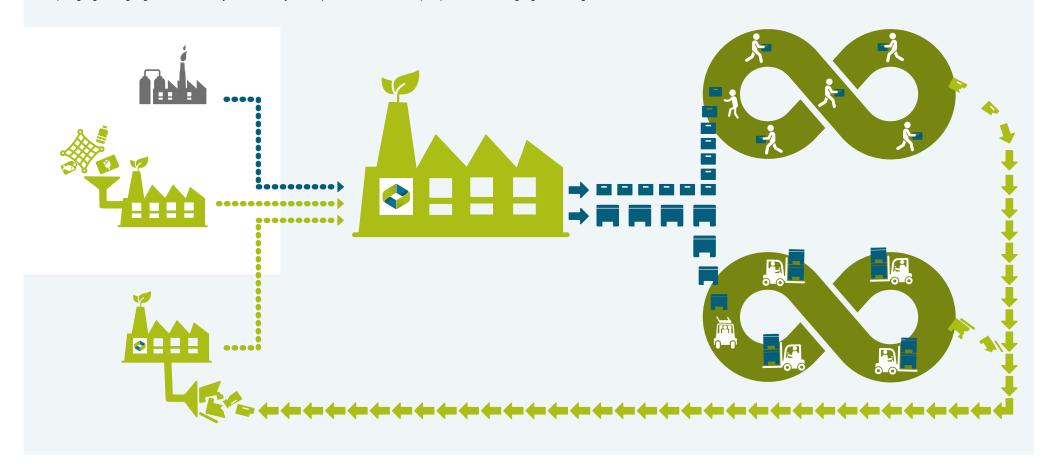
and 21 sales offices.





## **VALUE CHAIN**

This infographic visualises the current flow of our production in the value chain. Our goal is to transition towards a fully circular system (including reuse, repair, recycling) and we are gradually reducing our reliance on virgin polymer. We've set a first target of 35% recycled polymer used by 2026, and are well on our way. Utilising other waste materials and reclaimed crates, we establish a recycled materials loop (highlighted light green). Additionally, the durability of our products enables a loop of product reuse (highlighted dark green).





## **CHALLENGES AND SOLUTIONS**

#### FROM A LINEAR TO A CIRCULAR ECONOMY

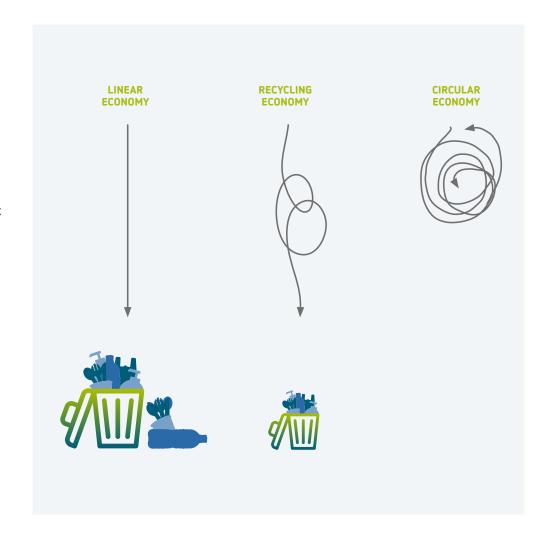
Every year over 100 billion tons of materials enter the global economy, and the majority ends up as waste or pollution.<sup>1</sup>

At Schoeller Allibert, we believe that we must move away from a linear economy, where raw materials are extracted, used, and then discarded as waste. To protect the world's resources and ensure a liveable future on our planet, it is crucial that we work towards a circular economy — where waste is eliminated, and products and materials are kept in use.

#### A CIRCULAR ECONOMY FOR PACKAGING

Packaging is a very clear representation of the linear economy in action. In 2021 the European Union alone generated an estimated 84.3 million tons of packaging waste, an increase of six percent compared with 2020.<sup>2</sup>

Around a third of packaging waste is from transport packaging – the business-to-business packaging that drives supply chains, generally invisible to consumers but making a huge contribution to the waste problem. The highest share of packaging waste was from paper and cardboard (40.3%), followed by plastic (19%), glass (18.5%), and wood (17.1%).<sup>3</sup>



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<sup>&</sup>lt;sup>1</sup> Circle Economy. (2023). The Circularity Gap Report. https://www.circularity-gap.world/2023

<sup>&</sup>lt;sup>2</sup> Eurostat. (2023). EU packaging waste generation with record increase. https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20231019-1

<sup>&</sup>lt;sup>3</sup> Based on a study in Germany. NABU. (2022). NABU-Studie zu Transportverpackungen. https://www.nabu.de/umwelt-und-ressourcen/ressourcenschonung/einzelhandel-und-umwelt/32297.html

# REUSABLE PACKAGING IS AT THE TOP OF THE WASTE HIERARCHY

A circular economy is about preventing waste and keeping products and materials in use. The **waste hierarchy** is an important practical tool that helps to make this a reality. It is used by the European Union to set out priorities for how to reduce and handle waste, and is the cornerstone of European waste policies.<sup>4</sup>

The waste hierarchy is very clear that it is better to prevent waste from occurring in the first place by designing products that keep materials in use for as long as possible, rather than relying on recycling. That's why we describe reusable packaging as **circular by nature**. Schoeller Allibert's reusable packaging systems are designed to last for many years. This reduces environmental footprint for our customers while also reducing the total cost of ownership.



EUR-Lex. (2023). Waste hierarchy. https://eur-lex.europa.eu/EN/legal-content/glossary/waste-hierarchy.html

## **REUSABLE PACKAGING = LESS WASTE**

Keeping products and materials in use for as long as possible must be prioritised over systems based only on recycling. Why? Because it reduces waste overall, and leads to better outcomes for people and planet.

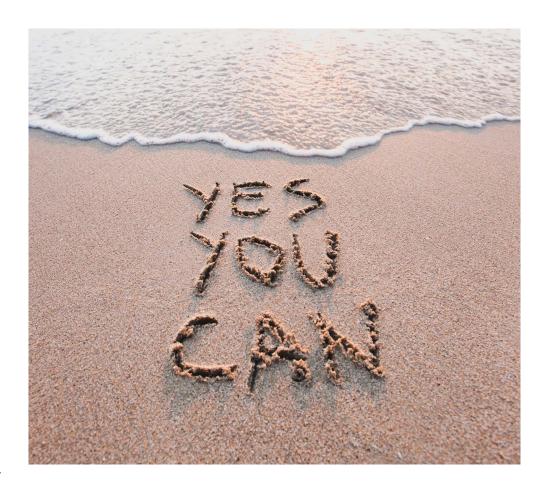
Every ton of reusable transport packaging prevents four tons of cardboard packaging waste<sup>5</sup>

#### **RECYCLING ALONE IS NOT THE SOLUTION**

Recycling relies on systems being in place for collection. In reality, these are not always in place or readily used. In the European Union in 2020, only 64% of packaging waste and only 58% of waste in general was recycled. Recycling processes are energy and resource intensive. Even those single use products that do get recycled will quickly end up as waste. Cardboard boxes, for example, can only by recycled five to seven times before the cardboard fibres are too damaged for further recycling.

#### REUSABLE PACKAGING KEEPS MATERIALS IN USE

Schoeller Allibert's reusable packaging systems have a long lifespan, staying in use for five to 15 years. A study by the German NABU (Nature and Biodiversity Conservation Union) found that every ton of reusable transport packaging prevents around four tons of cardboard packaging waste.<sup>5</sup>



- <sup>5</sup> NABU. (2022). NABU-Studie zu Transportverpackungen. https://www.nabu.de/umwelt-und-ressourcen/ressourcenschonung/einzelhandel-und-umwelt/32297.html
- <sup>6</sup> Eurostat. (2022). Recycling rate of packaging waste by type of packaging. https://ec.europa.eu/eurostat/databrowser/view/cei\_wm020/default/table?lang=en
- CEPI. (2022). Key Statistics 2022. https://www.cepi.org/wp-content/uploads/2023/07/2022-Key-Statistics-FINAL.pdf
- <sup>8</sup> American Forest & Paper Association. (2018). Here's how to recycle your cardboard boxes. https://www.afandpa.org/news/2018/heres-how-recycle-your-cardboard-boxes.

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# REUSABLE PACKAGING = LOWER CARBON EMISSIONS

Reusable packaging systems produce significantly less emissions than the alternatives and help to reduce our customers' environmental footprint.

Zero Waste Europe, a civil society network organisation, compared 32 life cycle assessment (LCA) studies to evaluate the impacts of single-use and reusable packaging. 72% of the studies analysed found positive results for the environmental impact of reusable packaging compared to single-use alternatives. This is largely because reusable packaging stays in use for such a long time, generally five to 15 years. Reusable plastic packaging is also often lighter than alternatives such as wooden crates, and can be folded and unfolded repeatedly. This reduces storage space and the associated emissions from transportation.





"Even with all the packaging recycling that is already taking place, the waste mountain continues to grow. If we do nothing, we will have nineteen percent more waste in Europe by 2030. That is also why Europe has paid a lot of attention to reducing plastic waste in recent years. But we now know that replacing plastic with another single-use material — whether cardboard, paper, or glass — is also harmful for the environment."

"In short, we should no longer use products just once and throw them away. The only solution to the waste problem is to drastically reduce the amount of packaging material altogether. Reusable packaging is an important solution for this."

