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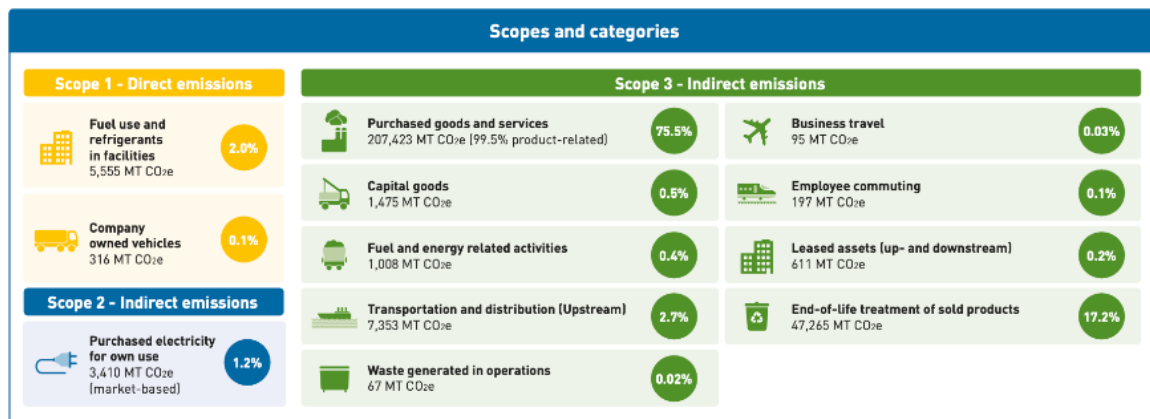
Introduction

Royal LC Packaging International B.V. (LC Packaging) distributes quality packaging everywhere in the world. Due to the nature of its operations, transport forms a crucial part in our supply chain and throughout our operations. With the launch of its [2030 Ambition](#), LC Packaging has committed to the 1.5C Business Ambition, has become a signatory of the SBTi (Science Based Targets initiative) and made a [public commitment](#) to set science based targets.

Our goal is to reduce the direct and indirect greenhouse gas emissions from our value chain by 50% by 2030 (Scope 1, 2 and 3).

> [More information](#)

To achieve this goal emissions need to be reduced throughout the value chain, including emissions related to the upstream and downstream transportation of LC Packaging’s products. Scope 3 ‘Transportation and distribution’ represents **2.7%** of total emissions in LC Packaging’s value chain ([GHG Inventory 2021](#)).



Depending on the [product category](#) and scenario, transportation is responsible for **6% to 15%** of the total emissions in the lifecycle of LC Packaging’s products. Therefore, **LC Packaging strives to achieve a 50% emission reduction on transportation by 2030.**

Purpose

To understand and manage the impact of its products and risks in its supply chain, LC Packaging has made sustainable sourcing an integral part of its procurement and supply chain management process. The aim of this policy is to provide the necessary guidelines to LC Packaging's employees to ensure more sustainable transportation of its products. It specifies the objectives and measures LC Packaging takes in order to realise its ambition.

Scope

The contents of this policy are intended for all employees, interns, and contractors of LC Packaging International B.V., and its affiliates, who work on and/or are responsible for logistics and planning and supply chain.

Policy objectives

LC Packaging identifies the following objectives for sustainable transportation:

- Participate in initiatives and cooperate with partners to create awareness on the urgency and benefits of sustainable transportation.
- 50% emission reduction on (local) transportation by 2030.
- Optimise transportation paths as well as transition over to greener methods of transportation and renewable fuels.
- Develop tools to collect, and monitor data and report on CO₂e emissions related to transportation, and improve data quality to comply with relevant (upcoming) reporting standards.
- Annually calculate and report on the CO₂e footprint of both LC Packaging's sea freight and inland transportation.
- Have all logistics partners to have signed the Code of Conduct for Logistics Partners by 2024

In the upcoming years, LC Packaging aims to reduce the emissions related to sea freight and other modes of transportation, by smart planning, and establishing/maintaining long-term partnerships with logistics suppliers who invest in more sustainable modes of transportation.

Policy measures

Transport by sea and land constitute the largest part of LC Packaging's transportation routes. Therefore, this policy distinguishes the measures in place in **'general measures'**, **'measures on sea freight'**, and **'measures on inland transportation'**.

General measures

- LC Packaging's **supply chain department** and **local logistics representatives** must be informed about this policy and policy updates at all times and must **complete the Sustainable Transportation Training Course**.
- The **supply chain department** is responsible for shaping and communicating on LC Packaging's **sustainable transportation ambition, related goals and measures in place**. This includes e.g., organising information sessions about market and sustainability developments, provide training and create tools, such as this sustainable transportation policy, the Code of Conduct for Logistics Partners and reporting templates.
- LC Packaging's **supply chain department** and **local logistics representatives** are responsible for **educating Logistics Partners** on LC Packaging's 2030 ambition, including setting measurable goals and providing necessary tools for Partners to contribute to this ambition.
- All LC Packaging's Logistics Partners are expected to sign the **Code of Conduct for Logistics Partners**, and provide **proof of compliance** for requested sustainable business practices in the form of certifications, audit reports, memberships, and annual reporting on progress. LC Packaging's **supply chain department** (sea freight) and **local logistics representatives** (inland transportation) are responsible for monitoring this process.
- The **supply chain department** in collaboration with the **sustainability department** are responsible for providing sales teams with transportation impact data. Sales teams must **educate LC Packaging's customers** on the importance, benefits and impact of sustainable transportation.

Specific measures on sea freight:

- **Supply chain department** is responsible for seeking, joining and actively **participating in networks**, such as the BICEPS Network, to proactively push towards the ambition to reduce CO₂e emissions related to sea freight.
- **Supply chain department** is responsible for **benchmarking** sea freight carriers based on sustainability initiatives and **research** the possibilities to reduce sea freight emissions in line with ambitions.
- **Supply chain department** is responsible for **providing real-time insight** into container sea-freight emissions in order to monitor the environmental impact of its shipments and make strategic decisions to minimise that impact.

Specific measures on inland transportation:

- As of reporting year 2023, all LC Packaging’s **inland logistics partners** must **report on their annual provided logistical services**. Either in a reporting template provided by LC Packaging, or an own template containing all requested information and approved by LC Packaging.
- **Local logistics representatives** are responsible for collecting the data, and – after the data is assessed – for reporting back to their Logistics Partners and request better data if required.
- To ensure high quality data and compliance with relevant reporting standards, the **supply chain department** is responsible for **assessing the data** provided by inland logistics partners. Data quality is assessed based on the following categories:

Category	Explanation
Poor	No haulage data provided
Insufficient	Some haulage data is provided, but based on estimations and incomplete
Moderate	Basic haulage data like total numbers of transport and km transported is reported
Sufficient	All haulage data is complete and delivers in the by LC Packaging provided format or a pre-approved existing format
Accurate	CO ₂ e footprint according to the general NEN (NEN-EN 16258) standard is provided with complete haulage data, in comparison to the previous year(s)

Approval of policy

Name: Lucas Lammers, CEO LC Packaging

Date: 2 October 2023

Signature:

