

# 2030 Ambition

Our contribution to a world without waste



- Introduction
- Our 2030 goals
- Global agenda
- Our motivation

## Message from the CEO

# From compliance to purpose



**What is our contribution to the world? Our vision should not be about what we want to achieve as a company, but about how our company can add value to society. At LC Packaging, we are at a crossroad in our journey and we have decided to embed sustainability into our core business and embrace our purpose: Contribute to a world without waste.**

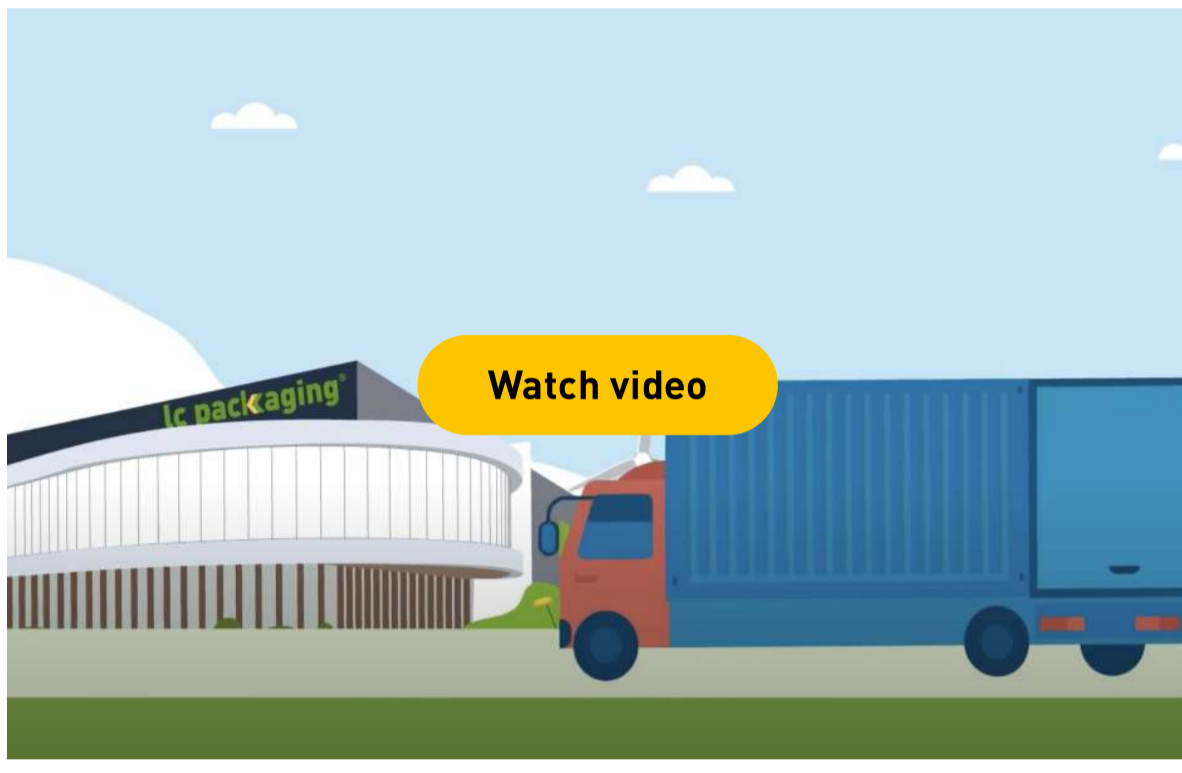
Every day, valuable products and resources are lost on their journey through the supply chain. As a manufacturer and distributor of flexible transport packaging, we **protect valuable goods from going to waste during transportation and storage.** Safeguarding their economic, environmental and social investment. We can also design our packaging in such a way as to **eliminate packaging waste** and other negative environmental and social impacts related to our packaging.

As a family company, celebrating our 100th birthday in 2023, sustainability is in our DNA. LC Packaging is frontrunner and the only FIBC producer with an SA8000 certified production facility and an EcoVadis Platinum CSR rating.

To truly make an impact and make the world a better place for future generations, we strive to be a leader in sustainable packaging. As such, we have committed ourselves to fostering collaboration and fighting working poverty in our supply chain, acting on climate change and delivering the circular economy. You can read all about our **2030 Ambition** below. You are invited to join!

**Lucas Lammers**  
CEO LC Packaging

Watch our **2030 Ambition** video



## Our 2030 goals

In 2021, LC Packaging was part of the first batch of companies worldwide to participate in the SDG Ambition Accelerator Programme, organised by the United Nations Global Compact.

We identified three global issues that urgently need to be addressed and where our company can make a major impact: **Working poverty, Waste and pollution, and Climate change.**

We have translated these issues into ambitious goals that we aim to achieve no later than 2030. With these goals we contribute to the global sustainability agenda (SDGs) and increase the social and environmental value of our packaging, allowing us to contribute to a world without waste.



### Living wage

100% of key production partners' employees earn at least a **living wage**



### Circularity

At least 80% of turnover comes from packaging that delivers the **circular economy**



### Climate action

50% **emissions reduction** from our value chain



## Global agenda

### Global Sustainable Development Goals

LC Packaging's 2030 Ambition has been mapped against the United Nations 2030 Agenda for Sustainable Development. In our daily operations, we directly contribute to 4 of the 17 Global Sustainable Development Goals (SDGs), defined by the United Nations in 2015. Indirectly, we touch upon 16 out of 17 SDGs.

[View SDG Impact mapping](#)



## Our motivation

### Contribute to a world without waste

LC Packaging's purpose is to contribute to a world without waste: the waste of valuable products during storage and transportation and packaging waste.

We want to work in such a way we do not limit the next generation in the choices they want to make or the resources they have available. We believe we can make that impact by making it our mission to be a leader in sustainable packaging.

To become that leader we aim to meet all sustainable packaging criteria, foster collaboration to initiate our sustainable transition, and ensure recognition by the highest ranked institutions and our stakeholders.

**Why?**

To work in such a way, we do not limit the next generation in the choices they want to make or the resources they have available.

**How?**

Be a leader in sustainable packaging.

## What? Our approach

### A three-step plan to achieve our goals



**1** Meet all sustainable packaging criteria



**2** Foster collaboration to initiate a sustainable transition



**3** Ensure recognition by the highest ranked institutions and our stakeholders

[Read more about our approach](#)

# Living wage

By 2030, 100% of our key production partners' employees earn at least a living wage.

Scroll down

## Background

For one out of five workers worldwide, a job does not provide a way out of poverty for them and their families (ILO). In many countries a legal minimum wage does not allow for a decent standard of living. Still, most companies ask their suppliers to pay at least a minimum wage, rather than a living wage.

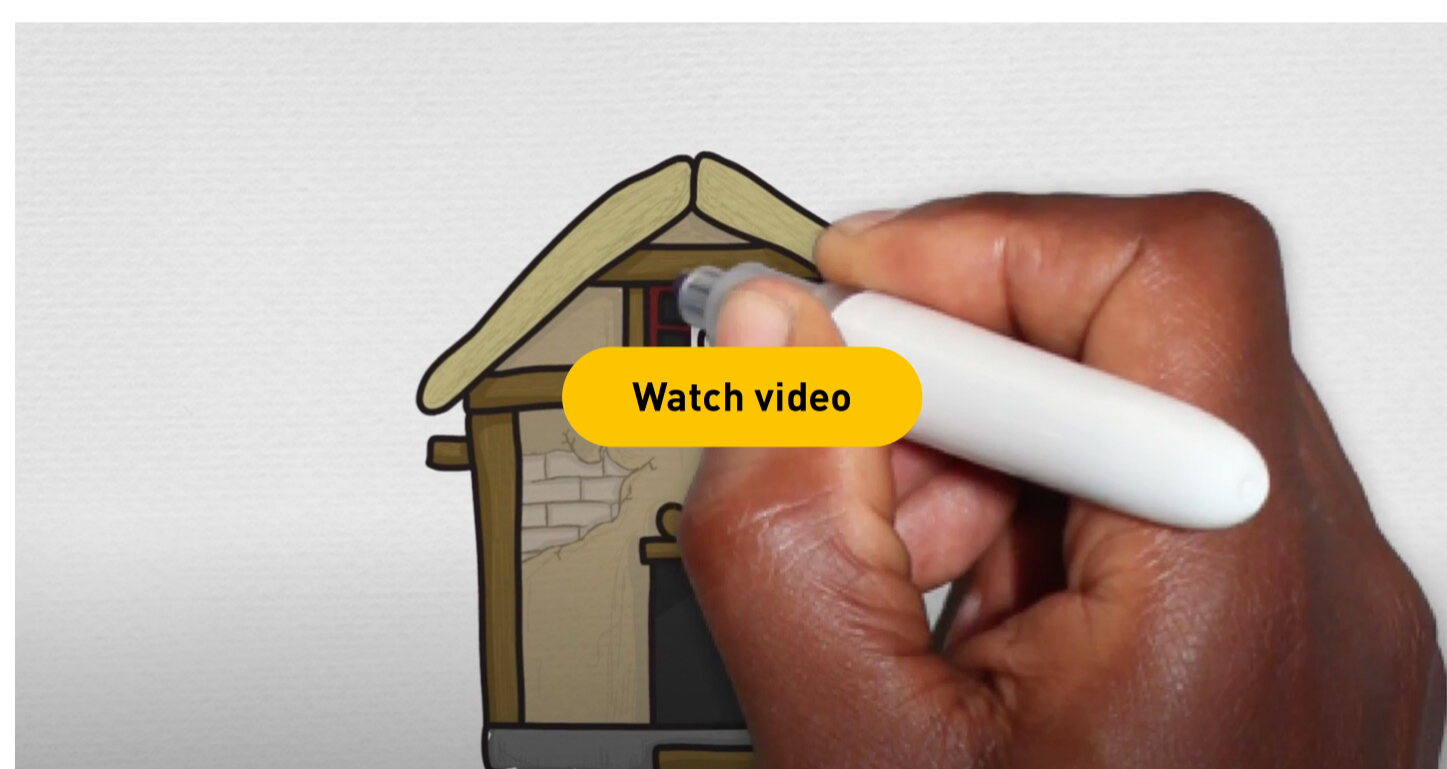
The United Nations Global Compact calls upon businesses to pay all their employees a living wage – regardless of their employment status – and to progressively extend the ambition to a fair compensation commitment for all workers in the supply chain.

Workers who earn a living wage can meet their own basic needs and those of their families, as well as put aside savings, and so are more likely to make their way out of poverty. They can work regular hours instead of excessively working overtime to make ends meet, and they can send their children to school instead of sending them to work.

8 DECENT WORK AND ECONOMIC GROWTH



Every working person should be able to afford a decent standard of living for their family



“By enabling our key production partners to increase wages from a legal minimum wage to a living wage, we aim to eliminate ‘working poverty’ from our supply chain and improve the livelihoods of at least 15,000 families in developing countries.”

**Lotte Mastwijk,**  
Manager Sustainability and Communications

## Goal explanation

LC Packaging is committed to a fair compensation for all workers in our supply chain. Together with our key production partners in risk countries, we aim to identify wage gaps and achieve at least a living wage by 2030.

Research shows that difficulties paying wages and the capacity to increase wages are directly influenced by the prices set by buyers (ILO -ETI, 2019).

Moreover, elements such as poor planning and forecasting are associated with lower wages, because they may lead to extra costs in terms of sampling, transportation and unexpected delays.

Together with our partners, we aim to create a healthy and durable environment where living wages can be introduced or maintained.

## Scope and approach

LC Packaging aims to enable all our Tier 1 key production partners to (continue to) pay their employees at least a living wage by 2030. Together, these partners represent just over **80%** of our procurement spend (2021) and employ nearly **25,000** employees and contractors.

LC Packaging's own production facility in Bangladesh has been SA8000 certified since 2012 and was the first of its kind to pay its employees above living wage. Several production partners now have obtained a SA8000 certification and by far most of our production partners pay a living wage. We want to continue on this path.

Risk assessment shows that six partners – together employing **15,000** employees – are in an area where the minimum wage is less than a living wage.

Wages could potentially negatively impact the livelihoods of **60,000** people: the workers, their partners and an average of two children.

Together with our production partners in risk countries and partners in decent work and living wage, such as **Social Accountability International**, we aim to investigate whether a living wage is paid according to the Anker Methodology. After which we will work together to create the right conditions to ensure a living wage is paid by no later than 2030.

“Article 23: Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”

**Universal Declaration of Human Rights**

Visit the **Global Living Wage Coalition** website for more information on living wages and the Anker Methodology.

# Climate action

50% emissions reduction from our value chain by 2030.

Scroll down



**Our most important task in life is to secure the health and safety of our children and grandchildren**

## Background

The most impactful threat for the well-being of this and future generations is climate change. The IPCC's Sixth Assessment Report stated 'code red' for humanity. It showcased the need for urgent climate action to maintain a habitable planet for humankind. To avoid the most significant effects of climate breakdown, the world must halve greenhouse gas (GHG) emissions

before 2030, achieve net-zero emissions before 2050 and halt global temperature rise at 1.5°C above pre-industrial levels. Businesses that have not committed to reduce emissions in line with the 1.5°C pathway fall short in our joint fight against climate change and would fall below the SDG Ambition Benchmark.

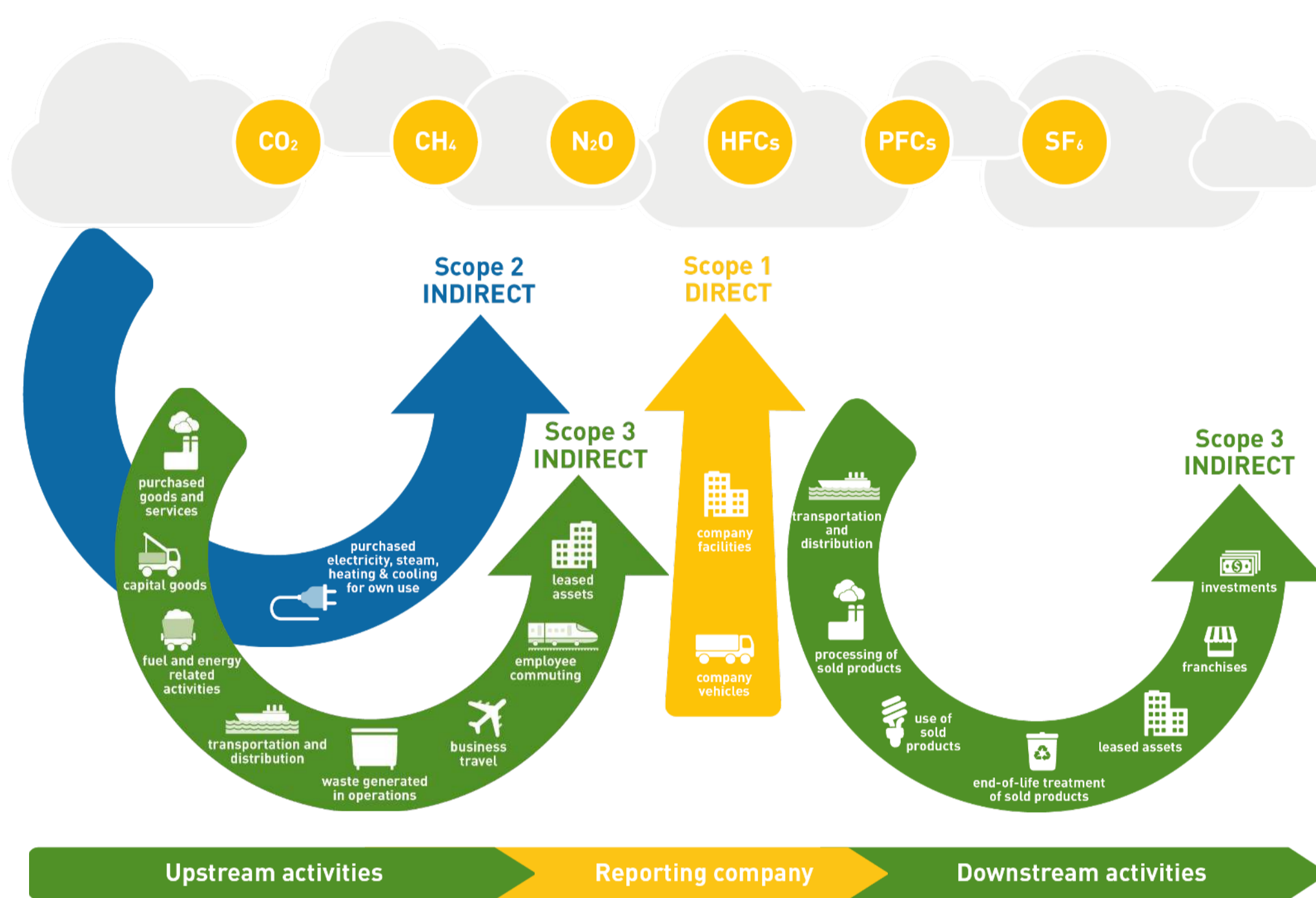


Figure: Overview of **GHG Protocol** scopes and emissions across the value chain

## Goal explanation

“By setting Science Based Targets we can be sure our efforts are credible and ambitious enough to make the necessary contribution to mitigate climate change.”

Lucas Lammers,  
CEO LC Packaging

In November 2021, LC Packaging became a signatory of the **Science Based Targets initiative (SBTI)** and made a public commitment to set science based targets (SBTs). We expect to submit our targets for validation no later than the second quarter of 2022. Our goal is to reduce our direct and indirect emissions from the full value chain (Scope 1, 2 and 3) by **50%** by 2030. Designated highly emitting areas are, for example 'raw material harvesting' and the 'production process' of our packaging, 'transportation' – sea freight in particular – and the 'end-of-life treatment of our sold products'.

These emission categories represent about **80%** of the GHG emissions in the life cycle of our products.

Many of these categories are highly intertwined with the circularity of our packaging portfolio. By using renewable and recycled content materials for our packaging, and by ensuring our packaging is reusable, recyclable or compostable, we automatically reduce the GHG emissions related to our products.

**Read more** about our ambition to make our packaging deliver the circular economy.

## Scope and approach

LC Packaging's science based emission reduction targets will cover our **full operations and value chain**, which includes the direct (Scope 1) and indirect emissions (Scope 2 and 3) of all our sales offices and warehouses, and our FIBC production facilities in Bangladesh and South Africa. We aim to achieve an absolute **50%** emission reduction in our value chain by 2030, compared to **base year 2021**. An absolute emission reduction is a reduction in the total emissions, regardless of our growth ambition. To tackle climate change, the total emissions must go down, making this the only relevant measure.

Next to implementing measures to actively reduce our emissions in all stages of our value chain, LC Packaging is exploring alternative business models – such as expanding our FIBC reconditioning service (**WorldBag**) – with the aim to decouple our profits from the consumption of finite resources. To achieve a **50%** reduction in our value chain by 2030, LC Packaging invests in long-term partnerships with our production partners, transportation partners and likeminded customers.

Read more about the Business Ambition for 1.5°C on the **Science Based Targets initiative** website.

Our goal to reduce emissions in our value chain by at least 50% by 2030, touches upon 7 out of 8 **Sustainable Packaging criteria**.

# Circularity

By 2030, at least 80% of our turnover comes from packaging that delivers the circular economy.

Scroll down

## Background

In our current linear economy, we take raw materials, turn them into products, and eventually throw them away as waste. In a circular economy, we stop waste being produced in the first place. The circular economy decouples economic activity from the consumption of finite resources and it tackles global challenges like climate change, biodiversity loss, waste, and pollution ([Ellen MacArthur Foundation](#)).

The circular economy is based on three principles, driven by design:

- Eliminate waste and pollution
- Circulate products and materials
- Regenerate nature

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



**Packaging should not contribute to waste, pollution, climate change and biodiversity loss**

## Goal explanation

By focusing on the sustainable use of materials and packaging design, LC Packaging is determined to contribute to the circular economy. We have decided to connect our turnover and growth ambitions to the circularity of our packaging portfolio and services.

Based on internationally accepted standards and guidelines, we have defined circular packaging as follows: Packaging made out of **renewable materials** or **recycled content materials**, that is **reusable** if possible, and **100% recyclable** (preferably closed-loop) or **compostable**.

By 2030, we aim for at least **80%** of our turnover to come from packaging that delivers the circular economy. While we would like to aim for 100%, some packaging applications in food, chemical and hazardous products remain subject to legal regulations regarding reuse and recycling.

LC Packaging is also a member of the **Plastic Pact Netherlands** and is committed to the Plastic Pact goals for 2025.

By making our packaging deliver the circular economy, we automatically reduce the greenhouse gas emissions related to our products.