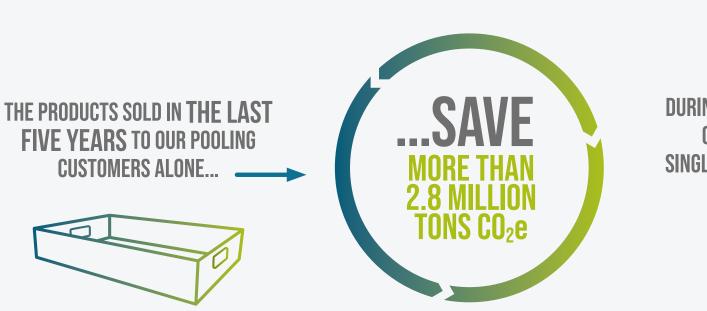
**Nathan Dufour** | Reuse Systems Manager at Zero Waste Europe

<sup>&</sup>lt;sup>9</sup> Zero Waste Europe (2020). Reusable packaging vs single-use packaging. https://zerowasteeurope.eu/wp-content/uploads/2020/12/zwe\_reloop\_report\_reusable-vssingle-use-packaging-a-review-of-environmental-impact\_en.pdf.pdf\_v2.pdf

## **HOW CIRCULARITY REDUCES CARBON EMISSIONS** IN OUR CUSTOMERS' SUPPLY CHAINS

Schoeller Allibert takes responsibility for reducing the carbon footprint of its own operations, but we have an even bigger impact by enabling many of our customers to decarbonise their supply chains. We do this by developing packaging, storage, and logistics products that are efficient by design and circular by nature. Our products are strong, durable, lightweight, and can be reused for five to 15 years, before being 100% recycled.

Next page: how to calculate customer emissions savings



**DURING THEIR LIFETIME COMPARED TO** SINGLE USE SOLUTIONS.



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IS 2.8 MILLION TONS A LOT OF CARBON? Yes, it is! This is the amount of carbon emitted by about approximately 1.7 million roundtrips by plane between Amsterdam and New York, or the amount of carbon emitted by producing 578 million black cotton t-shirts.

## **HOW WE CALCULATE**

#### **CUSTOMER EMISSIONS SAVINGS**

The avoided emissions on the previous page are calculated based on the difference in greenhouse gas emissions between reusable packaging (Schoeller Allibert's Foldable Small Container, sold from 2018 to 2022 to pooling customers) and single use solutions. We look at the calculation of avoided emissions per trip (in tons  ${\rm CO_2e}$ ) over the ten-year lifetime of a crate. <sup>10</sup>

Products sold to pooling customers represent around 30% of our revenue, but other customer supply chains also benefit from carbon savings thanks to our reusable products. An example from the beverage industry shows that the carbon footprint of returnable glass bottles that are sold and transported in a reusable crate is at least 2.5 times smaller than that of cans, and 4.5 times smaller than that of single use glass bottles that are transported in single-use packaging.<sup>11</sup>

#### **EMISSIONS OVER A LIFE CYCLE**

A life cycle assesment (LCA) evaluates the environmental impact of a product throughout its life cycle, including extraction and processing of raw materials, manufacturing, distribution, use, recycling, and/or final disposal, and aims to quantify these impacts. It can provide valuable insights for designing more environmentally friendly products, as well as comparing different product types. It is important to note that any LCA depends on the parameters chosen, such as transportation distance, payloads, and end-of-life scenarios. Therefore, it is important not to generalise outcomes, but to critically check the parameters and adapt the assessment to the specific case that is being assessed.

Next page: LCA case study



<sup>&</sup>lt;sup>10</sup> Fraunhofer IBP. (2018). Carbon footprints of packaging systems for fruit and vegetable transports in Europe. https://www.stiftung-mehrweg.de/fileadmin/user\_upload/SIM\_CF\_Final\_report\_for\_publication.pdf

<sup>&</sup>lt;sup>11</sup> AB InBev. (2021). 2021 Environmental, Social & Governance Report. https://www.ab-inbev.com/assets/pdfs/ABINBEV\_ESG\_2021\_Final.pdf

## **MEASURING EMISSIONS OVER A LIFE CYCLE**

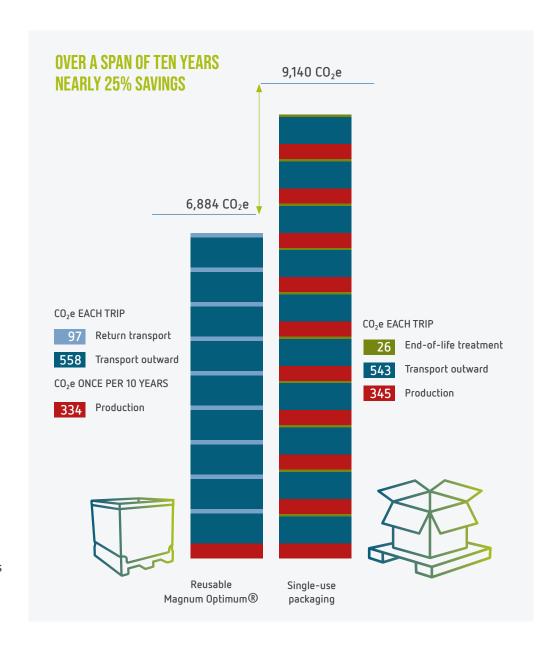
CASE STUDY - Schoeller Allibert works with EcoChain to develop life cycle assessments comparing our containers with single-use alternatives in typical situations.

EcoChain compared the emissions produced over a life cycle of ten years in a typical use-case for our Magnum Optimum® foldable large container, compared with the alternative of using wooden pallets and cardboard boxes. The assessment found that even though the Magnum Optimum® scenario emits about 20% more carbon in year one (due to the more carbon intensive production of the reusable packaging), this scenario already performs better from year two onwards, producing less carbon emissions than wooden pallets and cardboard.

Over a span of ten years, emissions were nearly 25% lower for the Magnum Optimum® scenario. When looking only at the carbon emissions over the life cycle of the packaging (excluding the freight), the carbon emissions were nearly 60% lower for the Magnum Optimum® scenario. The assessment is based on a use case in which a company transports goods from Romania to Poland (960km), doing 15.5 trips per year over a ten year time period. In scenario one the company uses 2000 Magnum Optimum® foldable large containers, and in scenario two the company uses 2000 cardboard boxes and 2000 wooden pallets (per year).

The Magnum Optimum® containers are produced in year one and stay in use for the entire ten-year period, being transported back to Romania after each trip. In the alternative scenario, the wooden pallets are shredded and the cardboard boxes are recycled after each use, with new materials used for the following trip.

The energy required for recycling cardboard and producing new wooden pallets means that the emissions accumulate over time and quickly outpace the emissions in the Magnum Optimum® scenario, despite the slightly higher emissions for the productio



**2**1

of the Magnum Optimum® in year one and the ongoing transport emissions from returning the folded containers. <sup>12</sup> Schoeller Allibert will increasingly produce foldable large containers with a percentage of recycled materials, bringing emissions down even more. Also, the more logistic operations are decarbonising (e.g. through low-carbon transportation), the lower the relative impact of the return transportation will be, helping reusable packaging further decrease its life cycle footprint.



<sup>&</sup>lt;sup>12</sup> In both scenarios, the analysis used a 'fuel-based' approach to estimate the impact of logistics. This means that the impact of the use of associated capital goods (for example, the vehicle itself and its maintenance, brake, road and tire ware emissions) are not considered. It has been assumed that the excluded capital goods will impact both scenarios in a similar way and therefore do not affect the outcome of the analysis.

## RETURNABLE CRATES FOR FRUIT AND VEGETABLES

Sustainability is extremely important to Van Gelder, a traditional Dutch fruit and vegetable supplier. Vegetable waste is used as biofuel, and the business premises were recently rated in the top five most sustainable premises in the Netherlands. And to increase sustainability even further, the company has required its suppliers to switch from cardboard boxes to reusable plastic packaging systems supplied by Schoeller Allibert. Robin Rietdijk, Marketing Manager at Van Gelder, explains why:





"We have now switched to returnable plastic packaging for all our suppliers in the Netherlands and Europe."

"The same crates that we receive filled from the supplier also go to our customers. We want our crates to be returned to us at some point, so that we can use them again. By charging a deposit per crate, almost all crates — 600,000 in total — are returned to us when the customer no longer needs them. When a supplier delivers products to us, we fill the empty truck with our crates. From a logistical perspective, this is quite cheap and easy to arrange."

"One of the conditions when developing the crate was that, in addition to being stackable, it had to be sturdy. We definitely succeeded," says Rietdijk.

"For example, I recently saw one of our crates hanging like a toy on a rope in the monkey enclosure at a zoo. That's how tough they are."

## **CLOSING THE LOOP**

#### **RECYCLING AT ITS FINEST**

Reusable packaging is already the most circular and sustainable choice

– and it's even better when it's made from recycled material. Jan Pedro Vis,

Director Product Management and Innovation at waste-to-product company

Renewi, explains a unique collaboration that is truly closing the loop.

"At Renewi, we give new life to used materials. Every year we handle almost 11 million tons of waste, of which we recycle 63%, using thousands of Schoeller Allibert MaxiLog® containers to collect and move the waste around our facilities."

"We think it's really important to practice what you preach, so we worked with Schoeller Allibert to form a partnership that is closing the loop."





