



**PACKYARD**  
LABELS & PACKAGING



**PACKYARD**  
PHARMA



# SUSTAINABILITY REPORT – PACKYARD GROUP – 2023–2024

**Our journey towards a sustainable, ethical, and inclusive company**

Scope: SL Corporate including the 4 branches of the Packyard group falls. This report covers themes specifically selected for their importance to the Packyard group and all its stakeholders. The content is based on an analysis of both aggregated data and data from our various production sites.

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# Preface



We are pleased to present you with Packyard's first sustainability report, a major milestone in our ongoing commitment to more sustainable and responsible business operations. At Packyard, we believe that true growth goes hand-in-hand with a deep respect for our planet and the communities in which we operate. This report is a transparent account of our efforts, ambitions, and the progress we have made in ecological, social, and economic sustainability.

In the past period, we have been intensively engaged in integrating sustainability into the core of our strategy and operational processes. We recognize the urgent need to address the challenges of climate change, resource scarcity, and social inequality. This report outlines the concrete steps we have taken to minimise our impact, from optimising our supply chain and reducing our CO2 emissions to investing in renewable energy and promoting a circular economy.

For Packyard, sustainability is not a separate project, but a fundamental principle that informs all our decisions and actions. We strive not only to meet current standards but to lead the way in developing innovative and sustainable solutions within our sector. This includes a critical look at the life cycle of our products, the efficiency of our production facilities, and the ethical treatment of our employees and partners.

This report is the result of the collective commitment and hard work of our entire team, as well as the valuable collaboration with our stakeholders. We are proud of the steps we have taken so far, but we also recognise that the journey to full sustainability is a continuous process. We continue to set ambitious goals, closely monitor our performance, and remain open to feedback and improvement. We warmly invite you to read this report and gain insight into our sustainability strategy, our concrete actions, and the results we have achieved. Together, we can work towards a future where economic prosperity, social justice, and ecological balance go hand-in-hand.

With a shared vision of a sustainable future,

Jerome Dhondt, CEO Packyard



## 1. We are Packyard!

### 1.1. Who are we?

Packyard is a packaging printing company specialising in various product groups and represented in three different countries. From our four sites, we produce solutions primarily focused on the food and pharmaceutical sectors. In France (Packyard FR), 37 people make the finest cardboard packaging. In Packyard BE (and the overarching holding company SL Corporate, based in Belgium), 115 people are employed, making thousands of labels, shrink sleeves, pouches, and other types of flexible packaging daily. Packyard NL has 93 employees and makes labels, as well as booklets and other multilayer solutions. We refer to our second site in the Netherlands as Packyard Pharma; our 51 colleagues there put their best foot forward to provide the highest quality pharmaceutical packaging products.

As a printing company, we distinguish ourselves from the competition through excellent customer service: we think along with our customers and serve them as quickly as possible, without

compromising on quality. Through numerous investments in the latest technologies, our strong growth over the years, the positive cooperation between our different sites, and our can-do attitude, we manage to offer our customers a very extensive range. Only the best is good enough. We also take care of our employees; although we now count approximately 300 employees as a group, we continue to pay close attention to the individual. We find it important to get to know our people, maintain a flat structure, and create various first-line contact points. Fun is one of our values, and we therefore regularly organise moments where we can all come together, both on and off the job. In all our actions, activities, and interactions, we prioritise sustainable, healthy, and positive collaborations.

### 1.2. The history of our company

#### 1991

The St-Luc printing company actually existed since 1970; it was originally a small packaging printing company in Nazareth. In 1991, Jerome Dhondt bought the printing company from an old

childhood friend. At that time, the printing company had 13 employees. With his nose for opportunities and business acumen, Jerome started a beautiful story for the printing company, which made a jump to individual packaging in 1991. Some of the employees who worked for St-Luc that year are still working at our printing company today.

#### 1996

In 1996, Niko Dhondt, Jerome's son, joined the management. Since that year, the printing company has been moving more towards packaging printing again.

#### 2001

The printing company was doing well; the number of employees tripled in 10 years, thanks to strategic decisions and smart investments. The printing company also literally outgrew its premises over the years; in 2001, we therefore moved to the current site in the De Prikels industrial zone in Nazareth, where we printed both cardboard packaging and labels.

#### 2006

In 2006, we acquired Microbox Packaging in Bondues (FR), a cardboard printing company that then had about 30 employees. Our cardboard printing activities therefore moved to France that year, freeing up more space in Belgium for our other activities.

#### 2016

During the next ten years, we worked hard and experienced steady growth, until we acquired Altrif Label, a label printing company in Roosendaal, Netherlands, in 2016. Altrif then had about 100 employees, suddenly bringing our group total to over 200 employees.

#### 2018

When another opportunity arose in 2018, the Dhondt family did not hesitate to also acquire Pharmalabel, a packaging printing company focused on the pharmaceutical industry. This printing company is also located in Roosendaal, just a few minutes' drive from Altrif. Since this most recent acquisition, our group counts more than 300 employees.

#### 2024

Good cooperation exists between our various companies; the management decided to reflect this in our name and identity as well. Our group underwent a complete rebranding and received a new, modern name: Packyard. St-Luc was renamed Packyard BE, Microbox became Packyard FR, Altrif became Packyard NL, and we now refer to Pharmalabel as Packyard Pharma. One group of companies: one name. We are very proud of this new, common identity.

#### 2025

A lot is planned for 2025, across various areas. Ready or not, here we come!



**SL Corporate & Packyard BE**

Venecoweg 24,  
9810 Nazareth-De Pinte, België

**Packyard NL**

Gewenten 39,  
4704 RE Roosendaal, Nederland

**Packyard Pharma BV**

Vaartveld 15a,  
4704 SE Roosendaal, Nederland

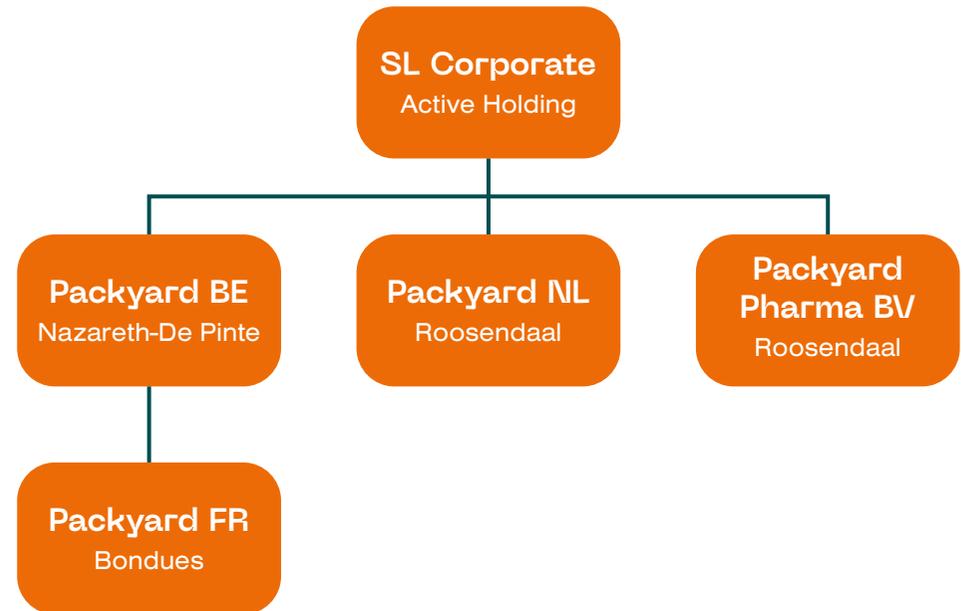
**Packyard FR**

97 Av. d'Amsterdam,  
59910 Bondues, Frankrijk



**1.3. Organizational chart of the Packyard Group**

The **SL Corporate** holding company includes a total of 4 Packyard sites, where our innovative packaging products are manufactured. The company is led by the founding Dhondt family. This sustainability report includes the sustainability results in 2024 of our 4 Packyard sites.



#### 1.4. Mission, vision and values of our company

##### Purpose

Packyard aims to offer its customers high-quality, customised product packaging.

##### Vision

Packyard wants to be one of the references in the European packaging industry in terms of quality, unburdening (end-to-end service), and innovation. This is achieved with the most sustainable and family-oriented approach.

##### Mission

Packyard is a one-stop-shop for product packaging: from small custom work and technically challenging projects to the production of large volumes for multinationals. Packyard always provides personal service and the necessary technical expertise, and continuously invests in the sustainability of its production process and its staff for this purpose.

##### Values

###### 1. Personal & family-oriented

Packyard is a family business. A warm atmosphere prevails between colleagues and also management on the shop floor. The employer-employee relationship is thus perceived as personal and family-oriented. This also radiates through into the service to customers, where a personal approach is always used.

###### 2. Reliable

Through years of experience and in-house expertise gained through acquisitions and training, Packyard proves to be a loyal partner for all custom work in labels & packaging.

###### 3. Unburdening (end-to-end service)

As a one-stop-shop with a personal approach and strong technical know-how, the customer has confidence in the process and the end result.

###### 4. Expertise

By continuously investing in the growth of the company, the production process, and the staff, Packyard is a true subject matter expert and is at home in various sectors. From small custom work, to technically challenging projects, to the production of large volumes for multinationals.

###### 5. Sustainable

We integrate sustainability throughout our entire value chain. We offer our customers sustainable packaging solutions with a strong focus on recyclability and sustainable and certified raw materials.

###### 6. Fun

Packyard stands for fun! Fun in the printing process, fun on the shop floor. Keeping staff satisfied is therefore one of the priorities.

## 1.5. Key figures for 2024

**EMPLOYEES**

286 FTE

**PRODUCTION SITES**

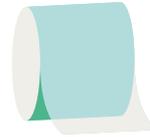
4

**REVENUE & PROFIT in 2024**

Revenue: €68.559.993 / Profit: €5.886.880

**TOTAL VOLUME PROCESSED  
SELF-ADHESIVES IN 2024**

9.646.355,26 KG

**TOTAL VOLUME PROCESSED  
FOILS IN 2024**

394.501,60 KG

**TOTAL VOLUME PROCESSED  
CARDBOARD IN 2024**

4.999.546,54 KG

**TOTAL QUANTITY OF POUCHES  
PRODUCED IN 2024**

5.862.711 POUCHES

**SCOPE 1 EMISSIONS**395 tons CO<sub>2</sub>**SCOPE 2 EMISSIONS**1080 tons CO<sub>2</sub>

## 2. Packyard's roadmap to a sustainable, ethical and circular economy

### 2.1. Our sustainability strategy towards 2030

To develop a thorough strategy for Packyard's sustainability and circularity, 6 strategic pillars were established as the basis for our sustainability strategy. These strategic pillars serve as a guide for the further development of our roadmap towards a sustainable graphic sector and the role Packyard can play in this.

#### Value-driven sustainability

Sustainability is a core value within Packyard. We strive to go beyond mere compliance with current and future regulations. Sustainability is seen as an opportunity to create value for all our stakeholders. We are therefore developing a sustainability vision that is intrinsically linked to our core activities. Communication about our sustainability efforts, both internally and externally, is actively maintained and strengthened. Sustainability criteria are integrated into our decision-making and purchasing policy to promote sustainability throughout the value chain.

#### Circular business models

The graphic industry faces major challenges. On the one hand, we see an ever-increasing flow of regulations trying to strengthen the sustainability of the European economic fabric,

and on the other hand, we notice an increasing demand from our customers to create sustainable and circular packaging solutions. We therefore design new packaging and labels with circularity in mind, minimise waste, and maximise the recyclability of the materials and raw materials. To achieve this, we work closely with partners in the value chain to recover raw materials.

#### Innovation and technology

Innovation and technological developments are essential for the transition to a sustainable and circular graphic industry. Packyard uses innovation and technology to develop sustainable solutions and reduce the ecological footprint of both the company and our products. We invest in R&D and closely follow the latest developments in the graphic industry. Additionally, we implement thorough digitisation for more efficient business processes.

#### Inclusive and safe corporate culture

An inclusive and safe corporate culture forms the basis for Packyard's sustainable future. When everyone feels valued and safe to share ideas, innovation thrives. This leads to creative solutions for sustainable challenges, such as packaging innovation and process optimisation. Inclusivity is also a must for attracting and retaining excellent employees. The best people, with the right skills and mindset, are crucial to achieving our sustainability goals.

### Stakeholder engagement

A sustainable Packyard will only be achieved within the framework of strong stakeholder engagement. We therefore build strong relationships with all our stakeholders and wish to actively involve them in our sustainability efforts. We not only communicate about our sustainability policy but also want to actively involve our stakeholders by implementing stakeholder dialogues, surveys, and all kinds of feedback mechanisms.

### Measurable impact

To monitor the evolution in our path to sustainability, we develop measurable sustainability goals. This way, we can achieve improvements and communicate our evolution correctly with all our stakeholders. We set various key performance indicators for sustainability, implement systems for data collection and analysis, and transparently report our progress.

## 2.2. Our CSR policy: the 5P's

The packaging industry faces major challenges in the coming decade. Climate change, pollution, and new environmental and sustainability reporting legislation place ever-increasing pressure on the graphic sector. In addition, we see a positive

social trend where consumers are making increasingly conscious purchases. This stimulates manufacturers to further enhance the sustainability of their products. This is an opportunity for our sector, but it requires effort and decisiveness.