**Read more** about our ambition to reduce our value chain emissions by **50%** by 2030.

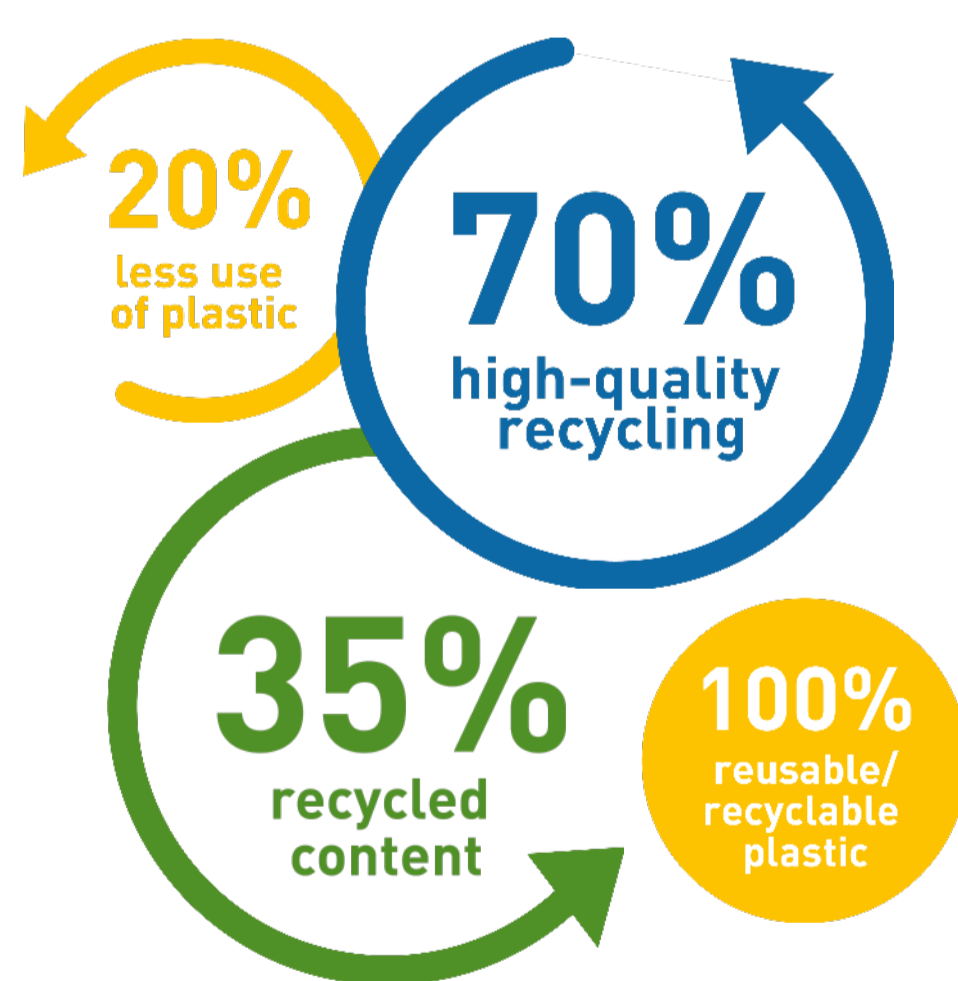


Figure: 2025 Targets Plastic Pact Netherlands



“Circular packaging is made out of renewable materials or recycled content materials, is reusable if possible, and 100% recyclable (preferably closed-loop) or compostable.”

## Scope and approach

LC Packaging's **portfolio** includes cardboard packaging and paper bags, jute bags, and plastic packaging: FIBCs (big bags), woven PP bags and net bags. Today only a small percentage of our turnover comes from 'circular' packaging. Together with the **Netherlands Institute for Sustainable Packaging** (KIDV), we have analysed the sustainability of our packaging portfolio and defined necessary steps to achieve our 2030 goal.