"In 2023 we set up a new sorting line for post-consumer plastics. We combine rigid plastics from households with commercial waste, including discarded MaxiLog® containers, to create a high-quality polyethylene, ready to go into new products."

"We supply this recycled material to Schoeller Allibert to create a 100% recycled MaxiLog®, used throughout our operations to transport more waste for recycling."

"Thanks to the high quality of the recycled material, and the excellent design of the MaxiLog®, we know that we have a container that's ready for high impact activity across our facilities for many years to come. It's the perfect example of a supply chain partnership promoting the circular economy with long-lived reusable products made with recycled materials."

#### **ABOUT THE MAXILOG®**

The Schoeller Allibert MaxiLog® is a container for transporting large volume bulk items. Strong, sturdy, automation-friendly, safe, and easy to clean, the MaxiLog® is specially adapted to all industrial processing needs. Its stackable dimensions make it very efficient for return transport.

# THE SCHOELLER ALLIBERT SUSTAINABILITY STRATEGY

The Schoeller Allibert sustainability strategy has been designed to drive progress on issues that are relevant to our business and most pressing for society and the environment.



## INNOVATION FOR A CIRCULAR ECONOMY

We design and innovate reusable packaging systems to meet the world's need for sustainable and circular solutions.





- Circular Economy
- Innovation of Products and Services
  - Product Safety and Quality



## FUTURE PROOF PLANET

We enable the transition to a low-carbon economy and help shape a greener future.







- Carbon Footprint
  - Climate
- Waste Management
  - Water Use



### INTEGRITY AT HEART

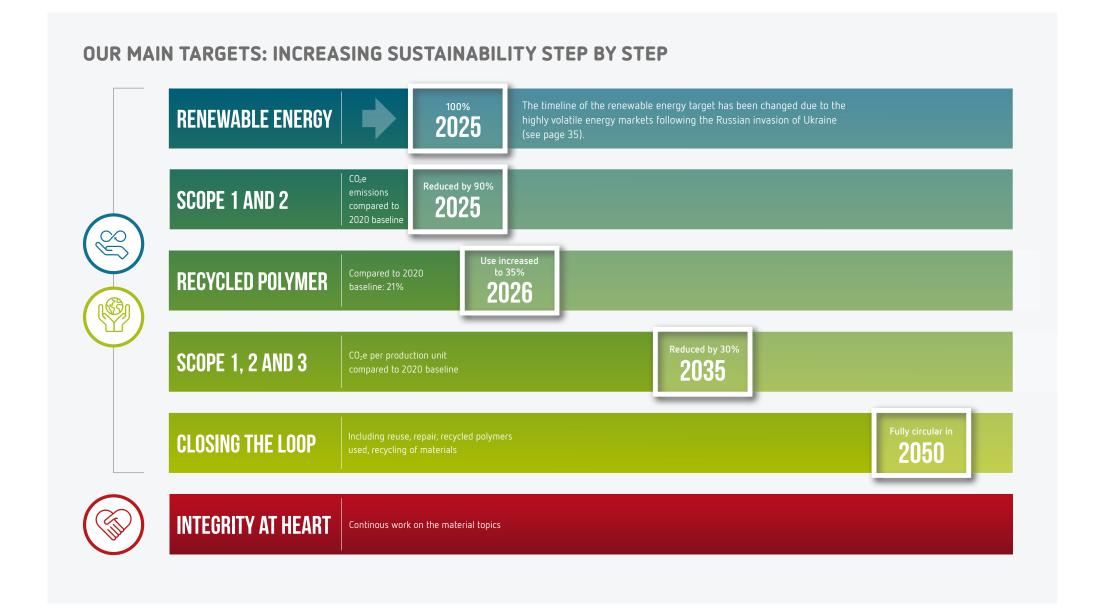
We respect and value our employees and all our stakeholders and live up to the highest standards of ethics and governance.







- Corruption and Bribery
- Diversity, Equal Opportunity and Inclusion
- Governance Structure and Accountability
  - $\boldsymbol{\cdot}$  Occupational Health and Safety
- Sustainable Supply Chain Management



## **INNOVATION FOR A CIRCULAR ECONOMY**

We design and innovate reusable packaging systems to meet the world's need for sustainable and circular solutions.

	Targets*	KPIs	2020 baseline	2021	2022	2023	Progress
Circular Economy	Increase use of recycled polymers to 35% by 2026	Total recycled polymer use	21%	29%	30%	33%	7
	Drive the transition towards a circular economy in transport packaging	Number of high-level roundtable meetings	Approach introduced in 2021	10	10	6	•
	Long-term target: 100% circular in 2050 (including reuse, repair, recycled polymers used, recycling of materials)	Circulytics score	Approach introduced in 2022	-	A-	A-	•
Innovation of Products and Services	100% of new products (SKUs) put on the market fully recyclable by 2023	New products (SKUs) sold that are fully recyclable	100%	100%	100%	100%	•
	Grow closed loop system for rental services*	Turnover of rental services	€22 million	€25 million	€33 million	€31 million	7
Product Safety and Quality	The good quality and safety of our products will be reflected as a decrease in our cost of poor quality (year on year)	Cost of poor quality	€782,000	€465,000	€445,000	€440,000	7

<sup>\*</sup>All rental services provided by Schoeller Allibert, incl. Rentabox and Logtek

## **REPORT ON PROGRESS**

#### **CIRCULAR ECONOMY**

Schoeller Allibert's long-term target is to be 100% circular by 2050. In 2022, we were pleased to be awarded an A- rating by Circulytics, an assessment tool from the Ellen MacArthur Foundation, that was designed to equip companies with the most comprehensive picture of their circular economy performance. By using company level data, and applying insights and analysis from the Ellen MacArthur Foundation, Circulytics helped to highlight opportunities for innovation and allow companies to track their progress. However, the Ellen MacArthur Foundation is discontinuing the Circulytics tool, so we are now exploring alternative options for the future. One possibility is the Circular Transition Indicators from the World Business Council for Sustainable Development.

The **share of recycled materials** used to create Schoeller Allibert's products continues to increase, from 30% in 2022 to 33% in 2023. Next to Schoeller Allibert's cross functional work to overcome challenges in supply and our innovation focus on the inclusion of new recycling materials, this increase also demonstrates the strong relationships between Schoeller Allibert and its pooling customers, whose closed-loop approach ensures that products are returned for recycling at the end of their life. We are pleased that due to our longstanding investment in recycling innovation and facilities, we are well positioned not only to meet our own 2026 recycling target,



but also to meet the 2030 recycled content targets in the revised Packaging and Packaging Waste Regulation (see page 31).

We also work to drive the transition towards a circular economy through advocacy. We invest in dialogue with key decision makers so that we can create an enabling environment and drive the transition beyond our own company. The KPI on number of high-level roundtable meetings refers specifically to meetings of the Roundtable for Reusable Containers Trays and Pallets (RCTP), of which there were six in 2023. The number of meetings was lower than in 2022. However, the number of meetings with other external stakeholders increased, and we engaged in extensive dialogue with European policy makers including 13 meetings with the European Commission, members of the European parliament, and representatives of the European Council (see page 30). This included meetings with Virginijus Sinkevicius, European Commissioner for Environment, Oceans and Fisheries; Aurel Ciobanu-Dordea, Director of Circular Economy in the European Commission's Directorate-General for Environment; and Maja Desgrees du Lou, Policy Officer for Packaging and Packaging Waste Directive at the European Commission. Therefore, we consider this KPI to be at equal level as in 2022.

#### INNOVATION OF PRODUCTS AND SERVICES

The target to make 100% of new products fully recyclable by 2023 was already met in 2021. The importance of this target can be seen in the growing focus on sourcing recycled inputs for new products. Our closed loop system for rental services\* continued to make a significant contribution to the company's turnover.

#### **PRODUCT SAFETY AND QUALITY**

In 2023 there was a further **reduction in the cost of poor quality**. This reflects our ongoing investment in ensuring all products that leave our factories meet customer requirements and expectations.

<sup>\*</sup> All rental services provided by Schoeller Allibert, incl. Rentabox and Logtek

## **CLOSING THE LOOP WITH RENTAL SERVICES**

The turnover of Schoeller Allibert's rental service was more than €31 million in 2023. **Abdel Kader Bouaza, Sector Head Services and Rental**, explains how the rental service is opening up a new market for Schoeller Allibert while driving circularity.



"Schoeller Allibert has grown for 65 years based on the strength and the quality of the products it sells, but the rental model has opened up a whole new market segment. It allows us to reach the customers who are looking for a service, rather than a product."

"Think of a company that's using thousands of pieces of returnable packaging. Managing these assets uses valuable internal company resources. For many companies, it makes perfect sense to outsource this to specialists. With the rental model, Schoeller Allibert takes care of cleaning the crates, organising repairs, storing them when they're not in use, and arranging transportation to where they are needed."

"When companies rent their reusable packaging from Schoeller Allibert, they know that we — as the manufacturer — are going to be specialists in maintaining their assets. It's cost efficient and allows the company to focus on what they do best."

"Rental also offers an entry point for customers who want to make a fast shift to reusable packaging systems without an investment hurdle. In this way, it helps to speed up the transition to reusable packaging systems."

"Then there is the potential for digitalisation. With SmartLink, rental customers benefit from an exclusive end-to-end tracking solution that provides real time data and increases efficiency."