Packyard endorses the principle of the 5 P's as a framework for the sustainable development of our company.

### People

Our company is composed of different people and impacts these individuals, ranging from employees and suppliers to customers and the wider community. The recognition of fundamental human rights and the well-being of everyone is therefore the first pillar of our sustainability policy. We invest in our employees, communicate about our sustainability policy, and optimise our stakeholder engagement.

### Planet

Packyard also wants to handle the planet with care. The protection of natural habitats and the fight against climate change are essential for a healthy future for people and the environment, but also for the future of the graphic industry. We therefore take targeted measures to continuously reduce our environmental impact and ecological footprint.





CSR Policy: 5P's

### Prosperity

Generating business profits goes hand-in-hand for Packyard with the protection of people and the environment. As a company, we therefore focus on creating broad social profit.

### Peace

Packyard wants to contribute to strengthening ethical behaviour and peace within and outside our company. We therefore select our suppliers based on how they handle human rights and the extent to which international legislation is respected. We also keep a close eye on implementing ethics and peace in all layers of our business processes.

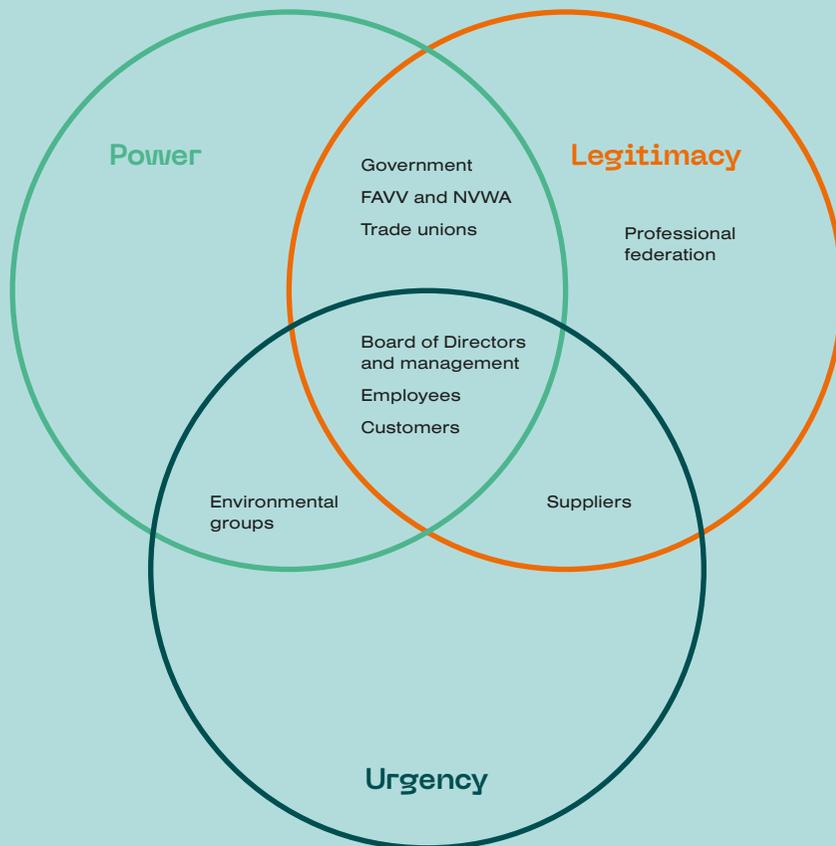
### Partnership

Collaborations both within and outside the graphic industry are indispensable for the sustainable development of our sector. Solutions for current sustainability challenges can best be achieved within the framework of partnerships with other companies, governments, NGOs, communities, etc. Packyard strongly believes in collaboration to drive sustainable development in the graphic industry.



### 2.3. Sustainability as a core principle throughout our entire value chain

- 1 Sustainably managed forests
- 2 Responsible logging and traceability
- 3 Environmentally compliant and ethical suppliers of self-adhesive material, foils, and cardboard
- 4 Sustainable and quality delivery of raw materials (transport choices)
- 5 Sustainable and ethical production
- 6 Custom transport packaging
- 7 Quality delivery to the customer
- 8 Innovative packaging solutions
- 9 Packaging ends up on retail shelves
- 10 The packaging is disposed of by the consumer
- 11 Packyard focuses on the recyclability of our products



Stakeholderanalysis

#### 2.4. Stakeholder analysis

As part of our ISO 9001 certification and for the purpose of our double materiality analysis, an extensive stakeholder analysis was carried out based on the Saliency model for the entire Packyard Group. Potential stakeholders are assessed based on 3 parameters: **power**, **urgency**, and **legitimacy**.

- **Power** implies that the stakeholder has the ability to impose his or her will;
- **Urgency** is the need of a stakeholder to be able to enforce immediate action;
- **Legitimacy** describes the authority of a stakeholder to make demands;

Based on this model, our stakeholders were divided into different classes. A stakeholder present in all 3 circles are our "**key stakeholders**", a stakeholder present in 2 circles is rated as of average importance. Identifying and analysing our stakeholders is essential in creating sustainable stakeholder engagement. We want to map out which sustainability topics (Environmental, Social, Governance) are a priority for our stakeholders. The list below describes some important stakeholders and the importance they attach to a sustainable and dynamic Packyard:

#### Employees

Job security; a safe and healthy working environment; fair remuneration; participation; work-life balance.

**Board of Directors and management**

Economic growth; customer satisfaction and personal service; cybersecurity and data management.

**Customers**

Personal service; sustainable, recyclable and food-safe packaging; custom packaging.

**Suppliers**

Sustainable cooperation

**Government**

Sustainable and environmentally compliant production; transparency.

**FAVV and NVWA**

Food safety

**Professional federation**

Innovation; research and development; collaborations/partnerships in the graphic sector.

**Trade unions**

Bottom-up participation; labour rights; protection of whistleblowers.

**Environmental groups**

Sustainable purchasing policy; protection of biodiversity and the fight against deforestation.

**2.5. Double materiality analysis**

At Packyard, we recognise that ESG topics (Environmental, Social, and Governance) are important from two perspectives. On the one hand, there is the **impact** that Packyard and its activities have on people and the environment. On the other hand, there are the **risks and opportunities** arising from external developments, such as climate change, that can affect our business operations.

To integrate both perspectives into our business strategy, we use a '**double materiality assessment**'. This allows us to identify all important impacts, risks, and opportunities related to ESG topics. These insights form the basis for our sustainability goals and strategy, with which we strive for value creation for both Packyard and our stakeholders.

To ensure the validity of our double materiality analysis, we have carried out an extensive stakeholder analysis. The **impact materiality** was evaluated using an **online survey** distributed among our most important stakeholders. For the analysis of **financial materiality**, **in-depth interviews** were conducted with managers from four strategic departments within the Packyard Group. The selected departments have a significant influence on the financial performance of the organisation. This combined approach provided crucial insights into the perspectives and priorities of our stakeholders.

## 1. The analysis was carried out between May and December 2024 and included the following steps:

Desk research for compiling a longlist of ESG topics to be analysed

The initial phase of our materiality analysis consisted of an extensive inventory of potential ESG topics. To generate this longlist, we conducted in-depth desk research. This involved consulting a wide range of sources, including scientific literature, industry-specific reports, and best practices within the graphic sector.

This analysis was supplemented with internal consultation rounds. Through targeted interviews with employees and managers from various departments within Packyard, we gained insight into which sustainability topics should effectively be included in this analysis.

## 2 Stakeholder engagement

Based on the previous analysis, we made a selection of which stakeholders we will include in our double materiality analysis. Unfortunately, it is practically unworkable to involve all stakeholders in this analysis, despite our efforts to keep them involved in our sustainability policy. We have therefore made a selection of the stakeholders that will effectively be included in this analysis. Their input will be processed and will also be decisive for the materiality determination of the 'topics to be analyzed'.

MANAGEMENT & DIRECTORS	EMPLOYEES	CUSTOMERS	SUPPLIERS
The management was questioned in an <b>extensive interview</b> and sustainability discussion about the importance that our company can have with good management of the 'topics to be investigated'. For the management, the focus is mainly on mapping out the financial materiality.	The personnel were subjected to a number of questions via an <b>online materiality survey</b> , asking for their vision on sustainability and which 'material topics to be investigated' they consider a priority in our sustainability policy. This survey is launched in all Packyard locations, and we strive for a balanced mix of employees.	In collaboration with our Sales department, we make a selection of a number of customers whom we will contact. Based on an <b>online materiality survey</b> , we map out which topics they consider material to a greater or lesser extent.	Because our suppliers play a crucial role in the continuity of our company, we have chosen to also include them in the double materiality analysis. We make a balanced selection of a number of suppliers and question them via an <b>online materiality survey</b> about which topics they consider material for the graphic industry.

Packyard is aware of the importance of high-quality stakeholder engagement, and we have the ambition to involve all our stakeholders maximally in our sustainability policy.



### 3. Determining Packyard's Material Topics

#### Materiality Matrix



#### Environment

- 1 Ecological footprint
- 2 Renewable energy
- 3 Energy reduction
- 4 Sustainable buildings and ecological industrial sites
- 5 Business travel
- 6 Research & development
- 7 Fossil fuels
- 8 Sustainable sector developments
- 9 Air pollution
- 10 Commuting
- 11 Transport
- 12 Water consumption
- 13 Wastewater (treatment)
- 14 Biodiversity
- 15 Deforestation
- 16 Invasive exotic species
- 17 Desertification
- 18 Waste/recycling
- 19 Recyclable packaging/labels
- 20 Chemical/hazardous waste (with GHS symbol)
- 21 Transport packaging
- 22 Material use/consumption
- 23 Sustainable raw materials

#### Social

- 24 Training/education for all employees
- 25 Job creation
- 26 Decent work for everyone & fair remuneration
- 27 Economic growth
- 28 Labour rights, a safe and healthy working environment
- 29 Social participation and dialogue
- 30 Gender equality
- 31 Diversity and inclusion
- 32 Work-life balance
- 33 Welfare, safety and labour rights
- 34 Food safety

#### Governance

- 35 Sustainability reporting
- 36 Collaborations/Partnerships in the sector
- 37 Inclusive corporate culture and bottom-up participation
- 38 Whistleblower protection
- 39 Ethical business practices and procurement procedures
- 40 Cybersecurity and data management
- 41 Customer satisfaction and personal service
- 42 Corruption

The identification of material sustainability topics is an essential step in developing an effective sustainability strategy. To ensure that our analysis reflects the priorities of our stakeholders, we conducted an extensive stakeholder engagement process. This process consisted of two components: a quantitative online survey and qualitative interviews.

Through the online survey and in-depth interviews, we asked a diverse group of stakeholders to evaluate 42 potential Packyard objectives for relevance to our organisation and value chain. Respondents could rate each objective on a scale of 1 to 5, with 1 representing 'no impact/risk/opportunity' and 5 representing 'very high impact/risk/opportunity'. The survey also provided space for stakeholders to propose additional sustainability topics. In total, we received more than 200 responses, from both internal and external stakeholders.

The data obtained from the stakeholder survey and the interviews were then analysed and processed in a double materiality matrix. This matrix visualises the relative importance of

various sustainability topics for both Packyard (financial materiality) and for our stakeholders (impact materiality).

A sustainability topic is classified as impact material when the aggregated impact materiality score is higher than 50%. This implies that the topic has a significant influence on our stakeholders.

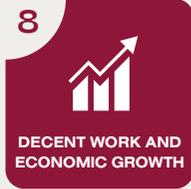
A sustainability topic is classified as financially material when the aggregated financial materiality score reaches a value of 6 or higher. This threshold indicates that the topic can have a significant impact on Packyard's financial performance.

#### 4. Double materiality analysis as a compass for Packyard's sustainability policy

Our double materiality analysis acts as our guiding compass in the development and execution of our sustainability policy. Through this analysis, we can now focus on the sustainability topics that are truly material – both for the future of our company and for the impact on our environment and all our stakeholders. This focus enables us to effectively deploy our efforts and resources where they make the most significant difference.

## 2.6. Our contribution to the United Nations Sustainable Development Goals (SDGs)

The United Nations' Sustainable Development Goals (SDGs) form the compass that guides our company in formulating its ambitions and strategy. From the 17 global goals, established by the international community in 2015, we have selected eight goals that are most aligned with our business context and the interests of our stakeholders.

