

2024

Sustainability REPORT

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Welcome

Highlights of 2024

>> *Another year of securing the Ecovadis Gold status*

Dear Stakeholders,

As a leading developer of industrial packaging solutions, we distinguish ourselves through a strong commitment to innovation, superior quality, and a profound responsibility for the environment.

We cordially invite you to explore the outcomes of Masterpack Group's efforts in reducing our environmental impact, implementing circular economy principles, and our active engagement with the communities in which we operate.

This report contains detailed information on the following crucial topics, covering the period between 1 January 2024 and 31 December 2024:

- climate change,
- the management of water,
- waste reduction,
- Sustainable energy,
- Renewable and recyclable material use,
- labor and human rights including health and safety in the workplace and opportunities for employee career development,
- Work ethics within our organization and in the relationships with our key production partners.

The report covers all entities that fall under Masterpack Group: when we talk about Masterpack Group* this includes our key partners, whereas when we talk about Masterpack HQ it concerns our head office in the Netherlands.

We thank you for your interest and the opportunity to share this journey with us. Looking ahead, we strive to lead by example, ensuring that sustainability goes hand in hand with innovation and profitability. I would also like to express my sincere gratitude to all our stakeholders, partners, and everyone worldwide who supports us in this endeavor. Only through joint efforts can we achieve real improvement and create a significant impact.

Yours sincerely,
Tim de Winter

* Masterpack Group includes all key production partners: Thai Masterpack, Well-knit Yixing, Mono Bag Mills Ltd, and Paragon Plastics. When referred to Masterpack, the production facilities are not included.



About Us

We're Masterpack Group BV, a global leader in specialized industrial packaging, with nearly a century of expertise.

From our Dutch roots, we've grown into a worldwide developer and manufacturer of high-end packaging solutions for bulk materials, serving diverse sectors like food, pharmaceuticals, chemicals, and mining.

"Global leader in specialized industrial packaging."

Our product range: Precision-Engineered for your needs

Our core expertise lies in Flexible Intermediate Bulk Containers (FIBCs) – often called "Big Bags" or "super sacks." These aren't just bags; they're precisely engineered solutions designed to store, transport, and protect everything from delicate powders to hazardous materials safely and efficiently.

We focus on customized solutions, not one-size-fits-all. Our offerings include:

- **High-End FIBCs:** Featuring innovations like PowerQube® for form stability and PowerTube® pre-shaped liners, our FIBCs are designed for maximum hygiene and efficiency.
- **Specialized Liners:** Crucial for product integrity, our custom-made liners provide essential barriers against oxygen, moisture, and contamination. We use advanced materials like aluminum, EVOH, and PA, offering properties such as anti-static, conductive, or chemical resistance.
- **Modified Atmosphere Packaging (MAP) for FIBCs:** A true game-changer, our MAP technology precisely controls the internal atmosphere (oxygen, nitrogen, CO₂) within the bulk bag. This extends shelf life, prevents pest development, inhibits microbial growth, and protects product quality, taste, and nutritional value naturally.

With in-house production facilities, including certified clean rooms, and a global footprint across Thailand, Bangladesh, and China, along with an R&D center in the Netherlands, we deliver tailored solutions worldwide.





About Us

Our commitment to sustainability

***Sustainability is at the heart of everything we do.
We're actively working towards a more circular economy.***



Recycled Content

We now offer FIBCs containing 30% post-consumer regranulate, sourced from trusted partners, with ambitions to incorporate even more recycled content and eventually our own recycled bags back into production.



Waste Reduction

Our unique liner production process minimizes waste by precisely fabricating PE films to size, significantly reducing material consumption compared to traditional methods.



Preventing Waste with MAP

Our MAP technology directly combats food waste by extending product shelf life, benefiting both the environment and logistics.



Renewable Energy & Efficiency

Our headquarters and warehouse are powered by solar panels, supporting electric forklifts and reducing our carbon footprint. We're continuously striving for greater energy efficiency.



Certified Responsible Practices

We hold numerous certifications (ISO, BRC, AIB, GMP, HACCP, HALAL, SEDEX) and have achieved EcoVadis Gold status for our top-tier sustainability performance. We also prioritize the well-being of our employees and their communities globally.

Our dedication to sustainable packaging is amplified by our sister company, Somsix BV. Somsix specializes in applying and monitoring Modified Atmosphere for FIBCs, providing solutions to conserve products sustainably and extend their shelf life for over two years. They enhance our MAP capabilities with wireless sensors to monitor bag content without direct contact and equipment that can reduce oxygen levels in Big Bags to below 1% within minutes.

Somsix custom-sized, high-quality liners and the patented Somsix Blue MA valve facilitate effortless attachment of the Modified Atmosphere Equipment, while their patented orange MA Sensor monitors oxygen, temperature, and humidity. In 2022, Somsix won the 'De Gouden Noot' award for its sustainable Modified Atmosphere Technology, underscoring our shared commitment to innovation and a better, more sustainable future for packaging.

Together, Masterpack Group and Somsix are dedicated to providing comprehensive, innovative, and sustainable packaging solutions that protect your products and our planet.

About Us General

In the dynamic heart of Enschede, where innovation and entrepreneurship are entangled, beats the central nervous system of Masterpack Group.



From our headquarters, where a team of thirty dedicated professionals sets the strategic direction, we conduct a global orchestra of operations. Two vital offices form the creative and administrative hub, while right next door, our generously sized warehouse functions like a well-oiled machine, where the fruits of our labor are meticulously managed and prepared for their journey to customers across the globe. Our commitment to quality and efficiency is further strengthened by a close, almost symbiotic collaboration with four state-of-the-art production facilities, where an impressive team of 2532 employees worldwide bring our ambitions to life.

These partnerships, forged through years of shared vision and expertise, enable us to realize a diverse portfolio of no less than 15 different types of products that consistently exceed the expectations of our clients. But our horizon extends far beyond national borders. Like true ambassadors of our innovations, our dedicated sales representatives spread out across the globe. Their passion and expertise bring Masterpack Group's solutions to as many as forty-five different countries and build lasting relationships with partners worldwide.

Our head office in Enschede manages the global supply chain from production up to worldwide distribution to our high demanding customers in a sustainable manner. We are using UN Global Compact as a guidance, supporting sustainable development goals and using GRI guidelines as a reporting standard. We are proud have obtained Ecovadis Gold status for several years in a row.

Masterpack offers

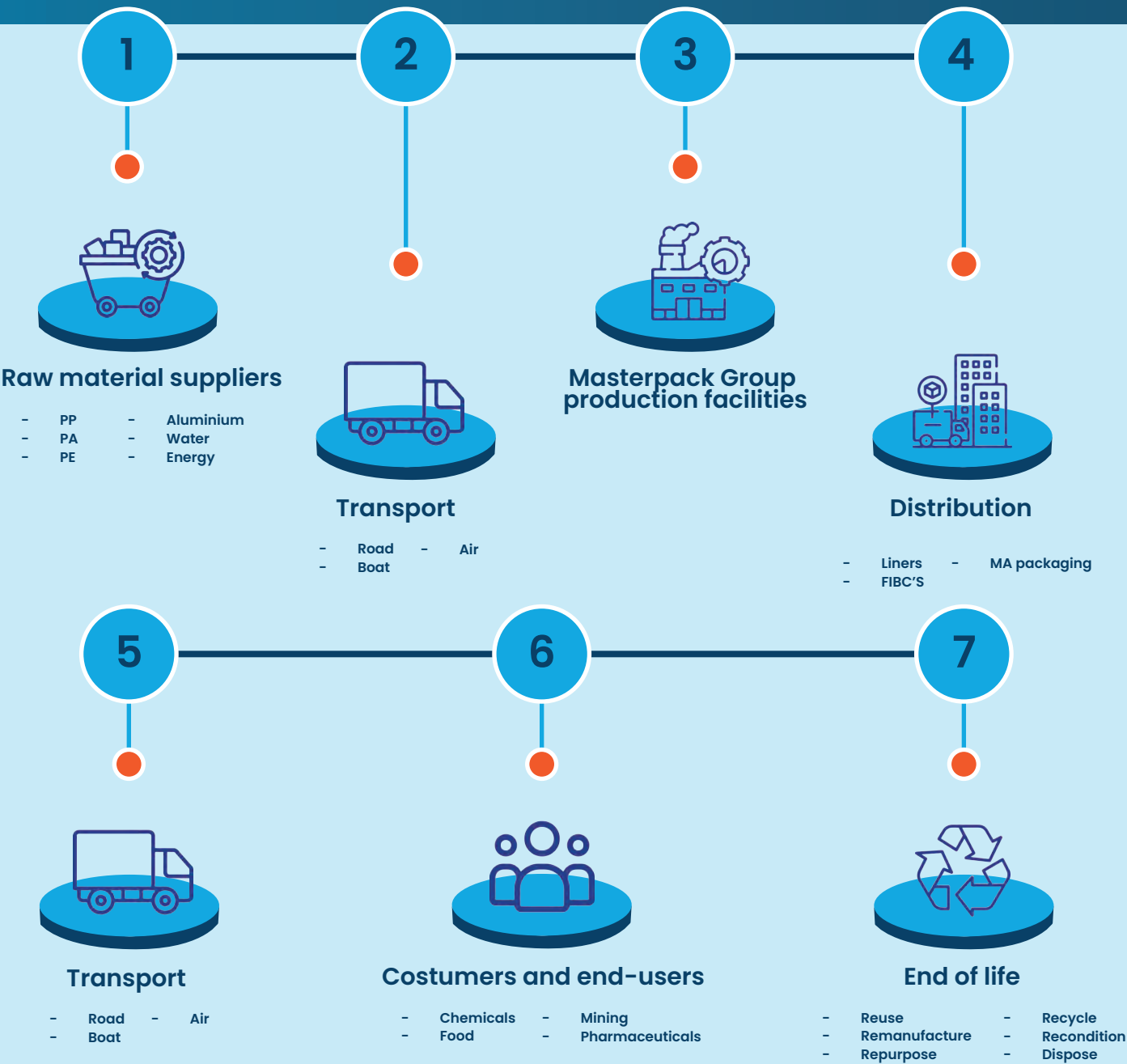
- FIBC
- Modified Atmosphere packaging
- Liners
- Product monitoring sensor for content waste prevention

About Us

Value Chain

Masterpack Group is a distributor and producer of Flexible Intermediate Bulk Containers (FIBCs) and serves customers involved in the production or distribution of bulk goods across four distinct industries.

Our value chain encompasses several partners, as depicted in the graph below.



About Us

Materiality

In 2023, Masterpack conducted its first materiality assessment in collaboration with Nexio Projects. This assessment started with desktop research, drawing upon analysis of market trends, competitors, industry regulations, our value chain, as well as benchmarks and industry materiality maps from Ecovadis, SASB, and MSCI relevant to the industries served by Masterpack.

This served as the basis for the initial long list of potential material topics as mentioned below.

Environment	Labour & Human Rights
Product Quality & Safety	Product Quality & Safety
Air Quality	Air Quality
Waste Management	Waste Management
Water & Wastewater Management	Water & Wastewater Management
Materials Management	Materials Management
Energy Consumption: Production facilities	Energy Consumption: Production facilities
Lifestyle Management & Circularity	
GHG Emissions	
Energy Consumption: Offices & Warehouses	
Product Quality & Safety	
Sustainable Procurement	Ethics & Information Security
Supplier Environmental Practices	Responsible Selling Practices
Supplier Social Practices	Information Security & Data Privacy
Material Sourcing	Corruption, Fraud, Bribery

This initial list was then refined through interviews with Masterpack’s customers, suppliers, and internal teams, and a works hop with Masterpack’s leadership team to discuss and prioritize the topics.

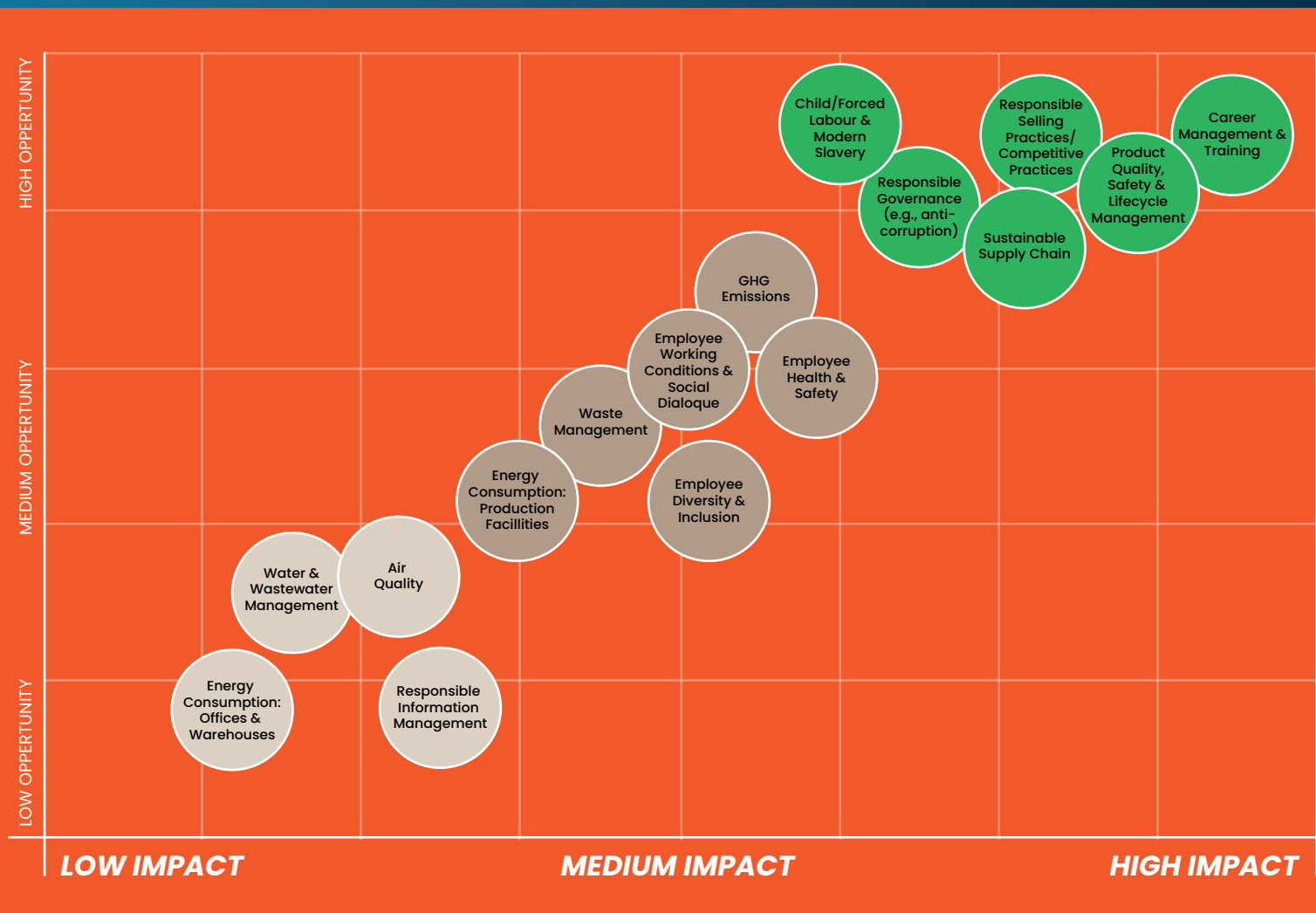
These inputs led to the final material map as shown on the next page.

The top 6 material topics are the following:

- Child/Forced Labour & Modern Slavery
- Responsible Governance
- Sustainable Supply Chain
- Responsible Selling & Competitive Practices
- Product Quality, Safety & Lifecycle Management
- Career Management & Training

In 2024, we continued using this materiality analysis to define our priorities.

We aim to repeat and improve our materiality assessment process in the coming years.



About Us

Stakeholder engagement

To inform the materiality assessment with external perspectives, Masterpack conducted a focused stakeholder engagement process involving key actors from its value chain. This included qualitative interviews with selected customers and suppliers, aimed at understanding their expectations, sustainability challenges, and collaboration opportunities.

“Stakeholders were selected based on their strategic relevance to Masterpack’s operations, including high-profile clients with strong sustainability agendas and suppliers located in key production regions.”

Each interview explored the stakeholder’s sustainability priorities, perceptions of Masterpack’s performance, and potential areas for joint improvement. These conversations covered topics such as circularity, emissions transparency, supplier responsibility, innovation, and regulatory readiness.

The insights gathered were synthesized into value chain-specific challenges and opportunity areas, which were then used to inform both the long list of potential material topics and the prioritization discussions held during the internal Focus Setting Workshop.

This approach ensured that the materiality process was grounded in the real-world expectations and concerns of Masterpack’s most influential external partners.