"As well as the benefits for the customer, the rental model is helping Schoeller Allibert to drive a circular economy and meet its sustainability targets. Rental creates a closed loop, allowing us to guarantee the return and recycling of crates at the end of their life cycle. It also ensures better utilisation of the asset. And, by bringing a whole new market segment to reusable packaging, it contributes to our purpose of accelerating sustainable supply chains."

## **ADVOCACY FOR CHANGE**

Creating a circular economy is a systems change; it depends on companies, governments, civil society, and consumers all doing their own part to move away from the linear model. By providing reusable packaging systems, Schoeller Allibert makes an important contribution and enables hundreds of companies to become more circular.

At the same time, we also invest in dialogue with key decision makers so that we can create an enabling environment and drive the transition beyond our own company. This is a crucial time for the development of regulations that can drive a circular economy for years to come.

To help drive this change, Schoeller Allibert is an active member of the <u>Roundtable</u> for Reusable Containers Trays and Pallets (RCTP). Together, our mission is to promote the use of reusable packaging systems, resulting in an overall reduction of waste. We work to achieve this mission by advocating for a fair regulatory framework for secondary packaging.





"The impact of European legislation on businesses is increasing year on year. Schoeller Allibert has led the way in collaborating with Returnable Transport Packaging manufacturers from across Europe to making the industry's voice heard in the EU decision-making process. Schoeller Allibert has contributed significantly to the success of the initiatives of the Roundtable for Reusable Containers Trays and Pallets: driving sustainability-focused policymaking, fostering dialogue, and advocating for the interests of the RTP industry."

**Astrid Smeets** | RCTP Secretariat

# THE PACKAGING AND PACKAGING WASTE REGULATION

#### **EU TAKES IMPORTANT STEPS TO PUSH REUSE**

Ambitious targets and regulations are needed to incentivise reuse of materials in packaging and give businesses the push they need to establish and scale up reuse systems. Therefore Schoeller Allibert welcomes the approval of the Packaging and Packaging Waste Regulation (PPWR) by the European Parliament and the Council of the European Union in April 2024. This is an important step forward and further demonstration that reusable, circular solutions are the smartest choice.

The PPWR is clear on the importance of reuse to reduce waste, and for the first time includes legally binding reuse targets for the transport packaging sector: 40% by 2030 and 70% by 2040. Many companies that currently use single-use transport packaging will now need to explore reusable options in the coming years, and we look forward to working with both new and existing customers to accelerate sustainable supply chains.

The PPWR also sets ambitious recycling targets for 2030: 35% recycled inputs for non-contact sensitive products and 10% recycled inputs for contact sensitive products. Schoeller Allibert is on track to meet these targets much sooner than 2030 (see page 27).

At the same time, there is still potential to strengthen the regulation further and to close some loopholes. As part of the <u>Roundtable for Reusable Containers Trays and Pallets (RCTP)</u>, Schoeller Allibert will continue to advocate for higher waste prevention measures and stronger reuse ambitions to incentivise circularity and resource efficiency.

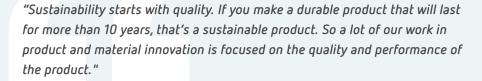


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## PRODUCT AND MATERIAL INNOVATION

#### IT ALL STARTS WITH QUALITY

Schoeller Allibert is known for its heritage and expertise in product and material innovation. **Patrick Breukers, Group Innovation Director**, leads a team of project managers, designers, engineers, and a testing and material innovation centre. He explains how innovation is driving sustainability — and what has kept him with the business for 18 years.



"Reusable packaging needs to be strong, but it must also be lightweight, sometimes foldable or nestable, so it's about weighing up these factors and innovating with materials and design to find the optimum mix for impact resistance."

"A really important part of longevity is repairability. We design our products so that it's very easy to exchange parts that have been damaged. In fact, we design them so that if there is an impact, it's a small (and easily replaceable) part that will break, rather than the expensive parts like the bin or the skid."



"For more than 10 years, we've worked on increasing recycled inputs, while never compromising on quality. We've seen the growing value our customers place on sustainability, and the bonus is that they also use it as a marketing tool, as was the case in the Corona beer crates we made for our client AB Inbev from recycled fishing gear. We work very closely with customers to innovate to meet their specific needs."

"We're also part of a bigger system and collaboration is crucial. Many of our improvements have been made possible by developments in the recycling industry. It's now possible to access post-consumer recycled materials that are much higher quality than 10 years ago, thanks to changes in sorting and processing."

"As technicians, we can be very proud of the work we are doing here at Schoeller Allibert. Even when I started working here, we were number one on innovation and quality of product, and that's what has kept me here for more than 18 years so far — pride in the quality of our product range and the innovation that's leading the market."

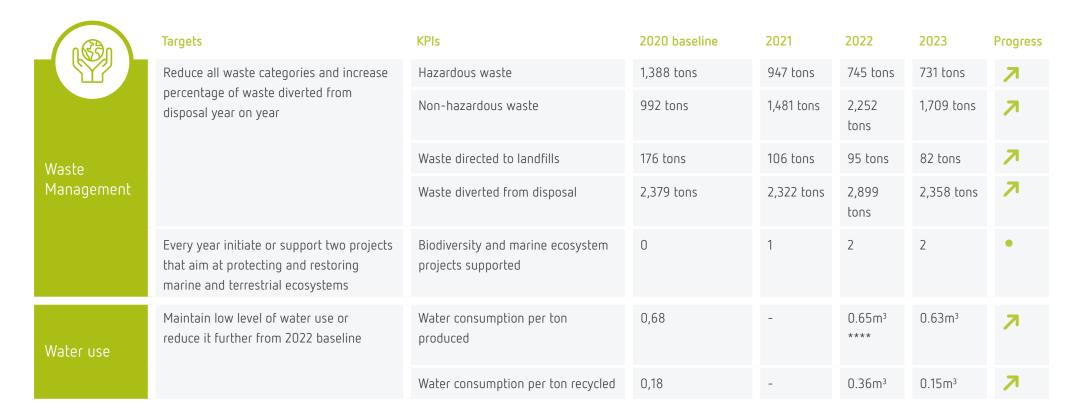
## **FUTURE PROOF PLANET**

We enable the transition to a low-carbon economy and help shape a greener future.

(A)	Targets	KPIs	2020 baseline	2021	2022	2023	Progress
Carbon Footprint	Scope 1 and 2 in tons CO <sub>2</sub> e reduced by 90% by 2025*	Percentage change of tons $CO_2$ e scope 1 and 2 emissions compared to 2020 baseline**	91,308 tons CO <sub>2</sub> e	-8%	-54%	-79%	7
	Reduce our carbon footprint (scope 1, 2 and 3) in tons CO <sub>2</sub> e per production unit by 30% by 2035*	Percentage reduced (or increased) compared to 2020 baseline**	4.08 tons CO <sub>2</sub> e per ton produced	-2%*	-10%	-25%	7
	100% of our electricity consumption will be from renewable energy sources by 2025***	Purchased green energy plus self- generated solar energy (percentage of overall energy consumption)	2%	7%	43%	66%	7
	Increase self-generated solar energy for production by 1 GWh a year (until full potential is reached)	Ability to produce 1 GWh of solar energy per year installed at own sites	0.5 GWh	0.5 GWh	0.5 GWh	0.16 GWH	7
Climate	Factor climate change into every investment proposal	Number of investment proposals incorporating climate change	Approach introduced in 2022	-	29	12	•
	75% electric cars by 2025	% of electric cars of total company cars	1%	8%	10%	19%	7
	25% hybrid cars by 2025	% of hybrid cars of total company cars	15%	42%	52%	60%	7
	Reduce travel movements by 25% by 2025	% reduced (or increased) compared to 2019 baseline	2019 baseline 2,377	-72%	-44%	-35%	7

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THIS REPORT SUMMARY INDEX PREFACES ABOUT SCHOELLER ALLIBERT CHALLENGES & SOLUTIONS SUSTAINABILITY STRATEGY & PROGRESS MATERIALITY UN/SDG CONTACT



<sup>\*</sup> Just before the publication of this report, Schoeller Allibert received the validation of the Science Based Targets initiative (SBTi) (see page X: ALIGNING TARGETS WITH EXTERNAL NORMS).

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<sup>\*\*</sup> The 2020 baseline has been recalculated (see page X: REFINING THE 2020 BASELINE).

<sup>\*\*\*</sup> The timeline of the renewable energy target has been changed due to the highly volatile energy markets following the Russian invasion of Ukraine (see page X: FUTURE PROOF PLANET, REPORT ON PROGRESS).

<sup>\*\*\*\*</sup>The 2022 report incorrectly stated a value of 0.54m3. In 2023 the formula was reviewed, resulting in a correction of the calculation.

THIS REPORT **SUMMARY** INDEX **PREFACES ABOUT SCHOELLER ALLIBERT** 

**CHALLENGES & SOLUTIONS** 

**MATERIALITY** 

### **REPORT ON PROGRESS**

#### **CARBON FOOTPRINT**

Assessing our corporate carbon footprint and reducing greenhouse gas (GHG) emissions is one of the most important targets in the Schoeller Allibert sustainability strategy. The focus for several years has been on developing a clear baseline, taking strong action to decarbonise, and measuring progress. 2023 was the fourth year that Schoeller Allibert collected the data required by the Greenhouse Gas Protocol.