SDG				
Targets	<p><b>4.3</b> Equal access to affordable technical, vocational and higher education</p>	<p><b>7.2</b> Increase global percentage of renewable energy</p> <p><b>7.3</b> Double the improvement in energy efficiency</p>	<p><b>8.3</b> Promote policies to support job creation and growing enterprises</p> <p><b>8.4</b> Improve resource efficiency in consumption and production</p> <p><b>8.5</b> Full employment and decent work with equal pay</p> <p><b>8.8</b> Protect labour rights and promote safe working environments</p>	<p><b>9.4</b> Upgrade all industries and infrastructures for sustainability</p> <p><b>9.5</b> Enhance research and upgrade industrial echnologies</p>
Relevant measures	<p>Targeted training for all employees</p> <p>Strengthening training activities related to safety and prevention in the workplace</p>	<p>Increasing the energy efficiency of our buildings and printing presses</p> <p>Generation and purchase of renewable energy, such as the installation of photovoltaic solar panels</p> <p>Phasing out fossil energy demand</p>	<p>Investing in the creation of a healthy, dignified, and safe working environment throughout the entire value chain with a focus on anti-discrimination, diversity, social participation, safety and ergonomics, work-life balance, etc.</p> <p>Supplier 'Code Of Conduct' including various ethical and sustainability requirements</p> <p>Production and associated promotion of sustainable packaging solutions</p>	<p>Investing in innovative and sustainable printing and finishing machines</p> <p>Sustainable buildings and integration of ecology on business parks</p> <p>Research and development into sustainable and recyclable packaging</p>

SDG	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	 <p>13 CLIMATE ACTION</p>	 <p>15 LIFE ON LAND</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>
Targets	<p><b>12.2</b> Sustainable management and use of natural resources</p> <p><b>12.4</b> Responsible management of chemicals and waste</p> <p><b>12.5</b> Substantially reduce waste generation</p> <p><b>12.6</b> Encourage companies to adopt sustainable practices and sustainability reporting</p>	<p><b>13.2</b> Integrate climate change measures into policies and planning</p>	<p><b>15.2</b> End deforestation and restore degraded forests</p> <p><b>15.5</b> Protect biodiversity and natural habitats</p>	<p><b>17.6</b> Knowledge sharing and cooperation for access to science, technology and innovation</p>
Relevant measures	<p>Generating less waste through efficient raw material consumption</p> <p>Reducing the proportion of residual waste and reducing it to 0. Sustainably valorising the remaining waste streams.</p> <p>Replacing hazardous substances (with a GHS symbol) with non-hazardous substances</p> <p>Open and transparent sustainability communication</p>	<p>Integrating sustainability requirements into all business processes</p> <p>Reducing Scope 1, Scope 2, and Scope 3 emissions</p> <p>Making our transport chain more sustainable with ecological vehicles</p> <p>Integrating a sustainable purchasing policy into our purchasing processes</p> <p>Expansion of our sustainable and recyclable packaging range</p>	<p>Purchase of certified and/or recycled raw materials</p> <p>Ecological business parks</p>	<p>Stimulating participation in networking events within the graphic sector</p>

## 2.7. Our certificates and logos in a nutshell

### BRC

We obtained the BRC certificate in Packyard BE, Packyard FR, and Packyard NL. The BRC certificate is an internationally recognised standard that demonstrates we comply with strict requirements regarding food safety, quality, and operational control. It underscores our commitment to safe and responsible production practices.

### FSC®

We obtained the FSC® certificate in all our Packyard sites. The FSC® certificate demonstrates that our paper and cardboard originate from responsibly managed forests, taking people and the environment into account. A conscious choice for sustainability.

### PEFC

We obtained the PEFC certificate at Packyard BE, Packyard FR, and Packyard NL. The PEFC certificate guarantees that our paper and cardboard originate from sustainably managed forests, which is a crucial pillar in our commitment to responsible sourcing of materials and the preservation of forests worldwide.

### SMETA 4-PILLAR

We also obtained the SMETA certificate at Packyard NL. The SMETA 4-pillar audit certificate demonstrates that a company

meets high standards in the areas of labour conditions, health and safety, ethics, and environment, based on the SMETA audit protocols. It emphasises a commitment to responsible business practices throughout the supply chain.

### ISO 9001

We obtained the ISO 9001 certificate in Packyard NL and Packyard Pharma. The ISO 9001 certificate demonstrates that an organisation complies with international standards for quality management. It means that the organisation has set up processes to consistently deliver products and services that meet the requirements of customers and relevant laws and regulations, with a focus on continuous improvement.

### Imprim'vert

The Imprim'Vert logo is a recognition for printing companies that are committed to environmentally friendly practices by implementing waste management, safe use of hazardous substances, and energy saving.



### Ecovadis

At Packyard, we have been active on the Ecovadis platform for some time. In 2024, we obtained the Ecovadis Silver Label.

### 3. Our impact on the environment

#### 3.1. Environmental challenges related to the graphic industry

##### 1. Climate change

The graphic industry, a sector traditionally highly dependent on raw materials such as paper, inks, and plastics, and also on energy, faces significant challenges due to climate change. Extreme weather conditions, such as droughts and floods, can disrupt the supply of quality raw materials and halt production. Moreover, the increasing demand for sustainable solutions leads to ever stricter regulations regarding the use of raw materials, water, energy, and chemicals in production. Although total paper production has stabilised somewhat in recent years, we also see increasing variability here due to extreme weather conditions affecting tree growth. The quality of the paper may decrease as a result, which affects the final products.

Just like in agriculture, it is crucial for the graphic industry to adapt to these changing circumstances. By investing in sustainable technologies, such as the use of recycled

paper, reducing energy consumption, and optimising production processes, companies can reduce their ecological footprint while meeting the growing demand for sustainable products.

In short, the graphic industry is confronted with a number of challenges due to climate change. By acting proactively and investing in sustainability, companies can not only contribute to a better world but also secure their own future.

##### 2. Energy consumption

Our sector is an energy-intensive sector, with countless processes, mainly driving the printing presses, consuming a significant amount of energy. This energy consumption not only has financial implications but also a direct impact on the environment. The biggest energy guzzlers in the graphic industry are the printing presses, but heating, cooling, and lighting also have a significant impact on total energy consumption. High energy consumption logically leads to high energy costs. Energy consumption is a significant part of our production costs. In addition, this energy consumption is accompanied by a noteworthy environmental impact. The societal production of electricity is

often based on fossil fuels, increasing CO<sub>2</sub> emissions and contributing to climate change. High energy consumption also increases dependence on fossil fuels, making companies vulnerable to price fluctuations.

##### 3. Deforestation

The graphic industry is inextricably linked to forests. Paper, the most important raw material for countless products in our sector, is made from wood. But this dependence has a downside: deforestation. The global loss of forests not only has far-reaching consequences for the climate and biodiversity but also a direct impact on the graphic industry itself.

Deforestation leads to a decrease in available wood stocks. This can increase the costs of wood and paper, which raises production costs for graphic companies. Furthermore, selective logging can make tree species suitable for paper production scarcer. This can lead to reduced paper quality and limitations in the supply of certain paper types. In addition, consumers attach increasing importance to sustainability and are making increasingly conscious purchases. Graphic products, produced from raw materials originating from

deforested areas, lead to a negative image for our sector. Finally, governments are introducing increasingly strict regulations to combat deforestation, such as the current EU Deforestation Regulation. By focusing on the purchase of certified paper, recycling, alternative raw materials, and thorough cooperation with paper producers, the graphic sector can contribute to the fight against deforestation.

#### 4. Waste management

Although paper and plastic are the most visible raw materials of the graphic industry, there is a significant amount of waste associated with their production. From ink residues to leftover materials, the graphic sector produces a variety of waste substances that, if not managed correctly, can have a negative impact on the environment.

Good waste management is therefore essential to prevent environmental pollution. Untreated waste substances can lead to soil and water pollution. Chemical substances from inks and

cleaning agents can be harmful to plants and animals. Secondly, poor waste management leads to depletion of essential raw materials. Burning waste instead of recycling contributes to the depletion of non-renewable raw materials. Disposing of and processing production waste also involves high costs. By taking further measures in thorough recycling and investing in innovative technologies, we can further reduce the waste mountain.

#### 5. Research and development into sustainable packaging

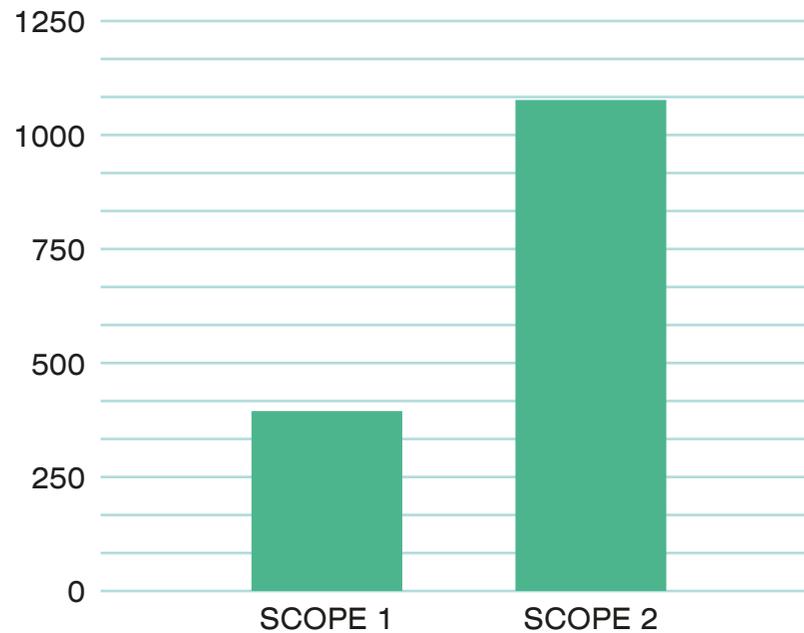
The challenges to make our products increasingly sustainable are growing. An important part of this is the development of sustainable and recyclable packaging. Research and development in this area are crucial to reduce the environmental impact of the sector and meet the increasing demand from consumers for sustainable products.

By investing in sustainable packaging, the graphic sector can contribute to reducing the societal

waste mountain and reducing greenhouse gas emissions. In addition to the ever-increasing demand from customers for sustainable packaging alternatives, governments are imposing increasingly strict requirements on packaging, indirectly forcing us to seek sustainable solutions.

#### 6. Sustainable raw materials

A transformation to a sustainable and circular economy is essential for the future of the graphic sector. By investing in sustainable raw materials such as recycled raw materials, certified paper, bio-based inks, and compostable packaging, we can extend the life cycle of our products and minimise waste. By opting for materials that can be reused or recycled, we contribute to a sustainable future. Moreover, through a smart purchasing strategy and collaboration with suppliers, we can create a circular value chain. This offers not only environmental benefits but also economic opportunities.

Carbon footprint 2024 – Packyard Group (ton CO<sub>2</sub>)

### 3.2. Carbon footprint

Packyard is committed to making its carbon footprint transparent and reducing it. Our Scope 1 emissions include the consumption of diesel and petrol for company cars, the use of natural gas for heating our buildings, as well as emissions from leaking coolants. The indirect impact of our purchased electricity is classified as Scope 2 emissions. In total, this gives an ecological footprint (Scope 1 + Scope 2) of **1474 tonnes of CO<sub>2</sub>e**.

The ambition to make a significant contribution to a greener future is central, whereby the progress of our reduction targets will be closely monitored. An important step forward is the planned start in 2025 with mapping out our Scope 3 emissions as well. Thanks to a verified calculation system, we will also gain detailed insight into the indirect emissions within our value chain. This information is crucial for developing effective strategies to reduce our total environmental impact.

**Great news! In 2025, we started collecting all the necessary information to provide our customers with insight into the Product Carbon Footprint (PCF) of labels and packaging through a verified carbon footprint calculation system.**



### 3.3. Environmental objectives

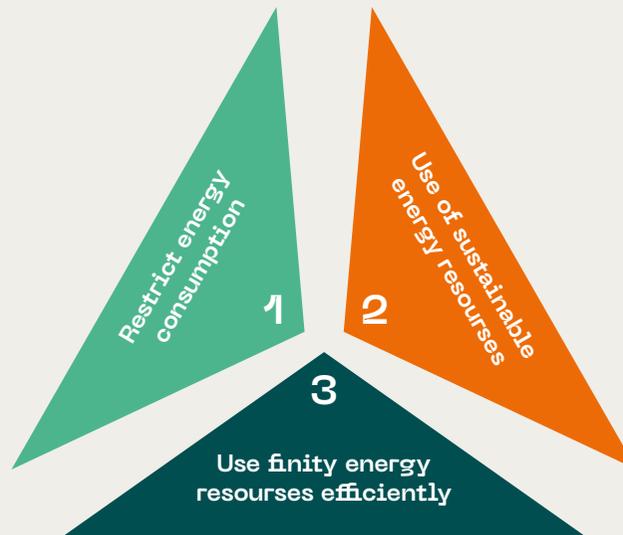
We are proud to share that the Packyard Group has officially committed to the **Science Based Targets Initiative (SBTi's)** from 2025. This means that we align our climate targets with the latest scientific insights to limit global warming. We commit to setting concrete short-term targets (for the next 5 to 10 years) to reduce emissions across our entire value chain, in line with the 1.5°C scenario from the Paris Climate Agreement.

This important step forms the basis for the development and implementation of concrete and measurable GHG (greenhouse gas) reduction targets, which we will actively pursue from this year onwards. We are convinced that this scientifically based approach will help us to significantly reduce our impact on the climate and create a resilient future.

### 3.4. Developing creative environmental solutions and driving innovation: the Packyard method

#### 3.4.1. Energy

Packyard's energy policy follows the principle of the **Trias Energetica**. This principle is based on three basic principles. First, as a company, we take measures to reduce our energy consumption. Next, we maximise the proportion of energy that comes from renewable sources. Finally, we use fossil energy demand as efficiently as possible.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

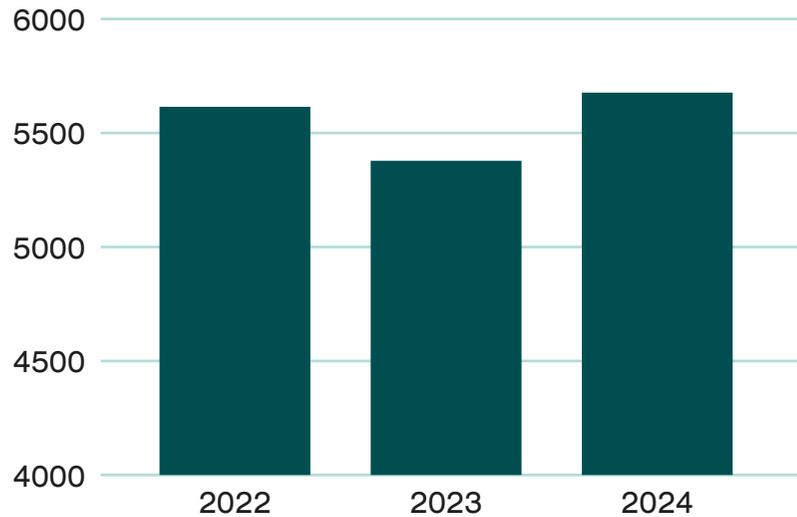


The table and graph below show the energy intensity and total energy consumption of our production.

### Energy intensity (kWh per running meter or cardboard)

Packyard BE	Packyard FR	Packyard NL	Packyard Pharma
0,054 kWh/m	0,047 kWh/sheet	0,036 kWh/m	0,052 kWh/m

Energy consumption Packyard Group (MWh)



**In 2024, we see a peak in our energy consumption, which is caused by the expansion of our production. We are therefore determined to continue on the path of making our energy needs more sustainable through a combination of energy-saving measures and the further expansion of the share of renewable energy in our energy mix.**

### Photovoltaic solar panels and charging stations

Solar panels have already been installed at Packyard BE and Packyard FR, accounting for an average production of **400 MWh** per year. Options are currently being explored to expand this share of photovoltaic energy in the coming years. To provide our electric company cars with electricity, charging stations were also installed. This allows us to supply our electric car fleet with self-generated renewable energy.



### Purchase of renewable energy

No solar panels have yet been installed at our Dutch sites, Packyard NL and Packyard Pharma. This is

partly due to the Dutch issue of grid congestion and the flanking regulations, which make it difficult for companies to invest in solar panels. Despite these hurdles, we did not sit idly by as a company. We already decided to purchase 100% renewable energy for Packyard NL and Packyard Pharma starting in 2025. This means that our Dutch sites will run exclusively on renewable energy sources from 2025 onwards.

### Relighting

In three of our sites, the outdated lighting was replaced by energy-efficient LED lighting. A project is currently being developed at Packyard BE to replace the current lighting with dimmable energy-efficient alternatives with additional motion sensors.

### Building management systems

Within Packyard BE and Packyard FR, we implement advanced building management systems to optimise our energy consumption. These systems centralise the control over energy-intensive processes such as the production of cooling and process water, as well as climate control. This integrated approach allows us to accurately monitor, optimise, and reduce energy consumption, resulting in both economic and ecological benefits.

### Energy-efficient inkjet printing presses

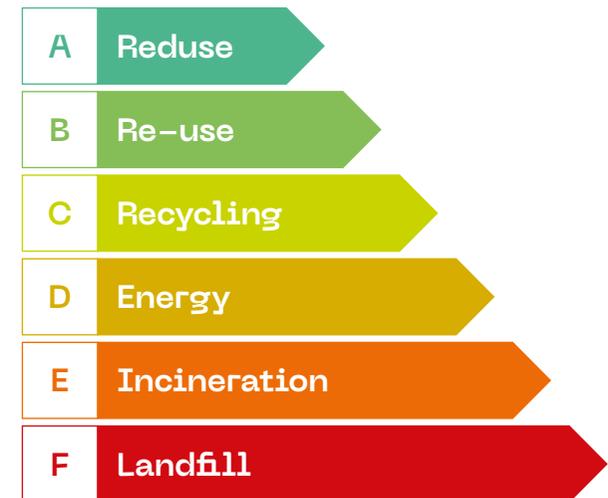
Various innovative printing presses have appeared on the graphic market in recent years. Packyard endorses innovation and closely follows the latest developments in the graphic industry. We are increasingly seeing the shift to more energy-efficient inkjet printing presses, which process a higher number of running meters per minute. From a comparative study, we concluded that our latest inkjet printing press can process up to 2.7 times more running meters per minute than a standard digital printing press. This means orders can be printed faster, so the printing presses have to run for less time, requiring less energy per order.

### 3.4.2. Waste, raw material consumption and recycling

The global waste mountain is increasing, and the graphic industry can play a major role in the shift to a circular economy. In the current printing process, a lot of production waste is released, a large part of which is currently not recyclable. Packyard follows the waste hierarchy in its waste policy, which is included in the principle of the **Ladder of Lansink**. We focus on prevention and reuse in our waste policy. For the remaining unavoidable production

waste streams, we aim to achieve the highest possible valorisation.

To continue guiding our waste policy in the right direction, our production waste streams were divided into 3 hierarchical categories: residual waste, high-calorific waste, and recyclable waste. First, we develop measures to reduce the proportion of residual waste to 0 in the future. Residual waste is ultimately incinerated and landfilled. High-calorific waste is valorised as alternative fuels for sectors that are large consumers of fossil fuels or it is valorised for



Lansink's Ladder - The waste hierarchy

the generation of renewable energy. Logically, the highest in our waste hierarchy is the waste that can be recycled. By taking targeted measures, we try to make more and more waste streams rise in this waste hierarchy.

The past 3 years, our total amount of waste has increased, partly due to the expansion of our production. Logically, more production also brings more production waste. To reverse this rising trend as much as possible, we are taking all kinds of measures to increase our waste efficiency.

The table below shows our current state of affairs in our waste policy. We have achieved a decrease in our residual waste in recent years. We remain determined to look for measures to reduce our total amount of waste and achieve the highest possible valorisation for every waste stream.

#### Ink-efficient inkjet printing presses

The use of inks contributes significantly to the ecological footprint of the printing industry. To achieve our sustainability goals, Packyard is investing in advanced digital inkjet printing

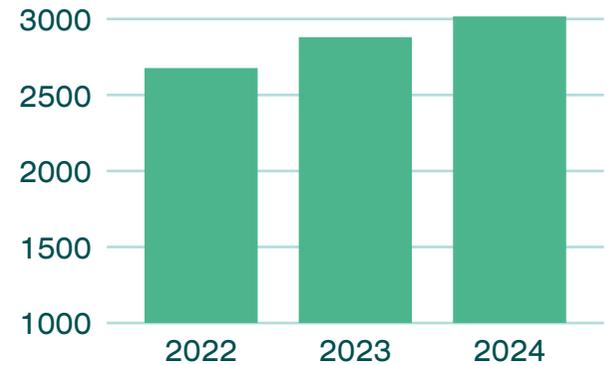
Waste category	Percentage of total waste (2024)	Increase or decrease in percentage
Residual waste	4,14 %	↓
High-calorific waste	42,28 %	↑ *
Recyclable waste	53,58 %	↓ *

\* A large-scale recycling project at Packyard NL, where our high-calorific waste was used for the production of composite tiles, was stopped by the buyer in mid-2024. As a result, this recyclable waste was reintroduced as high-calorific waste, for the production of alternative fuels.



Waste policy

Total amount of waste (ton)



presses. This innovative technology significantly reduces both energy consumption and ink consumption, reducing the environmental impact of our production processes. Various tests have shown that inkjet printing presses can use half the ink for the same designs, compared to traditional digital printing presses. Compared to flexographic printing processes, where ink residue is inevitable, our inkjet printing presses also demonstrate significantly higher ink efficiency. The inkjet toners are completely emptied, leading to minimal ink waste.

#### Phasing out residual waste

Residual waste is at the very bottom of our waste hierarchy, as it is incinerated and landfilled. That is why we consider it extremely important to take measures to reduce residual waste and ultimately bring it to 0. For example, we regularly evaluate the composition of our residual waste and look for sustainable solutions for waste streams that are currently disposed of as residual waste. In 2024, for example, a project was started, in collaboration with the supplier, to recycle our clichés (printing plates for 'flexographic printing presses').

#### High-calorific waste

Because the vast majority of our production waste has a high calorific value, this waste is suitable for use as a raw material for the production of alternative fuels. This ensures that we do not have to put this waste in the residual waste stream, but can collect it separately and valorise it as a new high-quality fuel for industrial production processes that are highly dependent on the use of fossil fuels, such as the cement, lime, and steel industry. By using a large part of our production waste for the production of this alternative fuel, we focus on a significant reduction in greenhouse gases:

- By substituting fossil fuels in various industrial sectors, we reduce the necessary amount of fossil fuels, and consequently reduce the CO<sub>2</sub> impact;
- The alternative fuel is produced locally with local raw materials, reducing the need for transport of fossil fuels;
- We valorise non-recyclable waste streams and thereby avoid landfill and incineration;
- The high density of the fuel pellets ensures more efficient and sustainable transport.



## Packyard is Closing The Loop

In addition to the recycling of paper and cardboard, wood waste, and metals, a substantial package of measures has been developed in the past two years to sort additional waste streams and bring them into a recycling stream. The list below provides some of the most prominent projects of the past two years. The table below provides a list of the recyclable waste streams that we registered in the Packyard Group in 2024.

In recent years, Packyard has invested heavily in measures to increase the share of recyclable waste streams compared to the total amount of waste.

### Converting high-calorific waste into composite tiles

In recent years, a project was developed at Packyard NL in collaboration with one of our suppliers of self-adhesive material, whereby our high-calorific waste was used for the production of composite tiles. The result of this project was that significant amounts of high-calorific waste

could be recycled into new products. In the past three years, this amounted to no less than **800.000 kg** of waste that could be converted into recycled composite. This project unfortunately ended in mid-2024. Nevertheless, we continue to look for a recycling destination for our high-calorific waste streams.

### Recycling of glassine liner paper (since 2013)

Since 2013, Packyard has been collecting glassine liner paper, which is released during the production of our multi-layer labels and feeder booklets. In the past three years, we collected more than **285.000 kg** of glassine liner paper with this project. In collaboration with one of our suppliers of self-adhesive rolls, we ensure the

Recyclable waste flows and reuse in 2024

Recycling	Reuse
Paper and cardboard	Self-adhesive rolls and blank labels
Metals	Foils on a roll
Wood	Cleaning cloths
Glassine liner paper	Wooden and cardboard wedges
Plastic film	
EPS (Tempex, Isomo)	
Metalsink toners	
IBC-containers and empty cans (without GHS symbol)	
Hard plastics	
Strapping bands	
Stamping foils	



recycling of this glassine paper into new paper products or insulation material. With a collection of more than 285,000 kg of glassine paper in three years, we saved more than 3700 trees intended for paper production, or provided for the production of insulation material sufficient for the insulation of more than 570 roofs. This paper recycling in the past three years resulted in a saving of more than **20 tonnes of CO<sub>2</sub>e emissions** (compared to the benefits of incineration).

#### Recycling polyethylene film, hard plastics, and strapping bands

We often print polyethylene films for the production of our flexible packaging and pouches. To guarantee quality inbound transport, our raw materials such as film rolls and self-adhesive rolls are often wrapped in shrink films and strapping bands. In addition, some rolls are also protected on the cardboard core with a hard plastic end cap. Shrink film and strapping bands are also used in our shipping to guarantee quality outbound transport to our customers. In other words: polyethylene films, strapping bands, and hard plastics are released at various locations. These plastic materials are perfectly recyclable. We therefore placed special bags at various locations in our production halls for efficient collection of these materials. In this way, these plastics are recycled into new plastics. On an annual basis, we can recycle thousands of kilograms of plastics in this way.

#### Reuse and recycling of self-adhesive rolls, stamping foils and foils on a roll

In 2024, a test project was started at Packyard BE for the collection of surpluses of self-adhesive rolls, used stamping foils, and foils on a roll. These materials, which were previously put in the high-calorific waste, were collected for reuse and recycling in 2024. In 2025, we will therefore evaluate the efficiency of this project so that we can expand it in the future.

#### Polymer cliché printed circuit boards

The polymer 'cliché' printing plates are necessary for the printing process on our flexographic printing presses. These printing plates have moved up in our waste hierarchy in the past year. Before 2024, these polymer plates were thrown in the residual waste. In 2024, we managed to have these printing plates collected with our high-calorific waste.

#### Cleaning cloths

To further reduce our amount of residual waste, we opted for a circular system of washable cloths. We use washable cloths, which our operators use at their workstations. The contaminated cloths are then collected separately and washed. The washed cloths are then delivered back. In the year 2024, we were able to avoid **11.093 kg** of waste with this circular system.

To maximally support our customers in the choice for 100% recyclable packaging, labels, and foils, we offer our **recyclability check** in addition to personal guidance. Based on this schematic representation, you can see to what extent your current packaging/label/foil is recyclable and what adjustments you can make to make it 100% recyclable.

### 3.4.3. Product end-of-life: circularity – research & development

Driven by the conviction that a circular future is the only way forward for the packaging industry, we have formulated a clear mission: the development of **sustainable, circular, and 100% recyclable packaging, foils, and labels**. This ambitious course is reinforced by a significant increase in our investments in Research & Development (R&D), with which we strengthen the innovative power within our organisation to realise this essential transition. Our dedicated teams of experts work tirelessly on researching new materials, optimising production processes, and designing packaging solutions that are not only functional and attractive but also fully aligned with the principles of the circular economy. We explore innovative printing press technologies, more sustainable raw materials, and new recycling methods to extend the life cycle of our products and minimise waste. Our commitment to R&D allows us to lead the way in the transition to a more sustainable future for the packaging industry, together with our customers and partners.

We take the upcoming European Packaging and Packaging Waste Regulation (**PPWR**) extremely seriously at Packyard. We are already actively analysing the requirements and are already implementing measures to comply with them in time. This includes optimising the recyclability of our packaging, reducing the use of unnecessary materials, and increasing the share of recycled content. Our goal is not only to comply with the legislation but also to play a pioneering role in sustainable packaging.

### Product end-of-life: circular packaging

#### Mono-polyethylene pouches

With our mono-material polyethylene pouches, we have a 100% recyclable variant in-house that we offer in our sustainable range. Standard pouches are made of different types of foils, where the adhesive bonding makes the foils no longer separable from each other, causing them to end up with the residual waste. Our sustainable mono-pouches are made exclusively of polyethylene foils, in combination with a polyethylene zipper. This makes them fully recyclable, and consumers can put them in the recyclable packaging waste.



#### Wash-off labels

In our label range, we also offer our customers wash-off labels. These labels can be washed off the main packaging in a recycling process at lower temperatures. In other words: the process water in the recycling process can also remove the labels from the main packaging at a lower temperature. This requires less energy to heat the process water. The recycling percentage is also favourably influenced by this.

#### 3.4.4. Deforestation and the protection of natural habitats

Packyard is keenly aware of the devastating consequences of deforestation worldwide. The loss of forests not only threatens the crucial role they play in regulating our climate but also leads to the disappearance of invaluable natural habitats and a dramatic loss of biodiversity. These ecosystems are complex and interdependent, and their destruction has far-reaching consequences for the ecological balance on our planet.

For Packyard, protecting forests and biodiversity is not an optional choice but a fundamental responsibility. As a packaging producer, we are aware of our potential impact on natural resources. That is why we actively choose to take measures that counteract deforestation and protect natural habitats and biodiversity.

As Packyard, we take our responsibility for a sustainable and transparent supply chain extremely seriously. Anticipating the upcoming **EUDR** (European Deforestation Regulation) legislation, we work closely with all our suppliers of paper-containing raw materials. We implement the necessary measures and protocols to ensure that all our products comply with the strict requirements of this new legislation. Our commitment extends to guaranteeing the traceability and sustainable origin of our materials.

Through a proactive and collaborative approach with our partners, we are convinced that we will be timely and fully compliant with the EUDR, thereby making a further contribution to the fight against global deforestation.

#### FSC® and PEFC-certified raw materials

For Packyard, the origin of our raw materials is central, with a strong preference for FSC®- and PEFC-certified materials. These certifications guarantee sustainable forest management, in which ecological, social, and economic aspects are balanced, and actively contribute to the fight against deforestation. By using certified materials, we promote responsible forestry practices, ensure transparency and traceability, and strengthen the trust of our customers and stakeholders in our sustainability commitment. Our conscious choice for FSC® and PEFC is therefore an essential pillar in our pursuit of responsible and circular business operations. This table shows our total consumption of certified paper-containing raw materials in 2024. For paper labels, we are almost at 100% FSC® and/or PEFC-certified, and for cardboard packaging, we used more than 80% FSC® and/or PEFC-certified cardboard.

Cardboard	Paper labels
+ 80%	+ 99%

**Cardboard**

35%

**Raw materials with recycled content**

Driven by the circular future vision and anticipating the PPWR directive, Packyard forges an innovative path through the packaging industry. Our strategy includes an active transformation of our raw material procurement, resolutely steering towards a significantly higher share of recycled materials, while of course ensuring the highest standards for food safety. In close synergy with our partners and through groundbreaking research into new material streams, we redefine the boundaries of sustainable packaging. This table shows our total consumption of cardboard with recycled content: in 2024, 35% of our consumed cardboard contained recycled content. For cardboard, we see that a significant part contains recycled wood pulp, while for labels and foils, we are determined to examine all opportunities in the coming years and increase this share.

**Ecological design of our business parks**

We want to protect the impact of our business operations on biodiversity and natural habitats not only throughout the entire value chain but also look further. That is why, as Packyard, we attach great importance to a biodiverse and green working environment. We are determined to make our business parks even more ecologically friendly. For example, beehives were installed at Packyard BE in 2018. This allows us to contribute to the protection of the bee population. We

are also developing projects to provide our sites with more green elements.

**3.4.5. Transport and commuting****Offering sustainable outbound transport options**

At Packyard, we fully realise that the freight traffic generated by our outbound transport entails significant effects for people and the environment. To minimise these effects, we work closely with our transport companies to see how we can make this transport more sustainable. First, in collaboration

with the customer, we try to develop a project to group deliveries. This means that fewer transports have to take place in total. Secondly, we take measures to maximise the loading degree of the trucks. This in turn results in fewer total kilometres per year. Thirdly, we regularly ask our transporters what measures we can take together to make transport more sustainable. Finally, in collaboration with one of our transporters, we offer climate-neutral transport for mainly our smaller orders.

#### Sustainable transport packaging

Our organisation attaches great importance to quality and sustainable transport. For this reason, we have already implemented various measures to make our transport packaging more sustainable. These efforts contribute to compliance with the PPWR directive and align with our sustainability objectives in the field of transport. Specifically, we mainly use Euro pallets. In addition, for our key accounts, we use a circular system with reusable pallets. This approach results in a significant reduction in transport waste.

#### Electrification of company vehicles

To make our car fleet more sustainable, we make a clear choice to phase out the number of company cars with a combustion engine and switch to cars with electric propulsion. In this way, we take measures to reduce our scope 1 emissions and to counteract the air pollution associated with cars with a combustion engine.

#### Promoting cycling

To encourage sustainable commuting and a healthy lifestyle among our employees, we have already developed measures to encourage cycling to work.

#### Favourable commuting allowance

Employees who cycle to work receive a bicycle commuting allowance, which is higher than the commuting allowance an employee receives for travel by car. In this way, we try to create a fiscal incentive for bicycle use.

#### Bicycle leasing

To support the purchase of a bicycle, we also offer a bicycle leasing option at Packyard BE, Packyard NL, and Packyard Pharma. By offering this service to our employees, we want to encourage cycling and also support the purchase of quality bicycles.



### Bike around the world (to work) challenge bij Packyard BE

In 2024, we launched a challenge at Packyard BE to jointly reach 40,000 commuting cycling kilometres. With this playful action, we tried to stimulate our employees through regular communication to leave the car at home and cycle to work.

To encourage cycling to work at our Belgian site, a challenge was organised during the months of August and September. Anyone who cycled to work at least 10 times during these months or covered a total of more than 200 km of commuting kilometres by bicycle won a deluxe Packyard cycling jersey. By offering professional cycling clothing to our employees, we try to further boost cycling to work in the future.



## 4. Our social impact

### 4.1. Social challenges

The social challenges we face as a company are diverse:

#### 1. Attracting and retaining talent

It is becoming increasingly difficult to attract and retain qualified staff, especially in a sector like ours where there is a high demand for specific skills. It is therefore necessary to continue investing in employees by offering them attractive working conditions, growth and training opportunities, and flexible work structures with an eye for a good work-life balance.

#### 2 Absenteeism and employee well-being

Society increasingly expects companies to actively contribute to the well-being of their employees. This goes beyond just offering a salary; there is a growing expectation that companies commit to a holistic approach to health and well-being, both physically and mentally. Due to the increasing aging population, companies are also expected to help ensure that their employees remain employed for longer. It is therefore up to us, as a company, to create a safe, supportive, and healthy working environment where the well-being of employees is central and absenteeism is actively addressed.

#### 3. Sustainability and Social Responsibility (ESG)

Companies face increasingly strict laws and regulations, both in the area of working conditions and in the area of sustainability. Complying with these rules can be complex, especially in a time of constant change. There is increasing pressure to conduct socially responsible business, with an emphasis on the 'S' of ESG (Social), such as diversity, equal

opportunities, and fair working conditions. We, like other companies, must comply with increasingly strict sustainability standards and report more transparently on our social impact.

### 4.2. How do we tackle these challenges?

#### 4.2.1. Equality, diversity and an inclusive company culture

Packyard has an open corporate culture and highly values equal opportunities and diversity. We recognise the unique talents of individuals, regardless of their origin, gender, age, ethnicity, religion, sexual orientation, etc..



When recruiting new employees, we primarily focus on the competencies, motivation, and personality of those individuals, and everyone gets an equal chance, regardless of their background. We regularly use application forms and logical reasoning tests to have a neutral and formal comparison point between candidates. We are also convinced that the technical competencies required to perform a job can often be learned, while the intrinsic character and mindset of our employees are the most valuable and form the basis for a successful collaboration.

Society is becoming increasingly multicultural and diverse, and this also applies to our workplace: more than 13% of our employees have a migration background, despite the local language requirements that apply at our sites. Where necessary, we provide language training to help employees advance in their internal and external communication and to promote their integration into our teams. Where possible, we also take various cultures and

their customs and rituals into account. For example, we adjust working hours and/or break times at the request of employees during Ramadan. We also offer employees with a migration background the possibility (under certain conditions) to take longer than three consecutive weeks of summer holiday to travel to their country of origin to visit family.

The male-female ratio within Packyard is 60-40, and all age groups, from 19 to 65+, are represented. There are opportunities for low-, medium-, and high-skilled individuals, and we provide adapted workstations and schedules for our

employees with disabilities, so they can also integrate smoothly into our organization. Examples of adapted workstations include an electronic magnifying glass and a special software package (that can adjust the image on the screen) provided to help an employee with a work disability, or the provision of an adjustable screen and magnifying glass for an employee with reduced vision.

#### 4.2.2. Decent work and fair remuneration

At Packyard, we limit working with temporary contracts and short-term contracts as much as possible, to give new employees the opportunity

Gender ratio in the Packyard group			
Female	Male	Non-binary	Other gender identification
40%	60%	0%	0%
Age ratio Gender ratio in the Packyard group			
15-29	30-39	40-55	55+
8.45%	20.61%	47.3%	23.64%
Education level ratio in the Packyard group			
Low-skilled	Secondary education		Highly educated
9.80%	57.43%		32.77%



to commit to our company in the long term. We also do not work with fixed training periods for initial training, to avoid putting extra pressure on the shoulders of new employees and to give everyone the chance to go through the learning process at their own pace.

We use strict safety guidelines that are clearly communicated so that workplaces are physically safe. We also monitor compliance with these safety regulations. In recent years, we have also invested heavily in the ergonomic design of workplaces (lifting aids, pillar jib cranes, ergonomic mats, scissor lift tables, stackers, sit-stand desks, ergonomic chairs, etc.).

We respect the working conditions and rights of our employees, ensure that they are well-informed about them, and that they know where to go with any questions and concerns (the HR department, the internal confidential advisor, the employee representatives, the company doctor / external service for prevention and safety). Communication channels we use for this are the monthly internal newsletter, notifications on screens or notice boards, and internal mailings. New employees

are routinely informed about the contact persons within our organisation during the induction, where they also receive contact details in the induction brochure.

We also ensure that employees have a say in decisions that affect them through surveys, team meetings, informal consultation moments, and through the formal social consultation bodies that meet regularly (works council, employee representation, committee for prevention and protection at work).

We offer our employees market-compliant salaries and ensure an internal balance between employees performing similar jobs. We also offer our employees various extra-legal benefits. The management evaluates wages and salaries annually and adjusts them where necessary, often based on the annual evaluation interview we conduct with our employees.

The evaluation interviews form a formal consultation moment between employee and manager, focusing on someone's performance, ambition, and future vision within our organisation.

### Healthcare scheme

Our two sites in the Netherlands are affiliated with the Grafimedia collective labour agreement (cao). In this cao, every position is placed in a job level, and each job level is linked to a salary scale. Each salary scale has a minimum and maximum salary/hourly wage. In addition, the cao stipulates that one can appeal to a healthcare scheme whereby employees can apply for a reimbursement of their healthcare costs. It is also provided that employees are entitled once every five years to a reimbursement of an individual advice trajectory including individual financial calculations, providing insight into their financial situation and future possibilities. The reimbursement amounts to a maximum of 600 euros excluding VAT.

### Centre d'Action Sociale et Familiale (CASF)

Another good example of our social commitment to our employees is the affiliation with the CASF (Centre d'Action Sociale et Familiale) organisation for our French employees. Through this organisation, employees not only receive an attractive family allowance depending on the number of children and the age of their children, but they can also call on social, psychological, and legal assistance free of charge. For example, the social service of the CASF already arranged a reimbursement for an employee who had financial problems so that he could still obtain his driver's license, and they engaged a lawyer to help another employee regularise his residence permit.