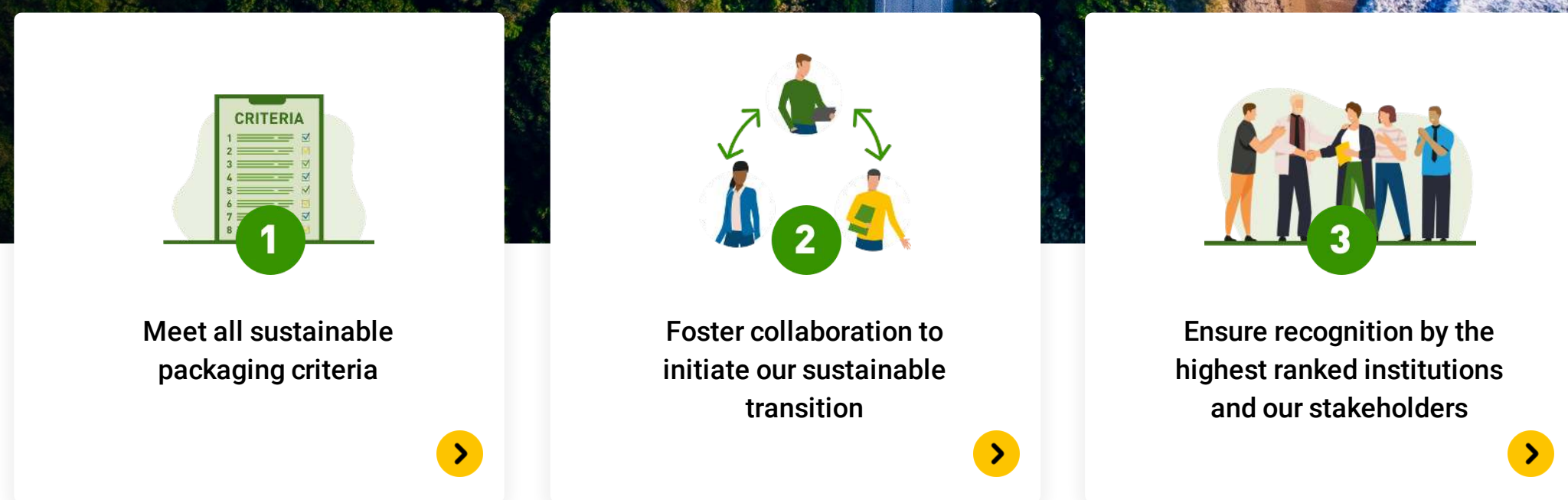
In addition to strengthening our in-house R&D capacity, we recognise that a circular economy can only be delivered in partnership: we continue to work closely with our partners in circularity, such as Veolia, Starlinger and Healix, foster collaboration with circular initiatives and industry organisations, and join local and international lobby initiatives to accelerate the move to a circular economy.

Our goal to make our packaging circular by 2030, touches upon 6 out of 8 **Sustainable Packaging criteria**.

# Our approach

## A three-step plan to achieve our goals

We believe we can achieve our 2030 goals, become a leader in sustainable packaging, and contribute to a world without waste for future generations to enjoy through a three-part approach.



## 1 Meet all sustainable packaging criteria

Truly sustainable packaging has to meet several social, environmental and economic criteria. Back in 2011, the **Sustainable Packaging Coalition (SPC)** identified 8 sustainable packaging criteria:



By setting our three ambitious goals for 2030, we believe we can meet all sustainable packaging criteria. As visualised in the image below: we touch upon 6 out of 8 criteria by making our packaging portfolio deliver the **circular economy**.

We touch upon 7 out of 8 criteria by reducing the **emissions** in our value chain in line with a 1.5°C pathway. And finally, by ensuring that our colleagues and the employees of our production partners earn at least a **living wage**, we increase the social value of our packaging.



## 2 Foster collaboration to initiate our sustainable transition

Alone we can do so little, together we can do so much. To realise our 2030 Ambition, we foster collaboration in our workplace and continue to build on our long-term relationships with our production partners.

We start new **partnerships** and deepen existing ones and continue to join leading platforms and initiatives, such

as the United Nations Global Compact, EcoVadis, Sedex, Science Based Targets initiative, Plastic Pact Netherlands and WEPs.

And we join lobby initiatives to accelerate the move to a circular economy, mandatory climate action, and legislation for fair minimum wages (living wage).



## 3 Ensure recognition by the highest ranked institutions and our stakeholders

LC Packaging has an ambitious sustainability agenda and we aim to prove and justify our achievements. Annually, LC Packaging reports extensively and transparently according to the Global Reporting Initiative (GRI) standards. Our emission reduction will be validated annually by the SBTi and we make sure we certify our products and operations according to leading international social and environmental standards, such as our SA 8000, ISO 45001, ISO 14001 and FSC certificates.

Additionally, our goal is to maintain our **EcoVadis platinum medal** and remain in the top 1% of all companies assessed in our industry and in the world.

And finally, we feel that we are only a leader in sustainable packaging when we are a leader in the eyes of our colleagues and our customers.