We are pleased to have made substantial progress in reducing emissions in 2023. Due to energy savings at operations, and an increase in the use of green energy, scope 1 and 2 emissions decreased by 79% compared to the 2020 base year.\*

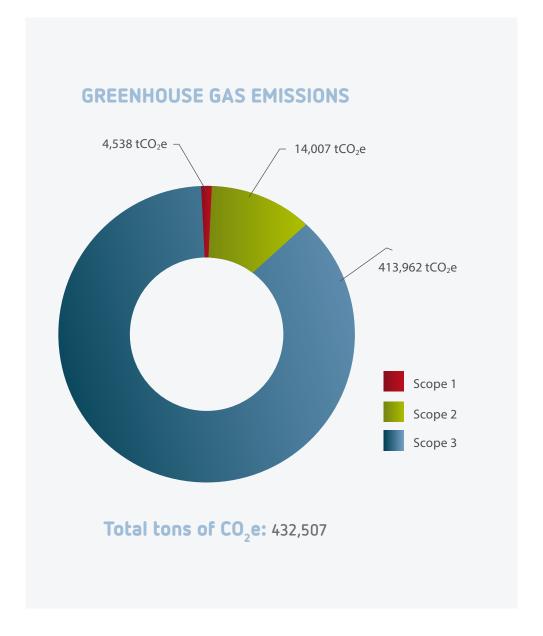
We are acutely aware of the need for all industries to reduce carbon emissions to mitigate the climate crisis. By reducing Schoeller Allibert's emissions we reduce our own contribution, while also reducing the footprint of our products, therefore helping our customers to reduce their scope 3 emissions.

\*The 2020 base year GHG emissions were recalculated in 2023 (see page 36).

Scope 1: Emissions from stationary and mobile combustion and fugitive emissions.

Scope 2: Emissions from purchased electricity, heating and cooling.

Scope 3: Emissions from relevant purchased goods and services, fuel and energy-related activities, business travel, waste, employee commuting, freight and the use of sold products.



**3**5

MATERIALITY

#### **REFINING THE 2020 BASE YEAR GHG EMISSIONS**

Since initiating the sustainability strategy, we have continued to improve our data collection and approach. In 2023 we made the decision to recalculate and refine the 2020 base year GHG emissions and 2022 results on Schoeller Allibert's carbon footprint.

The 2020 base year GHG emissions and 2022 results were calculated using primary data where possible (in line with the Greenhouse Gas Protocol) and emission factors from reliable sources, such as the <u>Ecoinvent</u> database. This database is considered to conform to the highest scientific standards in assessing the environmental impact of products and services.

In 2023, version 3.10 of the Ecoinvent database was released. In this version, the emission factors for two of Schoeller Allibert's main inputs — polypropylene (PP) and high-density polyethylene (HDPE) — have increased by 53% and 33% respectively compared to the version 3.9.1. As these two inputs represent most of our scope 3 emissions, this has a major impact on the calculation of our corporate carbon footprint, as well as making it impossible to compare 2023 emissions with previous years.

The recalculated figures for 2020 and 2022 show higher absolute GHG emissions than previously reported. However, this makes it possible to accurately demonstrate the decline in GHG emissions since 2020.

#### **ALIGNING TARGETS WITH EXTERNAL NORMS**

In 2023 we took the next step in our emission reduction strategy by committing to align our targets with the <u>Science Based Targets initiative (SBTi)</u>. Schoeller Allibert's near-term Science Based Targets were submitted in early 2024 and validated just before the publication of this report.

In order to meet the new SBTi standard, from 2024 onwards our GHG emission reduction targets will assess scope 3 emissions separately from scope 1 and 2. The official near-term target language is now the following: "Schoeller Allibert Services B.V. commits to reduce absolute scope 1 and 2 GHG emissions by 90% by 2033 from a 2020 base year. Schoeller Allibert Services B.V. also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and business travel by 33% within the same timeframe."

In the next report, and on the Schoeller Allibert website, we will align our existing decarbonisation targets accordingly, while still aiming for the 2025 deadline of our scope 1 and 2 reduction target.

**ABOUT SCHOELLER ALLIBERT** 

### **REPORT ON PROGRESS**

#### **CARBON FOOTPRINT - CONTINUED**

The transition to renewable energy continues to be a crucial part of Schoeller Allibert's sustainability strategy and 2023 saw an increase from 43% to 66%. However, the transition has been hindered by price spikes and volatility due to geopolitical events including the invasion of Ukraine. Therefore, we made the decision not to meet the original target of 100% renewable energy by the end of 2023. Instead, we will align with the target for the reduction in scope 1 and 2 emissions, which is set for 2025. It is expected that further progress will be made in 2024.

We continue to work hard on increasing on-site generated solar energy for our production sites and solar panel projects have been initiated in several locations, but supply chain and administrative issues have led this process to take longer than expected. The closure of operations in Belgium led to a reduction in capacity in 2023, offset partly by solar energy production at our Rentabox facility in Southern Spain, which is powered by solar panels.

#### **CLIMATE**

Climate change has been factored into investment proposals for new product development since 2022. However, less investment proposals were submitted in 2023. Progress continues to be made on Schoeller Allibert's travel policies. There was a further increase in the percentage of electric and hybrid cars in 2023.

The original target for reduced travel movements was to reduce flights by 25% by 2025, compared to a 2019 baseline of 2,377. This target was exceeded from the first year of reporting, with a 72% reduction from the baseline in 2021, in large part due to the COVID pandemic. Flight numbers have gone back up since travel restrictions were eased, with 2023 being the first year that all restrictions were lifted, but this has coincided with successful internal initiatives to encourage train travel and mainstreaming of online meetings. We are pleased to now be at 35% below the 2019 baseline.

#### **WASTE MANAGEMENT**

2023 saw further reductions in the production of hazardous and non-hazardous waste. There was also less waste directed to landfill. Some geographies have almost entirely stopped sending waste to landfill while this has been more challenging in others, but we expect to see further significant progress in the years to come.

The tonnage of waste diverted from disposal went down slightly. However, this accounted for 50% of overall waste in 2023, compared to 48% in 2022, which is a positive development.

Schoeller Allibert continued to support two projects that aim to protect and restore marine and terrestrial ecosystems (see page 41).

#### **WATER USE**

Schoeller Allibert's use of water per ton of product produced and per ton of materials recycled was reduced even further in 2023. Compared to alternatives such as cardboard, a very limited amount of water is used to produced and recycle reusable plastic packaging systems.

THIS REPORT

SUMMARY

# CARBONLINK SHOWS EMISSIONS SAVINGS IN THE SUPPLY CHAIN

Schoeller Allibert's reusable packaging systems can be connected to the internet via SmartLink, an exclusive logistics application that enables data-driven decision-making. Frederik Dejans, Global Product and Internet of Things Director, explains why this is a game changer for sustainability.

"SmartLink makes it possible to gather real time data on multi-site inventories, asset cycle times, KPI monitoring, remote IBC fill level monitoring, supply chain compliance improvement, and more. It has been helping customers to increase efficiency and improve return on investment for nearly three years."

"In 2023 we launched CarbonLink, which takes the data from the system and allows the customer to report on their emissions savings. For instance, the system can show the carbon emission savings based on returning folded empty



crates compared to returning crates that are not foldable or folded. Customers are already using this technology to report on their own sustainability improvements to their supply chain partners."

"This really is a game changer. We have always known that reusable transport packaging helps customers to reduce their carbon emissions — now they can generate the data to back this up."

### HOW DO SMARTLINK AND CARBONLINK HELP DRIVE A CIRCULAR ECONOMY?

**Optimise fleet size** — Customers can reduce their asset fleet size by ensuring they only have as many crates as they need.

**Improve efficiency** — Insights into temperature, fill level, and location make it possible to predict and act on anomalies.

**Reduce carbon footprint** – Travel distances can be tracked and optimised to keep carbon emissions to a minimum.

Closed loop system – SmartLink insights reduce loss, and ensure that 100% of crates can be returned at end of life for recycling into new products.

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**ABOUT SCHOELLER ALLIBERT** 

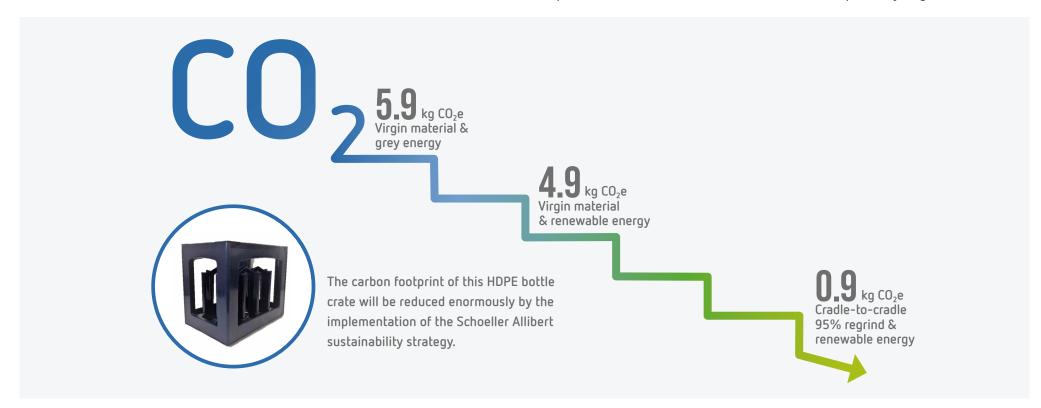
### **REDUCING EMISSIONS STEP BY STEP**

The carbon footprint of many Schoeller Allibert products, such as bottle crates, can be reduced by up to 85% over time, thanks to the switch to renewable energy and recycled materials.

**Processing.** Switching to renewable energy sources at production sites has the potential to reduce emissions by 16%.

Materials. The carbon footprint of recycled polymers is many times lower than the carbon footprint of virgin materials. The lowest emissions can be achieved through cradle-to-cradle mechanical recycling.

ClimatePartner (see page 56) calculated the product carbon footprint of Schoeller Allibert bottle crates. This example illustrates how the product carbon footprint will drop over time with future innovation and a closed loop for recycling materials.



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### A COMPLEX BUT REWARDING JOINT EFFORT

Energy in the form of electricity is the second biggest contributor to Schoeller Allibert's carbon footprint, so making the switch to renewable energy is a crucial target for the sustainability strategy. Rose Malnou, Category Commodity Buyer Indirect & Energy, explains how she's making this happen.



"This is an exciting area, and it is fascinating to work on all the pieces of the puzzle that will together help us reach our renewable energy targets. It's very complex as we have to take many different factors into account."

"The most important thing is that we need a stable electricity supply for our production cycle. Generating our own renewable energy with solar panels is an important part of the strategy, as that will eventually help to make us more independent and resilient against external market changes. It's also an option to participate in local projects for windmills or other energy sources, and to engage in power purchase agreements with renewable sources. Plus of course we buy green energy certificates. Economic sustainability is another important factor, and the volatility in the market made 2023 challenging, but despite that we're making good progress."

"All of these options have to be investigated on a country, and sometimes a city, level. We have to gather all the necessary information at the local level as a first step. There's a core group who focus on the energy strategy but my work puts me in contact with people from all across the business. I work very closely with the plant managers as they need to manage the local partners. So this is a topic that involves everyone from the board down to workers in the plant. Whoever I talk to, I always hear a positive attitude and willingness to get this done."

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# RESTORING MARINE AND TERRESTRIAL ECOSYSTEMS

#### **OPERATION CLEAN SWEEP**

Plastic granules that escape into the environment are a major contributor to marine litter, and can also cause problems for wildlife. That's why Schoeller Allibert is part of the <u>Operation Clean Sweep</u> programme, a campaign led by PlasticsEurope. In 2023 we made progress towards our goal of zero pellet loss by introducing new audits and best practices. Risk analysis is the foundation of the approach, and subsequent actions have included installation of new filters and cleaning stations. In 2024 we will prepare the system certification to be aligned with the new microplastics directive.

#### **TREE NATION**

In 2022 we established a collaboration with <u>Tree Nation</u> whereby one tree is planted for every ton of crates we buy back from our customers. This acts as an extra incentive for customers to return their crates to Schoeller Allibert for recycling, and helps them further reduce their  $\mathrm{CO}_2$  emissions. In 2023 a milestone was reached with more than 10,000 trees planted.

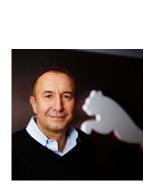


**ABOUT SCHOELLER ALLIBERT** 

### **SUPPLY CHAIN OPTIMISATION FOR CO2 SAVINGS**

As one of the world's leading sportswear brands, Puma is accustomed to setting ambitious goals. This extends to their objective of reducing carbon emissions throughout their entire business operations. Recognizing the supply chain as the most carbon-intensive aspect of Puma's operations, the company has entered in an unparalleled sustainability initiative in collaboration with Schoeller Allibert.

Both parties uses their neighbouring geographical locations to achieve sustainable benefits. Puma utilizes their electric trucks to pick up bins from Schoeller Allibert's production site to the Puma warehouse, resulting in zero Tank-to-Wheel emission. Schoeller Allibert reuses stacking aids and bases, resulting in less plastic needed and therefore  $\mathrm{CO}_2$  emissions saved. This resulted in a reduction of 94,885 kg  $\mathrm{CO}_2$ e from transportation and 81,224 kg  $\mathrm{CO}_2$ e from reuse and circulation.



"Great example of how partnering with our suppliers can lead to yet another step into cleaner logistics"

**Helmut Leibbrandt** | Senior Vice President, Supply Chain Management & Logistics - Americas



# ROPAC BRINGS THE SUSTAINABILITY STRATEGY TO LIFE

Ropac, a subsidiary of Schoeller Allibert, specialises in packaging for high value and sensitive medical and chemical products. Pierre Laroche, Plant Manager at Ropac, explains how the corporate sustainability strategy has cascaded down into real implementation.





"Our factory is located in the beautiful town of Romont in Switzerland. For several years we have rallied together to reduce our environmental footprint. For example, in 2023 we reduced gas consumption by 32%, and cut the kilowatt hours per kilogram produced by five percent. In the winter we use the heat produced by injection moulding to heat the production building. We have insulated the machines, and we are very conscious of stopping air leakage. We have also made all staff aware of the need for energy savings, for instance by closing a door, turning off a light, or realising there's no need for an office to be 25 degrees in the winter."

"This is contributing to the overall Schoeller Allibert sustainability targets as well as reducing the footprints of our products."

"Since 2022 all our products have also held the Funding Climate Action label, which is a great way to show our customers all the work we have done."

#### THE FUNDING CLIMATE ACTION LABEL

The Funding Climate Action label is awarded by South Pole, a trusted climate advisor. The label is a transparent and credible way to demonstrate a company's investment in addressing climate change by reducing product footprint while also funding verified mitigation contributions. This helps to scale critical finance to climate action projects that reduce emissions and therefore contribute to a low-carbon future.

#### **CLIMATE ACTION PROJECTS**

The climate action projects chosen are VCS-Standard certified, and support clean energy generation in countries in the Global South: "Srepok 1 Solar", a solar power plant in Vietnam, "Tuppadahalli", a wind energy project in India, and another wind power project, the "Ventus Wind Farm" in El Salvador.

More details of Ropac's GHG footprint, reduction measures and climate contributions can be found on the Ropac website: <a href="https://www.ropac-packaging.com/sustainability/">https://www.ropac-packaging.com/sustainability/</a>

### **INTEGRITY AT HEART**

We respect and value our employees and all our stakeholders and live up to the highest standards of ethics and governance.

	Targets	KPIs	2020 baseline	2021	2022	2023	Progress
Corruption and Bribery	100% of our employees and contractors are aware of the Anti-Bribery and Corruption (ABC) policy at Schoeller Allibert	Employees who have attended a training about the ABC policy (general training and targeted training for specific groups)	ABC policy set in 2021	13%	26%	21%	7
Diversity, Equal Opportunity, and Inclusion	Year on year improvement in increasing diversity and inclusion by promoting and embracing a culture that supports people's different backgrounds, experiences, and qualities	Women in management roles	21%	22%	22%	25%	7
		D&I index (out of 5)	Staff survey introduced in 2021	4.2	4.1	4.1	•
Governance Structure and Accountability	Our management practices underline the commitment to the sustainability/ESG strategy by having a standing board agenda item on ESG and 15% of management incentive remuneration linked to sustainability/ESG performance	ESG topics on supervisory board agenda	Baseline set in 2021	2	2	3	7
		ESG management remuneration	Policy implemented from 2022	-	19%	27%	7

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THIS REPORT SUMMARY INDEX PREFACES ABOUT SCHOELLER ALLIBERT CHALLENGES & SOLUTIONS SUSTAINABILITY STRATEGY & PROGRESS MATERIALITY UN/SDG CONTACT

Wellbeing, Health, and Safety	Strive for the highest safety standard (zero harm, i.e. LTIF = 0) by minimising the risk of incidents, injuries and exposure to health hazards for every employee and contractor	Lost Time Incident Frequency	11.3	9	11	10	7
	Year on year improvement of average score of 'feeling safe' and work-life balance aspects of staff survey	Score on 'feeling safe' (out of 5)	Staff survey introduced in 2021	3.8	3.8	3.8	•
Sustainable Supply Chain Management	Year on year improvement of percentage of critical supplier base with an EcoVadis assessment and overall score above the minimum target	Target on percentage and score still to be set	Ecovadis supplier management system introduced in 2022	-	41%	50%	7
	Direct and indirect suppliers are committed to our supplier code of conduct	Percentage of critical suppliers	Suppliers code established in 2021	70%	85%	83%	7

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### **REPORT ON PROGRESS**

#### **CORRUPTION AND BRIBERY**

Schoeller Allibert works to create a culture of compliance by implementing dedicated training programmes. In 2023 we continued to roll-out Anti Bribery and Corruption training. This is done as a specific training programme targeting employees in positions with more potential exposure to such practices, as well as part of our Code of Conduct training for new employees. For the first time this year, the training could also be done through a dedicated and highly interactive mobile application. The percentage of employees trained was 21%. This figure shows that the training is mainly focused on desk-based employees. In the future, we plan to include factory floor employees by introducing dedicated tools that meet their needs.

#### **DIVERSITY, EQUAL OPPORTUNITY, AND INCLUSION**

While there is still further to go, we were pleased to see an increase in the percentage of women in management roles to 25% in 2023. Schoeller Allibert works hard to attract a diverse range of candidates for all roles throughout the organisation, while also nurturing the internal talent pool (see page 48).