### Support for sustainable commuting

Our social commitment is also evident from the fact that we have opted for the legal possibility to reward our French employees who commute ecologically (by bicycle, public transport, scooter, on foot, via carpooling) with a 'forfait mobilité' that can amount to €500 annually. In Belgium and the Netherlands, employees have the option to participate in the bicycle leasing scheme. This offers an attractive way (with tax benefits and employer contribution) to lease a new (electric) bicycle or speed pedelec, without worries. Finally, we encourage the use of the bicycle as a means of transport through communication and playful actions, as already mentioned in 3.4.5.

### Analysis of wage levels relative to the cost of living

As part of our sustainability objectives, we carried out a living wage analysis in 2025. As a company, we attach enormous value to the well-being of our employees. One of the most important aspects of this is a fair and living wage. We believe that paying a wage that enables employees to meet their basic needs is not only a moral obligation but also a strategic investment in the future of our company.

A living wage goes beyond the legal minimum wage. It enables employees to cover the cost of living, such as housing, food, healthcare, and transport, without constantly being in financial insecurity. When employees do not have to worry about meeting their basic needs, they experience less stress and are generally happier and healthier. This results in a higher degree of involvement and motivation in the workplace. Motivated employees are more productive, deliver higher quality work, and are more loyal to the company.



At Packyard BE, all employees receive a wage that is at least equal to the wage of category 1 of the PC130 salary scales. Without extra-legal benefits, that monthly wage amounts to €2,532.77 gross. This is quite a bit higher than the general minimum wage currently applicable in Belgium (€2,070.48 gross) and also higher than the living allowance (minimum income for people who do not have sufficient means of subsistence) currently paid in Belgium (€876.13 gross per month for cohabitants, €1,314.20 gross for singles, and €1,776.07 gross for heads of households).

In France, the SMIC (salaire minimum de croissance) is the minimum wage. At the beginning of 2025, this amounts to €11.88/hour or €1,801 gross per month for a standard 35-hour week. Packyard FR maintains a minimum wage that is slightly higher than the SMIC, namely €12.02/hour gross, based on the minimum convention collective (sector-specific). However, we make a difference in France by working 39 hours per week and paying the extra hours beyond the 35-hour week with a supplement. This means that the lowest wage in PY FR is €2,083 without extra-legal benefits, which is already quite a bit above the standard minimum wage in France.

The RSA (Revenu de Solidarité Active) is the counterpart of the Belgian living allowance, split according to family situation. The RSA varies at the beginning of 2025 from €830 for a single person to higher amounts for other family compositions (e.g., €1,383 for a person with two other dependents). Here too, we see that the wages received by our French employees are quite a bit above the living wages in France.

In the Netherlands, we can make a similar analysis. There, the minimum wages in the sector are in line with the national minimum wages, which vary by age. The 'living allowance' in the Netherlands is referred to as 'social minimum', which also differs by age. The minimum wage for a 21-year-old at the beginning of 2025 is €2,437 gross. This is quite a bit higher than the social minimum for the same age, which is €1,570.

We can conclude that all our employees, across the group, earn a wage that is livable within their respective country of employment - and with a wide margin, even when someone starts at the minimum wage within our organisation. Finally, as a company that offers fair wages, it should be noted that the salaries of successful employees naturally quickly exceed these minimum amounts.

#### 4.2.3. Education and training

At Packyard, we are convinced that training and education are essential for the growth and development of our employees, but also of our organisation itself. By continuously investing in the knowledge and skills of the staff, employees stay up-to-date with the latest trends and technologies in their field. This not only increases their productivity and employability but also contributes to their motivation and job satisfaction. Moreover, it increases the loyalty of employees because they feel valued and see that their development opportunities and future within the organisation are supported.

During the annual feedback sessions between employees and their managers, discussing training is a recurring topic. The training followed is discussed and evaluated, and training needs are mapped out based on skills yet to be developed.



The evaluation of training followed is necessary for us to adjust internal training or trainers and to gain insight into the usefulness and quality of external training. The training needs that are mapped out can be very diverse and vary from technical skills to soft skills and training needs in the areas of language and communication.

Through internal communication and encouraging a positive feedback culture, we stimulate employees to be ambassadors for their own development. Employees are encouraged to make suggestions themselves about training they find useful, but can also search for training that suits their request together with their manager or the HR department. Finally, training can also be spontaneously proposed or organised by management, the prevention advisor, the CPBW, the quality team, or other departments; for example, ergonomics training, training for emergency response teams (BHV, BBD, or fire fighting service), quality training, cyber security training, or training for specific target groups are organised.

We do not exclude any training request in advance, and are therefore open to all kinds of

needs that employees or managers may have. Training that took place in 2024 therefore varies from necessary initial training to online webinars and forums, learning networks, language training, and half-day or full-day training on specific themes (e.g., time management, resilience, marketing, etc.).

We naturally also provide the legally required training such as for employees who use mobile work equipment (forklift, reach truck, stacker, etc.), for employees for whom compulsory refresher courses are required (prevention advisor, confidential advisor, etc.) and for those who, in addition to their actual job, also take on another role in the organisation for which regular refresher courses and training must be provided (First Aid / BHV, fire fighting service, etc.).

On average, an employee of the Packyard group followed almost 40 hours of training in 2024. How much training an employee actually follows depends strongly on various factors: new developments, internal progression, expansion of tasks, current training needs, personal interests, motivation to follow training, etc.. Our general training figures are also influenced by

long-term on-the-job training for starters. This explains, together with the different local legislation regarding the offer, registration, and follow-up of training, why more training hours were registered at our site in Belgium, for example, than in France and the Netherlands in 2024.

An impression of colleagues in action during fire, ergonomics, first aid, and reach truck training courses:

### Average number of hours of training per employee

40 hours





#### 4.2.4. Health and safety, work-life balance

At Packyard, there is a strong awareness of the responsibility we bear as an employer in the area of health and safety.

Our first responsibility is to ensure a safe working environment, which begins with carrying out thorough risk analyses, a task assigned to our internal prevention service. This involves identifying potential hazards in the workplace and taking preventive measures based on this to minimise the risks. This ranges from implementing safe working methods to offering personal protective equipment (safety shoes, hearing protection, knee pads, safety glasses, etc.) and protective equipment to responsibly managing and storing hazardous substances.

One of the actions we took last year to increase safety in the workplace was the implementation of safety knives in BE, with which we were able to reduce the number of cuts (2021: 4, 2022: 5, 2023: 2, 2024: 2). The use of safety knives in BE will be extended to other sites in 2025.

#### FIRST AID

We naturally have teams of employees in every location who are trained (and also follow an annual refresher course) to provide first aid if something goes wrong in the workplace. These teams have been systematically expanded in recent years to always have qualified first aid responders in various departments and shifts.

Various first aid stations with medical aids are available in every location to provide adequate assistance to our employees. A defibrillator (AED) is also available, in case someone needs to be resuscitated in the workplace. An extensive range of fire extinguishers is, of course, also available at every site.

#### Ergonomic working environment

In addition to a safe working environment, we also provide ergonomically designed workplaces to prevent physical complaints. In the production environment, this includes the presence of aids such as lifting aids, pillar jib cranes, scissor lift tables, scissor lift trucks, electric stackers, and height-adjustable workstations; in the office environment, people have sit-stand desks, ergonomic office chairs, height-adjustable monitors, ergonomic mice, and the like.

#### Repetitive strain injury

Repetitive Strain Injury (RSI) is a collective name for all kinds of complaints related to repeatedly performing the same, sometimes small and seemingly effortless movements for a long time. Conditions associated with RSI include bursitis and tendonitis. Possible RSI complaints are attributed to, among other

things, the use of the computer mouse, resulting in a problem like the "mouse arm," or the use of other computer equipment that can result in, for example, the "text thumb". To prevent RSI, we not only furnish our workplaces ergonomically and pay attention to a regular alternation between sitting and standing posture, but we also try to introduce variation in the work and create the possibility for the employee to move in between: getting coffee, going to the toilet, lunch break, walking to the copier, physical consultation with a colleague instead of by phone or electronically, etc.

To prevent RSI complaints, attention is paid to a number of things at Packyard:

#### Good posture:

Our employees receive a short training course at their workplace on how to work ergonomically when using a PC. Importance is attached to the height of the desk (table always at elbow height, whether sitting or standing), the viewing angle to the screen (top of the screen preferably at eye level), and the adjustment of the chair.

#### Mouse usage:

We advise our employees to use the keyboard as much as possible and to let go of the mouse as often as possible. The use of keyboard shortcuts and key combinations is very beneficial here and very applicable when writing texts. A finding is that with much software and internet applications, clicking to multiple screens is necessary to get to the desired worksheet. Because a mouse is indispensable here, we switch to more ergonomic mice for prolonged use.

#### Ergonomic aids:

- **Sit-stand desks:** alternately working standing and sitting is healthier and also improves your concentration. All existing desks in the administrative departments were replaced by sit-stand desks. We are now continuing this improvement to places in production where regular computer work is required.
- **Ergonomic chairs:** these chairs can be adjusted in multiple places, such as armrest, movable backrest, seat tilt, and height. Ergonomic chairs were introduced in all administrative departments, but also at various workplaces in production where sitting work is frequent (e.g., packing). Small sitting stools also help here to regularly prevent bending or kneeling.
- **Trackball mouse:** these are less straining for the wrist and elbow because the mouse no longer has to be moved, but remains in the same place.
- **Pen tablet:** this aid places the hand in a natural position and is used, among other things, in prepress ; it prevents dragging the mouse cursor, with or without the mouse button pressed, to a new position, and thus the onset of RSI-like complaints.
- **Laptop stand:** this allows a laptop to be folded open, placing the screen at eye level, and an external keyboard and mouse ensure greater ease of use and better sitting posture (sitting straighter instead of bent).
- **Extra monitor:** an extra monitor provides more screen space for your work, you multitask easier, and it creates an ergonomically responsible sitting posture while working. This prevents neck and back pain after a long working day. A better distribution of your tabs and windows provides a better overview of your work. It avoids constantly clicking on multiple screens when consulting various files.

### Noise exposure

The printing process and the wide variety of machines cause significant noise production in our company, making appropriate measures necessary. As an employer, we are obliged to provide hearing protectors at a noise level of 80 dB(A) or higher, and employees are expected to wear hearing protectors at a noise level above 85 dB(A). We therefore take measures to reduce noise at the source as well as provide individual hearing protection.

### Reduction of noise at the source

At Packyard, we always try to tackle the noise level at the source. This way, we can avoid employees having to wear hearing protection continuously or for a long time. This is not comfortable for everyone. Where possible, we try to reduce the noise level at the source so that wearing personal hearing protection can be avoided.

When purchasing machines, in addition to the production technical qualities, the noise level is also included in the final choice.

When (re)locating a ( new) machine or activity, we check whether we should not expect too high (>80dB(A)) noise level for the location. Noise levels from different machines or activities are cumulative for the noise level of the environment. To estimate this, we work with dosimeters that employees wear for about 8 hours and which measure the noise level and noise peaks over this period.

In some cases, certain activities on a machine cause a higher noise level (e.g., turning cross or lamination on flexo press). Here too, we look for source-oriented solutions, such as enclosures and turning bars in porous metal, which bring about a significant reduction in noise. If noise reduction at the source is not possible or insufficient, we provide individual hearing protection.

### Healthy indoor climate

Within our organisation, we strive for an optimal and healthy indoor climate for all our employees and visitors. By implementing advanced ventilation systems, we guarantee a constant supply of fresh air and efficient removal of pollutants. Because our workplaces are well-ventilated, air-conditioned, and direct daylight shines into the workplace, we also believe we can say that we offer our employees a healthy working environment.

### Safety communication

Informing employees about the dangers in the workplace and training employees in safety procedures is also something we take to heart. We see it as our duty to ensure that employees are well aware of the risks, how to work safely and ergonomically, and what to do in the event of an incident. This is already explained for the first time during the induction that new employees receive, which includes an extensive section on safety, but also in later training courses such as an on-the-floor ergonomics training by our external service for prevention and protection at work. We also try to make our employees aware of the importance of ergonomics in the workplace in a



more informal way, as evidenced by the 'ergonomics challenge' we organised in 2024, where the entire organisation could collect points for ergonomic actions. This challenge ultimately resulted in a reward in the form of fruit baskets for the entire staff group. In addition to specific actions, we finally regularly communicate internally about the importance of ergonomics or other safety topics to create awareness. An example is the 10-10-10 campaign in October, which reminds office employees to stand up regularly. Ultimately, we see safety as a matter of not one person, but everyone.

#### Medical and psychosocial support

In addition to ensuring safe, ergonomic, and healthy workplaces, we also pay attention to the medical and psychosocial support of our employees. In the first instance, we naturally comply with the legal obligations regarding health surveillance. Together with the external services for health and well-being at work, it was

determined which occupational risks are associated with which workstations, so that employees who are exposed to occupational risks, such as shift work, can undergo regular medical examinations in which their health status is monitored. Regardless of these established periodic examinations, our employees can also contact a company doctor at our external service in the meantime, an internal confidential advisor has been appointed, and the HR and prevention departments are also ready to listen.

Employees who are absent from work due to illness are closely monitored by the HR department. In the case of prolonged absences, the external service for prevention and safety is also involved. When full-time work is (temporarily) not possible due to health reasons, we look for a suitable part-time work arrangement together with the employee. We currently have one employee at our French site who works permanently part-time for medical reasons. Three employees at our Belgian site are currently in a progressive work resumption process to gradually resume work after a period of illness.

