

<p><b>Contact officer:</b> Corina 't Hoen</p> <p><b>Function:</b> HR Manager</p>	<p><b>Working Conditions Policy</b></p> <p><b>GRI 401:</b> 103-1, 103-2, 103-3 <b>GRI 403-3</b></p>	<p><b>Issue date:</b> 17 December 2018</p> <p><b>Last review date:</b> 17 October 2022 (V5.0)</p> <p><b>New review date:</b> 17 October 2024</p>
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## Introduction

**At LC Packaging International B.V.** (LC Packaging) constantly strives to improve upon working conditions and support the employee's voice. LC Packaging strives to do this in a transparent and sustainable manner. Every year, it takes additional measures and tries to improve upon its current measures.

By 2023, LC Packaging wants to be the best employer in the packaging industry, where people love to work in a culture of trust and safety with plenty of development opportunities.

## Purpose

The purpose of this policy is to communicate and set out LC Packaging's objectives and measures towards all employees with regards to working conditions.

## Scope

The contents of this policy are intended for all employees, part time workers, interns, contractors of LC Packaging International B.V, its affiliates and FIBC production sites.

## Policy objectives

The objectives for LC Packaging's Working Conditions Policy are:

- Comply with:
  - UN Guiding Principles on Business and Human Rights;
  - Universal Declaration of Human Rights;
  - ILO Convention 1 (Hours of Work – Industry);
  - ILO Convention 116 (Reduction of Hours of Work);
  - ILO Conventions 100 (Equal Remuneration);
  - ILO Convention 131 (Minimum Wage Fixing);
  - ILO Convention 102 (Social Security – Minimum Standards);
  - ILO Convention 159 (Vocational Rehabilitation and Employment - Disabled Persons);
  - ILO Convention 183 (Maternity Protection);
  - ILO Convention 177 (Home Work);
  - National Labour Law 2006;
  - Minimum Wages Law 2010.
- Comply with all other relevant rules and local regulations regarding working conditions.
- Raise awareness among employees regarding working conditions in a transparent manner.
- Ensure employee satisfaction/enthusiasm and engagement, and a bi-annual dialogue for all employees to discuss working conditions in a safe environment.
- Ensure fair and transparent remuneration procedures.
- Ensure support is provided for employees who have children to care for.
- Ensure flexibility in work schedules with time and location.
- Have **100%** of employees to receive a living wage
- Have **100%** of employees who received an employment contract
- Have **100%** of employees being granted with paid annual vacation.
- Have **100%** of employees in developing countries covered with a healthcare coverage or medical plan.
- Have an 'impact objective' implemented for all LC Packaging employees by January 2023, rewarding employees on their annual contribution to achieve sustainability goals.

## Policy measures

LC Packaging strives to achieve its objectives with the following measures.

### General

LC Packaging's HR Department must:

- ensure employees receive a written contract before the start of employment, and agree with the new employee on working conditions as written within the **employment contract**, read and signed by both the employee and employer;
- ensure **clear communication regarding working conditions** topics with use of the HR Manual and SharePoint. Topics include for example insurance, holiday allowance, absence, travel expense allowance, employee performance management, employee education, code of conduct, and end of employment conditions;
- provide employees with **working benefits** in line with their job requirements, such as laptops, vehicles, and office equipment;
- support affiliate management in understanding, implementing, and communicating good working conditions, by e.g., organising the HR Learning Circle;
- ensure annual data collection and transparent **reporting** on workforce and working conditions topics, such as **% of employees receiving a living wage, % of employees in the possession of an employment contract, % of employees granted with paid annual leave and % of employees covered with a healthcare coverage or medical plan**. LC Packaging's affiliates and production sites are responsible for the timely and complete delivery of data to the HR department. All data is publicly disclosed according to Global reporting Initiative Standard (GRI) in LC Packaging's annual [Sustainability Report](#).  
>read more in [2021 People Report](#).

## Remuneration, overtime, and atypical working hours

LC Packaging's affiliate and production facilities must;

- comply with all applicable national laws concerning working hours, wages, benefits and other working conditions;
- ensure that the wages paid to employees at least meets living wage standards according to the SA8000 standard (Anker Methodology) or a local living wage standard, such as the 'Real Living Wage' in the UK;
- ensure that employees' wages and benefits composition are detailed clearly and regularly in writing for each payment period;
- ensure communication on remuneration by providing a presentation on job structure and pay policy;
- allow overtime work to be voluntary and shall not exceed 12 hours per week, nor be requested on a regular basis;
- ensure wage equality by reporting on salaries earned;
- reimburse for overtime at a premium rate as defined by national law and established by a collective bargaining agreement (DBPL);
- implement time tracking at production facilities to ensure all time worked is properly recorded and remunerated.

Never may labour-only contracting arrangements, consecutive short-term contracts, and/or false apprenticeship or other schemes be used, to avoid meeting obligations to personnel under applicable laws and regulations.

## Holidays, additional leave, and rest

LC Packaging affiliates and production facilities must:

- grant employees additional leave days for special occasions and circumstances including engagements, weddings, to attend examinations, and moving home;
- grant employees emergency leave in order to give space and time to deal with unforeseen events which require immediate attention;
- allow employees to take compassionate leave to enable to cope with the death of a close relative, make necessary arrangements and attend the funeral;
- grant employees with maternity leave and paternity leave (where the law prescribes) to enable the employee to spend quality time with the new child;
- grant care leave in order to look after those with a close relationship who require care;
- provide extra days of leave for senior employees;
- ensure employees receive at least one day off within a time frame of seven-consecutive days;

### **Flexible working**

LC Packaging allows employees to request for flexible working, under the following conditions:

- Reduce or vary the times required to work (for example to work on different days, or to start earlier or later in the day).
- Work from home instead of from the usual workplace or at another LC Packaging location, for some of the working time.

### **Healthcare, insurance and pension**

LC Packaging affiliates and production facilities must:

- provide healthcare benefits or a medical plan to all employees at its production facilities in developing countries;
- provide its employees with social insurance, business travel insurance, liability insurance and 'Good Employer' insurance;
- organise pension plans for all its employees arranged per country or location.

### **Bonus schemes**

- LC Packaging affiliates and production facilities must provide bonuses in the form of intrinsic and extrinsic rewards based on positive work performance.
- LC Packaging affiliates must implement the 'impact objective' by January 2023, rewarding employees on their annual contribution to achieving sustainability goals.
- LC Packaging production facilities must motivate employees with the use of e.g., 'Star Allowances' and/or 'Attendance allowances'.

### Employee enthusiasm, communication and engagement

LC Packaging's HR department must ensure the 'Flow Manager Programme' is in place, which enables employee engagement monitoring twice a year, creating an environment in which working conditions are discussed openly and freely, facilitating employee engagement and improving employee engagement.

### Childcare

LC Packaging affiliates and sites must:

- provide a transition period for mothers who are returning to work after maternity leave to initially work part-time before transitioning back to full-time;
- grant employees permission to attend important events such as parent-teacher conferences, child medical appointments, and any other events by allowing employees to leave during the day as long as this is discussed with their management.
- enable breastfeeding at work through paid breastfeeding breaks, adequate lactation facilities, and a supportive breastfeeding environment in the workplace.
- provide (on-site) childcare services in case there are no or unaffordable childcare services in the area leading to unemployment of woman, like at LC Packaging's production facility in Bangladesh.

### Approval of policy

**Name:** Lucas Lammers, CEO LC Packaging

**Date:** 17 October 2022

**Signature:**

A handwritten signature in black ink, appearing to read 'Lucas Lammers', written over a horizontal line.