A staff survey was established in 2021 to set a baseline for staff satisfaction on diversity and inclusion. The survey asks staff whether they feel they can be their whole self at work, whether they feel that they are treated with dignity and respect, and to what extent the culture feels open and non-discriminatory. Questions could be rated from strongly agree (five) to strongly disagree (one). This year, to better reach staff on the factory floor, the survey was also available via a scannable QR code in addition to the e-mail invitation. This resulted in a higher participation rate, with 837 employees providing answers to the survey. Results continued to be very positive in 2023, with an average response of 4.1 out of five.

In 2024 we will be analysing all our locations to identify their unique requirements and needs. This will result in a global Diversity, Equal Opportunity, and Inclusion policy, setting clear expectations for our employees and defining future direction.

#### **GOVERNANCE STRUCTURE AND ACCOUNTABILITY**

**ESG (Environment, Social and Governance topics** were on the agenda at all three full supervisory board meetings in 2023 and were also of great importance on the program of Schoeller Alliberts' main Senior leadership event.

ESG related topics are included in all personal targets for the Executive Team, and these targets are linked to the management incentive remuneration. An average of 27% of all targets are ESG related, relating to a wide range of ESG relevant aspects such as operational efficiency and energy reduction in production, the scaling of recycled materials, overall compliance, and employee wellbeing.

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**MATERIALITY** 

#### **WELLBEING, HEALTH, AND SAFETY**

Schoeller Allibert places great importance on wellbeing, health, and safety for all staff. The annual staff survey is designed to look at health and safety as well as personal wellbeing, support, and positive working environments. The 2023 survey produced a result of 3.8, the same as in 2022. We are pleased to have maintained the same good score, particularly given that the number of participants was much higher than in previous years and included more factory workers, but we will continue to work on wellbeing, health, and safety as a priority.

Safety is measured by calculating the **Lost Time Incident Frequency (LTIF)**. A Lost Time Incident refers to an injury or illness that leads to an employee being absent from work to recover, and the frequency is calculated using the following formula: number of incidents with absence (LTI) \* 1,000,000 / Number of hours worked. The LTIF decreased in 2023. We continue to work hard to reduce this figure even further, for example through safety meetings and campaigns aimed at improving awareness and leadership; sharing best practices and lessons learned; and improving prevention by implementing even more robust health and safety risk assessments.

#### SUSTAINABLE SUPPLY CHAIN MANAGEMENT

We are committed to ensuring our procurement practices help to drive positive change. In 2023 the percentage of our critical spend base with an EcoVadis assessment increased to 50%. We will continue to drive this forward in 2024, as well as setting a KPI for this target as we increase our insights into the rating system. Another focus area for procurement in 2023 was the purchase of recycled materials, including used Schoeller Allibert products (see page 32). The importance of efficient and sustainable procurement practices was underlined in 2023 by the fact that a new central procurement team has been established.



### **VALUING THE IMPACT AND PERSPECTIVES OF ALL**

Diverse perspectives and experiences are crucial to create a stronger and more innovative business. **Toyia Jewett, HR Manager USA**, explains how Schoeller Allibert is creating a more inclusive and diverse work environment.



"At Schoeller Allibert, our goal is to create a balance that values the impact and perspectives of every individual, allowing us to better serve our clients and drive positive change in the world. We want to make sure that we reach everyone!"

"In 2023 we were proud to see an increase in women taking on leadership roles, thanks to a greater awareness of the value of recruiting and supporting female leaders. We actively listen to women leaders and strive to understand their perspectives."

"While we continue to attract and recruit female leaders externally, we are equally focused on developing our internal talent pool. By analysing our current talent and providing training and development opportunities, we empower women to grow and take on managerial positions."

"This shift is a testament to the coaching and guidance provided by our HR team and the conversations held during leadership meetings. We see tangible evidence of these efforts being translated into a more inclusive work environment."

"In addition to our efforts within the company, we collaborate with schools to empower young women to explore technical fields that have traditionally been dominated by men."

"As someone who has personally experienced being an outsider, growing up as an African American woman, I recognise the importance of understanding different perspectives and embracing diversity. Our intent is not just to use it as a talking point but to make a tangible impact, propelling us towards a brighter and more inclusive future. There's a lot more to be done but with every step, we move closer to achieving our goals and creating a positive trajectory for our company and the world we touch."

# WORKING TOGETHER FOR SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Responsibility for sustainability extends far beyond a business's own operations. That's why Schoeller Allibert has identified sustainable supply chain management as a key material topic and developed a robust approach to ensure our procurement practices meet industry standards and help drive positive change.

Together with our suppliers, we work to create a supply chain that is transparent, takes good care of people and our planet, and drives the transition to a low-carbon and circular economy.

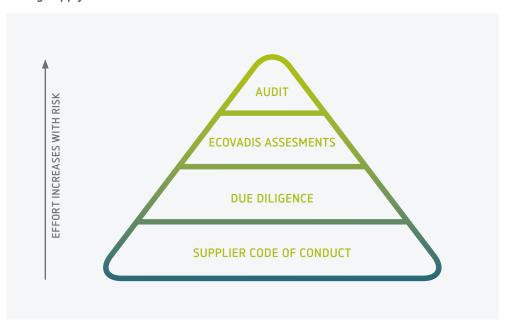
#### RISK-BASED APPROACH TO BUSINESS ETHICS AND SUSTAINABILITY

We have a risk-based approach, investing more in monitoring and engaging with suppliers where there is an increased risk. We are in close contact with our suppliers in order to understand their challenges and help drive progress. The foundation of our approach is that our suppliers must be committed to the Schoeller Allibert Supplier Code of Conduct, introduced in 2021. The Code covers aspects that are crucial for all supply chains including, but not limited to, financial recordkeeping and business integrity, environmental impact, human rights, safety, and reduction of waste. In addition, we also included a specific mention of the prevention of plastic pollution, a topic we want to help drive both in our upstream and downstream supply chain.

Where there is an elevated risk due to the region or the nature of materials sourced, we carry out additional due diligence monitoring. For our critical supplier base (those accounting for more than €300,000 per annum or flagged as high risk), we ask that suppliers have an EcoVadis assessment. The Ecovadis platform is one of the most trusted solutions to drive sustainability improvements across the supply chain. Our suppliers' Ecovadis assessments allow us to deepen our understanding of their performance on environmental issues, labour and human rights, ethics and sustainable procurement issues.

#### **SOURCING RECYCLED MATERIALS**

Our commitment to sustainable procurement also extends to what we source. That's why we focus on increasing procurement of recycled materials, creating a strong supply base that can meet current and future needs.



### SUSTAINABILITY LEADERSHIP

Schoeller Allibert's sustainability strategy has been in place for three years, and is increasingly well-established in every part of the business. Sustainability is on the agenda at every meeting of the executive committee. There is also a leadership team sustainability committee in place to drive cross-functional implementation and ensure there is strong momentum behind the strategy.

#### THE LEADERSHIP TEAM SUSTAINABILITY COMMITTEE

Britta Wyss Bisang, Vice President Sustainability and Strategic Marketing Communications
Jerôme Vezin, Chief Operating Officer
Jan Anne Schelling, Chief Human Resources Officer
Patrick Breukers, Global Innovations Director



"In my role as Chief Operating Officer, I experience first-hand the extent to which sustainability is becoming embedded in the company. I am involved in sustainability discussions on all levels: with the staff in the factories who are implementing sustainable improvements on the ground, and with my peers on the executive committee and the Supervisory Board, with whom I discuss and align strategic decisions that will enable us to meet the ambitious targets we have set ourselves."

Jerôme Vezin | Chief Operating Officer

### **MATERIALITY ASSESSMENT**

Schoeller Allibert takes a double materiality approach. This means assessing material topics based their impact on society and the environment, as well as on the financial impact on our business.

Our sustainability strategy was developed based on a comprehensive materiality assessment carried out over the course of 2020-2021 in partnership with KPMG. This process included consultation with external stakeholders, and benchmarking against peers, sustainability frameworks and standards, and ESG ratings. Internal business functions including finance, human resources, technology, investor relations and operations also provided their expertise.

In 2023, a new round of consultation is underway to bring the assessment in line with the Corporate Sustainability Reporting Directive (CSRD) (see page 53). A series of workshops with internal and external stakeholders are underway. This may result in changes to the material topics covered by the strategy in next year's report.

#### MATERIAL TOPICS ARE ORGANISED INTO THREE CATEGORIES

**Critical impact:** Our sustainability strategy prioritises action on those topics that have a critical impact on our business, society, and the environment. KPIs are in place for each of these topics, with results published annually. Based on stakeholders' input, water use was moved into this category from 2023 onwards.

**Special attention:** Special attention is allocated to the two topics (biodiversity and marine ecosystems, and diversity, equal opportunity, and inclusion) where there is an impact on our business, but the impact on society and the environment is limited.

**Monitoring:** We will continue to monitor the three topics (talent attraction, labour relations, and tax transparency) for which the direct impact on our business, society, and the environment has been assessed as lower.



### **SCHOELLER ALLIBERT'S MATERIALITY MATRIX**



# READY FOR THE CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

From 2025 onwards, all large companies in the European Union will have to comply with the Corporate Sustainability Reporting Directive (CSRD).

Simone Norfo, Group Manager Sustainability Reporting, explains Schoeller Allibert's work to get ready for the CSRD — and the opportunities it brings for the business.

"The CSRD is a big change in the regulatory landscape for companies.

Thousands more companies will find they have to develop a holistic view of sustainability and start reporting on their activities. For some, this will be a huge challenge. However, thanks to the work that has already been done over the last few years, Schoeller Allibert is ahead of the curve and we feel well prepared.