At Packyard NL and Packyard Pharma, we go a step further; there, we guide employees to another employer if they can no longer reintegrate into their own position or an adapted internal position. Before this happens, an (external) occupational expert will determine, based on the findings of the company doctor, whether the employee concerned can no longer reintegrate internally. In the meantime, we have successfully completed two external reintegration trajectories. A trajectory is successful if an employee has found another suitable job within two years after the first day of illness.

In 2024, we achieved an extremely low absenteeism rate at both Dutch sites; our percentage was about half of the general absenteeism rate within the graphic media in the Netherlands. We achieved this by, among other things, paying a lot of attention to employees during illness, making good agreements about call-back actions, working hours, and work content, and good follow-up of these agreements by managers, HR, and the company doctor. We hope to maintain this excellent result by continuing to focus on it.

Finally, employees in the Netherlands also have the option, with a tax advantage, to keep themselves fit by taking out a company fitness subscription at various fitness centres in their own region.

#### Stress and psychosocial well-being

We have various measures in place that allow us to monitor the psychosocial well-being and stress level of our employees. We believe in the synergy between our open corporate culture with many contact points, including our internal confidential advisors but also our prevention advisors for psychosocial aspects of our external prevention service, our regular surveys, our actions following these surveys, and the preventive measures included in our employment conditions and circumstances such as fair remuneration, mutual flexibility, structural one-on-one moments with managers, our training policy, and respecting and teaching our values.

All of this allows people to primarily perform fulfilling jobs, take control of their careers, and partly arrange their working hours; we see this autonomy and responsibility as important pillars of psychosocial well-being. Around this, we create a safe framework, in which employees are placed under little pressure during training and in which contact points are never far away. Our structural surveys underscore the importance we attach to the well-being and satisfaction of our employees, and go hand-in-hand with strong internal

communication and the regular repetition of contact details and reporting procedures (think of our monthly newsletter).

Our ultimate goal is to make the threshold for reporting problems or difficulties as low as possible. If an employee shows signs of problems at work, whether through a contact point or through a survey and regardless of whether the problems are personal or work-related, they will also be followed up personally. We are proud that we have been able to support employees both preventively and curatively in this way, and that we can do justice to our culture of openness and humanity.

#### Satisfaction surveys and well-being studies

Through satisfaction surveys and well-being studies, we try to keep our finger on the pulse of what is going on among our employees at regular intervals. The last large-scale satisfaction survey across the entire group dates from 2022. In 2023 and 2024, our Belgian site participated in a well-being study led by Ghent University, and a survey was also conducted at our French site in 2024 in the form of an 'entretien professionnel'. Different types of surveys were conducted at our Dutch sites in 2023 and 2024.

The large-scale surveys in Belgium and France show an average satisfaction score of (rounded) 78% and 87% respectively. 75% can be seen as a good score, where



employees score 'satisfied' on average on a four-point scale that has 'dissatisfied' as the lower limit and 'very satisfied' as the upper limit. Belgium scored best on job content and working conditions (incl. working hours) , while we scored the least - but still well - on development opportunities.

Packyard NL ended with an overall satisfaction score of 69%, and Packyard Pharma scored an average of 73%. The highest scores at both sites were for job content, working atmosphere, and managers. A point for improvement for PY NL was the working conditions, with various small and practical remarks, on which a lot of work was done in 2023 and 2024. For example, small and large ergonomic aids such as table trolleys and pillar jib cranes were introduced where necessary, and a new supplier contract was even entered into for better coffee. Our Dutch sites also scored lower on 'development opportunities'.

The lower score on development opportunities across the group is a result of the flat company structure at our sites, with few opportunities to climb the 'ladder,' which means that progression is mainly horizontal and not vertical. We are nevertheless addressing this by communicating

more about training and systematically expanding our training offer.

France scored exceptionally well on the satisfaction survey ; the ratings on working atmosphere and managers topped the charts there, while people were least satisfied with the working conditions, although this last score also indicated few problems.

We respond to the results of our surveys by setting up specific communications and actions where we see the greatest opportunities for improvement. A good example of this is the well-being survey in Belgium in 2023 and 2024, which showed that a large part of our employees do not eat vegetables or fruit daily. We found this result so striking that we decided to set up a real vegetable stall at work, which we maintain through collaborations with local farmers. Our employees now enjoy a different portion of fresh vegetables or fruit every week, which they take home. We also share recipes weekly to encourage our employees to use the vegetables. Since the inception of this initiative, it has already expanded to France and has been presented to the works council in the Netherlands.



In the Netherlands, a periodic medical examination (PMO) was carried out at Packyard NL and Packyard Pharma in 2023. This showed that we scored too low on the subject of 'vitality' that year. This was compared to the average of the Niped database, the external organisation that conducted the study. Vitality is about having a lot of energy and feeling fit, but also about having sufficient development opportunities, exercise, a good workplace, and good nutrition. Following our low score on vitality, we invested heavily in good workplaces (see earlier mentions) and a better work-life balance in 2024.

We scored very well on 'social support from colleagues and managers', 'emotional burden,' and 'autonomy'. People experience social support from colleagues and managers, and they can perform the work independently, without someone looking over their shoulder. Moreover, we do not experience intense situations during our work that could cause trauma (emotional burden).

Following the lower scores for development opportunities in 2022, we specifically asked about the experience of development opportunities in the 2024 sustainability survey in the Netherlands. This showed, among other things,

that 67% do not know exactly what career opportunities there are, despite the many examples of colleagues who have progressed internally within Packyard NL and Packyard Pharma over the years. Examples include: from internal account manager to team leader, digital printer to planner, from finishing assistant to archive employee, cutting machine operator to machine operator, and so on. For 2025, 'career opportunities' is on the agenda as an important topic to bring further attention to.

It is certainly our intention to organise a satisfaction survey across the entire group annually from 2025 onwards.

#### A healthy work-life balance

We are convinced that a good work-life balance plays a crucial role in retaining satisfied and motivated employees. By offering flexible working hours and teleworking options, among other things, employees can better combine their personal responsibilities with their work, which helps to prevent stress and burnout. In the Netherlands, employees have also been able to buy extra leave hours since 2024: an additional measure intended to balance work and private life.

### 1. Flexible schedules

Where possible, our employees enjoy flexible schedules. These differ slightly per site. In Belgium, the flexible schedule looks like this, for example:

Core time	Core time	Flexible lunch break (30 minutes compulsory break)	Core time	Core time
7:30 am – 10:00 am	10:00 am – 12:00 am	12:00 pm – 14:00 pm	2:00 pm – 4:00 pm	4:00 pm – 7:00 pm
			Core time on Friday until 3pm	

### 2. Limitation of the number of collective leave days

We limit the number of mandatory collective leave days so that our employees can decide for themselves when they want to take leave, also depending on their private situation (for example, adapted to their partner's leave scheme, specifically during or not during school holidays, etc.)

### 3. Dialogue and flexibility

Finally, our open corporate culture, the many contact points, and the social dialogue within our sites play an important role in making needs in terms of work-life balance discussable[[cite: 808](#)]. Many colleagues enjoy an adapted schedule, a shorter working week, or other arrangements[[cite: 809](#)]. We ask for flexibility but also give it back by paying attention to exceptional situations or events in life, which may require an employee to deviate from his or her working hours.

#### 4.2.5. Social dialogue

Social dialogue at Packyard begins with promoting a culture of open communication, in which employees feel safe to share their ideas, concerns, and suggestions. This is achieved at Packyard by regularly organising formal and less formal consultation moments. All of this stems from the conviction that strong social dialogue creates involvement and motivation among employees, as they feel they can influence decisions that directly concern them, which in turn leads to higher satisfaction, better performance, and greater loyalty to the organisation.

### Regular consultation moments

Consultation moments are scheduled regularly within and between teams (technical work consultation, complaint follow-up, team meetings, team leader meeting, etc.). Managers also have a formal consultation moment with their direct responsibility from the management committee at least every two weeks.

At a more overarching level, there are formal consultation moments between the management and the employee representatives.

### Committee for Prevention and Protection at Work (CPBW) and Works Council (OR)

At our Belgian site, this happens during the monthly Committee for Prevention and Protection at Work (CPBW) and during the Works Council (OR). The employee representatives who sit on these are elected every four years by the employees during the Social Elections procedure. These last took place in 2024.

In the CPBW, subjects such as working conditions, health and safety in the workplace, risk analyses, prevention measures, and the well-being of our employees are mainly discussed. Matters such as accidents at work, work stress, ergonomics, and compliance with health and safety legislation are also addressed. The CPBW functions as a platform for cooperation between employees and employers to guarantee a safe and healthy working environment.

In the OR, subjects related to the company's policy and strategic decisions are discussed, such as working conditions, employment, training and development, environment and sustainability, and technological changes. In addition, attention is paid to the financial results and investments. The OR functions as a platform for consultation between employees and employers about important business decisions that affect the organisation and the employees.

There are no elected employee representatives at our French site. We do organise elections every four years, but so far no candidates have come forward to take on the role of employee representative. Employee participation is also regulated at our Dutch sites. A works council (OR) has been elected at Packyard NL, and an employee representation body (PVT) at Packyard Pharma. Consultation with the employee participation body, management, and HR takes place approximately four times a year. During this consultation, the prevention officer (only) joins to give an update on prevention, working conditions, safety, and the environment. The other agenda points include working conditions, organisational developments, investments, facility matters, training, and development.

### 4.2.6. Career management

Our rather horizontal company structure does not lend itself to employees having many opportunities to 'climb the ladder'. On the other hand, we strongly believe in offering opportunities to employees to broaden their knowledge and expand their talents by taking on new challenges, discovering new policy areas, or mastering new techniques or the operation of new machines, and thus developing within the organisation.

There are countless examples of employees who have gone through various departments during their careers within Packyard (from order processing to external sales, to quality, R&D, production planning, from production to purchasing, from logistics to operations, etc.), who have been given the opportunity to become team leader or working foreman, who have been able to learn new printing or finishing techniques, etc. External recruitment only takes place at Packyard after we have ensured that there is no suitable internal candidate available. The annual evaluation interview is the ideal moment for our employees to discuss personal

ambitions and development opportunities with the manager. In addition, our HR teams are an important point of contact for our employees to discuss training needs, ambitions, and questions about personal development. In this way, we keep our finger on the pulse of our employees and act appropriately when internal career opportunities arise.

We notice that such a culture, where internal mobility is strongly encouraged, not only creates personal satisfaction among our employees but also ensures that we have well-trained and motivated staff.



## 5. Ethical governance and purchasing policy

### 5.1. Ethical governance: the foundation of sustainable growth at Packyard

In this Packyard sustainability report, we highlight the fundamental role of ethical governance as an indispensable pillar of our sustainability strategy. For us, sustainability goes beyond the ecological dimension; it includes a deep commitment to integrity, transparency, and responsibility in all our business activities, both internally and in our interactions with the outside world. A crucial aspect of this is the active promotion of **social dialogue and bottom-up participation** within our organisation. We are convinced that valuable insights and innovative solutions often arise from the direct experiences and perspectives of our employees on the shop floor. We therefore create various platforms and encourage open communication channels where employees at all levels can make their voices heard, share their ideas, and actively

contribute to shaping our sustainability goals. This results in a more **inclusive corporate culture** in which everyone's opinion counts and we collectively build a more sustainable future.

Our unwavering commitment to ethical conduct is manifested in all our **ethical business practices and purchasing procedures**. We strive for maximum fairness, openness, and sustainability in all our business decisions and carefully select our partners and suppliers based on their ethical principles and sustainability performance. An essential element of our integrity policy is the effective **protection of whistleblowers**. We encourage employees and external stakeholders to report any suspicions of misconduct in a safe, confidential manner and without fear of reprisal, so that we can respond adequately and safeguard our integrity.

We fully recognise that achieving a sustainable graphic sector requires a collective effort. That is why we actively strive for **constructive collaborations and partnerships in the graphic sector**. By sharing knowledge, initiating joint projects, and exchanging best practices, we want to accelerate the transition to more sustainable working

methods throughout the chain and create a positive impact on the industry as a whole. Our deep focus on **customer satisfaction** and offering a high-quality **personal service** is also firmly rooted in our ethical principles. We strive for transparent, fair, and long-term relationships with our customers, placing their needs central and serving them with expert advice and customised solutions.

In the digital age, the protection of information is crucial. That is why we pay considerable attention and continuously invest in **cybersecurity and data management**. We implement strict procedures to ensure the privacy and security of the data of our employees, customers, and partners. This ethically responsible handling of information is an integral part of our commitment to reliability and integrity. By integrating this comprehensive approach to ethical governance into all facets of our business operations, from internal processes to external relationships and technological infrastructure, we are building a resilient, successful, and above all, responsible company that all our stakeholders can rightly be proud of, as further explained in the rest of this **sustainability report**.

## 5.2. The necessity and added value of ethical governance

### 1. Balancing economic goals with our sustainability strategy

For Packyard, reconciling economic goals with our strong sustainability obligations is a continuous challenge. The costs of environmentally friendly materials, cleaner technologies, and responsible waste management require a careful balance with our competitive position. The sustainability of our complex supply chain, from raw materials to transport, also entails economic considerations. In addition, accurately measuring and reporting our environmental and social impact, crucial for our sustainability report, is a complex process. Finding the right balance between economic reality and sustainable ambition requires strategic planning and innovation.

### 2. Internal governance structures

Building solid internal governance is complex for any company striving for sustainability and ethical responsible conduct, and Packyard is no exception. Ensuring active supervision by the board of directors, whereby sustainability is seamlessly integrated into the overall strategy and all crucial deci-

on-making processes, requires a fundamental commitment from the top and constant effort to put this into practice. Finally, setting up and maintaining a safe and confidential system for the protection of whistleblowers, which promotes a transparent and integrity-based corporate culture by encouraging the reporting of misconduct without fear of consequences, is a challenge that requires trust and careful implementation.

### 3. Ethical purchasing procedures and transparency

Ethical considerations and the need for transparency pose a significant challenge for a company like Packyard. Ensuring ethical, fair, and corruption-free sourcing and purchasing practices throughout the complex supply chain requires constant vigilance and considerable effort. Moreover, the temptation of "greenwashing" in a market with growing environmental awareness is a continuous challenge that can only be resisted through robust governance structures and transparent communication in the sustainability report and marketing. In addition, protecting sensitive data against cyber threats and ensuring responsible data management, in an increasingly digital world, presents a significant and ongoing governance challenge.

#### 4. Stakeholder engagement and social impact

Effectively promoting social dialogue and integrating employee feedback into decision-making processes requires the development of accessible channels and a corporate culture that values open communication and feedback. Building and maintaining a truly inclusive corporate culture, in which diversity is embraced and equal opportunities are offered, is an ongoing challenge that requires proactive measures and constant monitoring. In addition, ensuring that our sustainability efforts seamlessly align with the needs and expectations of our customers while continuing to provide excellent and personal service is a significant challenge; this requires continuous dialogue and flexibility. Finally, the company faces the challenge of positively influencing the impact of our activities on the local community, for example, by creating employment and implementing responsible environmental practices, which requires an active and conscious approach.

#### 5.3. What have we achieved?

##### 5.3.1. Collaborations and partnerships in the graphic sector

**FEBELGRA**, the Belgian Federation for the Graphic Industry, acts as a national association that represents employers in this sector and is governed by them. The employees of Febelgra provide direct services to the affiliated companies and implement the decisions of the board of directors. Packyard is affiliated with Febelgra.



Packyard is a proud member of **VOKA**, the Flemish network of companies. VOKA is the voice of the Flemish business community and is committed to an optimal business climate. They look after the interests of their members at various levels, from local to European, and offer a wide range of services.



The "**FINAT** - Fédération Internationale des fabricants et transformateurs d'Adhésifs et Thermocollants", founded in Paris in 1958, is the global organisation for producers of self-adhesive labels and related products and services. FINAT, aiming to strengthen the label industry, functions as a unifying platform that supports the international label sector to excel in their daily activities.



Packyard actively collaborates with the Kennisinstituut Duurzaam Verpakken (**KIDV**) (Knowledge Institute for Sustainable Packaging), a leading, neutral organisation that focuses on making the packaging industry more sustainable. The KIDV provides us with essential insights, concrete tools, and customised advice to make our packaging and processes more sustainable.



Kennisinstituut  
Duurzaam Verpakken

In line with its pursuit of sustainability, Packyard has become an associated member of **RecycClass**, a European non-profit organisation dedicated to improving the circular flow of plastic packaging. RecycClass develops methods and standards for traceability, recyclability, and the use of recycled content. This collaboration allows Packyard to align its packaging development with the latest insights and thus contribute to a more circular future.

RecycClass

Packyard recognises the importance of strong representation within the packaging sector and is therefore a member of the **NVC** (Nederlands Verpakkingscentrum - Dutch Packaging Centre). The NVC not only functions as a knowledge institute but also as an advocate for the industry in the Netherlands. Through our membership, we contribute to a strong sector and benefit from the collective knowledge and efforts of the NVC to create a favourable climate for packaging companies, including support in the field of sustainability and innovation.



NVC NEDERLANDS VERPAKKINGSCENTRUM



### 5.3.2. Inclusive corporate culture and bottom-up participation

Creating an inclusive corporate culture with room for bottom-up participation is a priority within Packyard. We strongly believe in the power of the collective intelligence of our employees. To facilitate this, we have implemented various mechanisms. For example, the **Committee for Prevention and Protection at Work (CPBW)** functions as an important platform for employees to actively contribute ideas about safety and well-being in the workplace. In addition, we have appointed a **confidential advisor** to provide an accessible and confidential environment for discussing personal or work-related concerns. Furthermore, our **employee representation** ensures that the interests of all teams are heard and that a constructive dialogue with management takes place.

### 5.3.3. Ethical purchasing policy

Purchasing processes with a strong focus on sustainable and certified raw materials

#### Certified raw materials

A fundamental aspect of Packyard's sustainability policy is the priority we give to certified raw

materials. By choosing materials with reliable labels, such as FSC® and PEFC for paper products, we assure ourselves and our customers that these originate from sources that meet strict criteria for sustainable forest management or high-quality recycling.

#### Biodegradable and compostable packaging

In addition to our efforts to strengthen the recyclability of our packaging, our range also includes a diverse selection of biodegradable and compostable packaging. These environmentally friendly alternatives help our customers reduce their ecological footprint and contribute to the transition to a circular economy in which waste is seen as a valuable raw material.

#### Local sourcing

Local purchasing is a crucial pillar in our sustainability policy. We focus on European raw materials for this. By consciously choosing suppliers close to home, we significantly reduce our ecological footprint through shorter transport distances and the associated lower emissions. Moreover, local sourcing strengthens the regional economy,



creates nearby employment, and promotes transparent and often closer relationships with our partners. This approach contributes to both a more sustainable environment and a stronger local community.

#### Material reduction

By continuously innovating in design and production techniques, including the application of thinner but high-quality materials, we strive to minimise the required amount of raw materials per product. This results in lower raw material use, less waste, and more efficient logistics, which significantly reduces the ecological footprint of our activities.

#### Recyclability

We select materials that can be effectively recycled at the end of their life cycle, reducing the demand for new raw materials and reducing the waste mountain. By designing with recycling in mind, we strive for a circular economy in which valuable materials are preserved and can be reused.



### Thorough supplier selection and assessment

Packyard attaches great importance to a thorough selection and continuous assessment of our suppliers, as a fundamental part of our sustainability strategy. We recognise our broader impact and strive to effect positive change together with our chain partners.

We have implemented a structured process with various elements for this. For example, we ask all our suppliers to sign our Supplier Code of Conduct, which clearly sets out our expectations regarding ethics, human rights, working conditions, and environment. In addition, we carry out periodic supplier assessments, in which sustainability aspects are an integral part of the evaluation forms. If we decide to conduct a supplier audit, essential sustainability topics are also a fixed part of this assessment. To gain in-depth insight into the sustainability performance of our partners, we also use a separate and extensive sustainability questionnaire. This covers a wide range of topics, from CO<sub>2</sub> reduction and waste management to social justice and transparency.

### Training in sustainable purchasing

We believe that sustainability must be embedded in all our processes. An important step in this is the knowledge and expertise of our purchasing team. We are proud to report that our entire purchasing team recently completed training in sustainable purchasing. This training enables them to make even more conscious and responsible decisions when selecting suppliers

and materials, with an eye for both ecological and social impact.

### Quantitative purchasing targets

To reinforce our sustainable purchasing policy, we have already formulated a few quantitative purchasing targets that we wish to achieve by the end of 2025.

Objective	Goal achieved or not?
<b>100% of the purchasing team must receive training in sustainable purchasing (environmental issues, labour and human rights, etc.)</b>	
<b>90% of the purchased self-adhesive material must be of sustainable and socially ethical origin (FSC®/PEFC)</b>	
<b>100% of the suppliers must have signed Packyard's Code of Conduct or submit an equivalent own Code of Conduct</b>	
<b>90% of the purchased material is of European origin</b>	

## 6. What does the future hold for Packyard?

At Packyard, we see sustainability not as an endpoint, but as a continuous process of improvement and an integral part of our business strategy. This report provides an overview of our current efforts, but our focus is primarily on the future. We are determined to continue our sustainable course, reduce our ecological footprint, and fulfil a pioneering role in the transition to a circular economy.

Packyard's future is inextricably linked to sustainability. We see a future in which we lead the way in the development and implementation of innovative, environmentally friendly packaging solutions that respect the planet and simultaneously meet the needs of our customers.

Specifically, this means that we will invest heavily in research into new, sustainable materials. We focus on sustainable and recyclable packaging for fossil raw materials. We focus on the use of recycled materials, and we explore innovative recycling technologies to stimulate the circular economy.

In addition to material selection, our production processes play a crucial role in our sustainability strategy. We will continue our efforts to minimise energy consumption and emissions by investing in energy-efficient technologies and renewable

energy sources. Digitisation and automation offer great opportunities here to optimise our processes and prevent waste.

At the same time, we explore new, circular business models that transform packaging from waste into a valuable raw material. This includes thinking about systems for reuse and refill, where packaging is used multiple times and ultimately completely recycled. This requires a fundamental change in thinking and doing, and we are determined to play a leading role in this.

Collaboration is essential to realise these ambitions. We will further strengthen our ties with suppliers, customers, and other partners to jointly develop and implement sustainable solutions. We believe in the power of a shared vision and a joint approach to tackle the challenges of sustainability.

Open communication and transparency are crucial here. We will continue to monitor and report our progress in the area of sustainability, and actively engage in dialogue with our stakeholders. We are open to feedback and suggestions to continuously improve our sustainability strategy.

We are convinced that sustainability is a prerequisite for long-term success. By investing in sustainable innovations, we not only contribute to a healthier planet but also create value for our customers, employees, and society as a whole. We warmly invite you to build a sustainable future with us. For more information about Packyard's sustainability strategy, please visit our website.



## 7. Annex: GRI content index table

GRI STANDARD		Reference
Disclosure		Chapter
<b>GRI 2: General Disclosures 2021</b>		
2-1	Organizational details	1.3.
2-2	Entities included in the organization's sustainability reporting	1.3.
2-3	Reporting period	p.1
2-6	Activities, value chain and other business relationships	1.1.; 2.3.
2-7	Employees	1.5.
2-9	Governance structure and composition	1.3.
2-11	Chair of the highest governance body	1.3.
2-22	Statement on sustainable development strategy	2.1.; 2.2.
2-23	Policy commitments	2.2.; 2.6.
2-24	Embedding policy commitments	2.6.
2-28	Membership associations	5.3.1.
2-29	Approach to stakeholder engagement	2.4.; 2.5.
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	2.5.
3-2	List of material topics	2.5.
3-3	Management of material topics	2.5.
<b>GRI 101: Biodiversity 2024</b>		
101-1	Policies to halt and reverse biodiversity loss	3.4.4.
101-2	Management of biodiversity impacts	3.4.4.
101-8	Ecosystem services	3.4.4.

GRI STANDARD		Reference
Disclosure		Chapter
<b>GRI 201: Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	1.5.
201-2	Financial implications and other risks and opportunities due to climate change	3.1.
<b>GRI 204: Procurement Practices 2016</b>		
204-1	Proportion of spending on local suppliers	5.3.3.
<b>GRI 301: Materials 2016</b>		
301-1	Materials used by weight or volume	1.5.
301-2	Recycled input materials used	3.4.4.
301-3	Reclaimed products and their packaging materials	3.4.2.
<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organisation	3.4.1.
302-3	Energy intensity	3.4.1.
302-4	Reduction of energy consumption	3.4.1.
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	3.2.
305-2	Energy indirect (Scope 2) GHG emissions	3.2.
305-5	Reduction of GHG emissions	3.4.

GRI STANDARD		Reference
Disclosure		Chapter
<b>GRI 306: Waste 2020</b>		
306-1	Waste generation and significant waste-related impacts	3.4.2.
306-2	Management of significant waste-related impacts	3.4.2.
306-3	Waste generated	3.4.2.
306-4	Waste diverted from disposal	3.4.2.
306-5	Waste directed to disposal	3.4.2.
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
308-1	New suppliers that were screened using environmental criteria	5.3.3.
308-2	Negative environmental impacts in the supply chain and actions taken	5.3.3.
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1	Occupational health and safety management system	2.7.
403-2	Hazard identification, risk assessment, and incident investigation	4.2.4.
403-3	Occupational health services	4.2.4.
403-4	Worker participation, consultation, and communication on occupational health and safety	4.2.4.; 4.2.5.
403-5	Worker training on occupational health and safety	4.2.3.; 4.2.4.
403-6	Promotion of worker health	4.2.4.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.2.4.
403-9	Work-related injuries	4.2.4.
403-10	Work-related ill health	4.2.4.

GRI STANDARD	Reference
Disclosure	Chapter
<p><b>GRI 404: Training and Education 2016</b></p> <p>404-1 Average hours of training per year per employee</p> <p>404-2 Programs for upgrading employee skills and transition assistance programs</p> <p><b>GRI 405: Diversity and Equal Opportunity 2016</b></p> <p>405-1 Diversity of governance bodies and employees</p>	<p>4.2.3.</p> <p>4.2.3.; 4.2.6.</p> <p>4.2.1.</p>