We are already collecting a wealth of data, and the company leadership is well aligned on our strategy and approach."

"Of course, there is still a lot for us to do. In the first quarter of 2024 we are running an extensive consultation process with internal and external stakeholders to refresh our double materiality assessment. We are also already exploring our data to identify which metrics are ready to report on and where we have any gaps. Next, our focus will shift towards bridging any gaps and enhancing our sustainability data collection processes. All the work we have done on sustainability reporting to date will make sure we already get a strategic benefit from year one of the CSRD, so we can focus on data quality and year on year improvements."



"What I find interesting about the CSRD is the level of granularity required for reporting, which is already clear in conducting the double materiality assessment. Big topics like 'climate' or 'biodiversity' are dissected into their building blocks, and the standards require that you drill down into a high level of detail. This will ensure that targets and KPIs are really specific and targeted, resulting in a bigger impact."

"It's an exciting moment to work in sustainability at Schoeller Allibert. There's a sense of collaboration both within the company and externally with stakeholders— a sense that we are part of something big."

### **COMMITTED TO UN GOALS**

Schoeller Allibert is committed to the Sustainable Development Goals (SDGs) and the Ten Principles of the UN Global Compact.

When developing our sustainability strategy we carefully selected the SDGs where we can have the greatest impact, linked to each of the three pillars of the strategy. In this way, we can ensure that the SDGs are embedded, not only in our sustainability strategy, but in our day-to day operations and work.

By driving the shift from single use to returnable transport packaging, we contribute to SDG targets 12.2 and 12.5, as well as 9.4. In particular, our targets in the Innovation for a Circular Economy pillar focus on sustainable management, efficient use of resources, and waste prevention and reduction, including offering rental services. We contribute further to these targets as well as SDG 13 with our decarbonisation strategy set out in the Future Proof Planet pillar. By supporting projects that protect and restore marine and terrestrial ecosystems, we contribute to target 14.2.

At Schoeller Allibert, we follow the principles covered by the Integrity at Heart pillar. As an employer we actively promote diversity and inclusion, and we aim to meet the highest standards of safety and well-being, contributing to SDG targets 8.5, 8.8 and 10.2.

It is evident that we eliminate the risks of our industrial activities as much as possible (SDG 3).

The Sustainable Development Goals are explained on the next page.



THIS REPORT

**ABOUT SCHOELLER ALLIBERT** 

### SUSTAINABLE DEVELOPMENT GOALS



### SDG 3 - Ensure healthy lives and promote well-being for all at all ages

3.9 Reduce illnesses and deaths from hazardous chemicals and pollution



## SDG 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



### SDG 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

 9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resourceuse efficiency and greater adoption of clean and environmentally sound technologies and industrial processes



#### SDG 10 - Reduce inequality within and among countries

 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



### SDG 12 - Ensure sustainable consumption and production patterns

- 12.2 Achieve the sustainable management and efficient use of natural resources
- 12.5 Substantially reduce waste generation through prevention, reduction, recycling and re-use



SDG 13 - Take urgent action to combat climate change and its impacts



### SDG 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development

 14.2 Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration

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### **PARTNERSHIPS AND MEMBERSHIPS**



#### Roundtable for Reusable Containers Trays and Pallets (RCTP)

Schoeller Allibert is a founding member of the RCTP. The RCTP's mission is to promote the use of reusable and returnable plastic packaging by advocating for a fair regulatory framework for secondary packaging, resulting in an overall reduction of plastic waste.



#### **UN Global Compact**

Schoeller Allibert pledges to implement the Ten Principles of the United Nations Global Compact on human rights, labour, environment, and anti-corruption throughout our operations.



#### **Waste Free Oceans**

Schoeller Allibert is a proud member of Waste Free Oceans, supporting the organization's mission to reduce, re-use, and recycle marine litter.



#### Stiftung Mehrweg

Schoeller Allibert is an active member of the Stiftung Mehrweg, which aims to provide support for the conservation of natural resources and the protection of the environment by increasing the amount of reusable packaging in all sectors.



#### South Pole

We worked with South Pole to assess our 2020 corporate carbon footprint and to develop our emission reduction strategy and targets.



#### Climate Partner

Climate Partner made the carbon footprint assessments of several Schoeller Allibert products, as well as enabling us to offer climate neutral products through carbon offsets.



#### EcoChain Technologies B.V.

We work with EcoChain to carry out life cycle assessments (LCA) for our packaging, storage, and logistics products.



#### Tree Nation

Schoeller Allibert works with Tree Nation to implement a tree-planting programme. For every ton of old crates we buy back from our customers, Tree Nation plants one tree.



#### **Operation Clean Sweep**

Schoeller Allibert is part of Operation Clean Sweep, a campaign led by PlasticsEurope, the Association of Plastics Manufacturers.



#### **SCIENCE BASED TARGETS INITIATIVE (SBTi)**

The SBTi has approved Schoeller Allibert's near-term science-based emissions reduction target and has classified our scope 1 and 2 target as in line with the 1.5°C trajectory.

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# LIST OF DEFINITIONS OF SCHOELLER ALLIBERT'S MATERIAL TOPICS

We developed tailored definitions for the material topics based on stakeholder input received during the Materiality Assessment process.

Topic	Definition applicable to Schoeller Allibert
Biodiversity and marine ecosystem	Efforts to protect the variety and quality of marine and terrestrial ecosystems through responsible sourcing and reducing impacts of pollution of water, land, and air
Carbon footprint	Efforts to reduce greenhouse gas emissions from own business operations (predominantly energy use), suppliers, and other value chain partners (predominantly the purchase of goods and services and downstream transportation and distribution)
Circular economy	Efforts to eliminate waste at all stages of the product life cycle, contribute and participate in the promotion and development of recycled plastics, and recover and regenerate resources and materials at the end of their useful life
Climate	Factor climate change into decision-making and risk management processes to mitigate to manage the risks related to climate change and its physical and financial impacts on business operations, communities and the natural environment



**PREFACES** 

Corruption and bribery	Management of risks related to alleged or actual illicit payments, such as kickbacks, bribes, and facilitation payments to government officers, suppliers, or other business partners, as well as the receipt of those payments from suppliers or business partners
Diversity, equal opportunity and inclusion	Promoting and upholding diversity that offers equal opportunities to all and building a representative workforce that is treated fair and with respect
Governance structure and accountability	Implementing mechanisms, procedures, and rules concerning the internal control, supervision, reporting, and decision-making system of the organisation to ensure stakeholder expectations are met and those charged with governance are held accountable for (sustainability) performance of the organization
Innovation of products and services	Embedding trends in product development and innovative business models, including innovative product design of products with reusable and returnable features, repairable and replaceable parts and service offerings that enable efficient transport and promote the transition to a low-carbon and circular economy
Labour relations	Effort to protect the rights of the workforce through management of labour relations issues, such as the management of freedom of association and non-discrimination, as well as working hours and wages
Occupational health and safety	Ensuring safe and healthy working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education, and assistance
Product safety and quality	Ensuring safety and quality of our products throughout the value chain, including conducting business in compliance with all applicable laws, regulations, and standards (e.g. ISO standards)
Sustainable supply chain management	Working towards a sustainable supply chain by having a process in place to identify potential ESG risks along the supply chain, having a clear supplier code-of-conduct that specifies the environmental, social, and governance performance, and minimum standards required from suppliers and monitoring performance and adherence to these requirements



Talent attraction and development	Management of risks related to scarcity of skilled labor through retention and recruitment programmes and career development such as training and education
Tax transparency	Ensure full compliance with tax policies that are in place in all countries we operate in, continue to engage in dialogue with stakeholders on tax matters and ensure compliance with (future) disclosure requirements on tax governance and transparency
Waste management	Management of waste from own operations to reduce the environmental impact of our collective waste footprint (e.g. minimise waste disposal, reduce impact of packaging, recycling management, handling of hazardous waste)
Water use	Efforts to minimise water footprint across the business by using water efficiently and limiting withdrawal from water-stressed areas to mitigate related risks (i.e. water scarcity)



### **GLOSSARY**

CO <sub>2</sub> e	Carbon dioxide equivalent; a measure that was created by the United Nations'	Life cycle assesment	A method to calculate the environmental impact of a product over its entire life cycle
	Intergovernmental Panel on Climate Change (IPCC) in order to make the effects of	LTIF	Lost Time Injury Frequency
	different greenhouse gases comparable.  Describes the global warming  potential of all greenhouse gases	Pooling	The sharing of transportation resources to get goods to the same distribution centre by making best use of space available
tCO <sub>2</sub> e	Tons of CO₂e	Scope 1 emissions	Emissions from stationary and mobile
Cradle-to-cradle	Reuse of materials in a closed loop (without loss of resources)	Scope 2 emissions	combustion and fugitive emissions  Emissions from purchased electricity,
Decarbonisation	The conversion to an economic system		heating and cooling
	that sustainably reduces and compensates the emissions of carbon dioxide (CO <sub>2</sub> )	Scope 3 emissions	Emissions from relevant purchased goods and services, fuel, and energy-related
EcoVadis	Sustainability Ratings Provider (www.ecovadis.com)		activities, business travel, waste, employee commuting, freight, and the use of sold products
GHG	Greenhouse Gas	SKU	Stock Keeping Unit
GWH	Giga Watt Hours	UN	United Nations
KPIs	Key Performance Indicators		



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