About Us

Sustainability Strategy

As Masterpack Group we are dedicated to operating and developing business in a sustainable and responsible manner, while also adding value to people's lives. In line with this commitment, we have established three key focal points for our sustainability strategy:



Reducing emissions

Masterpack strives to reduce her emissions by, for example, implementing energy efficient technologies and adapting renewable energy sources, waste reduction, waste recycling (implemented postindustrial recycling), more use of electric vehicles and reducing flying miles by means of increased use of video conferencing.



Adoption of the circular economy

Masterpack is in transition to a more circular model on a continual basis. It has to date implemented reduction of waste generation and execution of postindustrial recycling of internal waste and cut offs. Within this target lies the specific goal to further implementation of FIBC's containing recycled material.

The first two containers with FIBC's containing 30% recycled content whilst remaining compliant to food contact requirements have been delivered. Further use of recycled material is being developed. Our Thai production unit is building a production line suitable for adding recycled materials in the extrusion process. This line is scheduled to be in production in 2026.



Social responsibility and employee well-being

Masterpack prioritizes social responsibility and employee well-being by implementing programs and initiatives including regular health check-ups, a safe work environment and the promotion of education.



Our objectives for 2025/26 are

Measurement of our product carbon footprint using Pickler; Reduction of our carbon footprint per kg of at least 5%, Enabling more customers to use the product monitoring sensor for waste prevention enabling the end user to reduce the waste % as result of degradation. This contributes to our scope 3 emissions and continuously improves our footprint in general.



Carbon footprint scopes

Checking if with Pickler we can measure all scopes (1,2 and 3) for our products, logistics, warehousing, energy usage. Understanding on our full carbon footprint. Before searching for alternatives and reducing our (relative) carbon footprint.



About Us

Sustainable Development Goals

By pursuing our sustainability strategy, we address fifteen of the 17 United Nations Sustainable Development Goals (SDG's).



We logically focus our efforts on the SDGs on which Masterpack Group's activities have a direct impact, either because they relate to our mission, to our products or our industry. We committed on these SDGs with a moderate impact based on our material sustainability topics and the major initiatives we supported in the last years.

Major focus on:

SDG2. Zero Hunger. By 2030, Masterpack Group will actively contribute to achieving food security by implementing sustainable practices and supporting initiatives that positively impact the lives of 1.5 million people, ensuring access to nutritious and sufficient food within the regions where we operate.

- Masterpack Group will partner with local organizations and NGOs to provide nutrition for at least 1.5 million vulnerable individuals, promoting healthy eating habits and addressing malnutrition in the communities where we operate.
- Our goals are to reduce food waste across the supply chain by at least 25%, implementing efficient storage, transportation, and distribution.

SDG3. Good Health and Well-being. Masterpack Group is committed to actively contribute to good health and well-being to improve the physical and mental well-being of all its employees by 2030.

- Masterpack Group will implement regular health awareness workshops for all employees, covering topics such as preventive healthcare, nutrition, and mental health. Our goal is to have 100% of employees participate in these programs at least once a year.
- We strive that all employees have access to quality healthcare services, including regular health check-ups and vaccinations. Our target is to have at least 95% of employees receive essential health services annually. We measure this by the amount of employee health checks at production facilities compared to the total employee count by that facility.
- Masterpack Group will implement comprehensive workplace safety protocols to reduce the number of work-related injuries and accidents. Our goal is to achieve a 20% reduction in the number of workplace accidents by 2030.
- By conducting an annual employee satisfaction survey to assess job satisfaction, work-life balance, and overall well-being we measure the employee well-being. We aim to achieve an average satisfaction rating of at least eight out of ten from our employees in these surveys.

SDG4. Quality education. By the end of 2030, Masterpack Group aims to actively support educational initiatives that enhance access to quality education for at least five thousand people in the communities where we operate.

- Masterpack Group will establish and fund educational support programs, such as scholarships, school infrastructure development, and learning materials provision, benefiting at least 15,000 children from disadvantaged backgrounds.
- Masterpack will offer diverse training programs to employees to enhance their professional skills. Our aim is to have at least 80% of all employees participate in such a program.

SDG8. Decent work and Economic Growth. Masterpack Group is committed to actively promote decent work and economic growth. The organization will implement initiatives that enhance the well-being and economic opportunities for its employees and the communities in which it operates.

- Masterpack Group will regularly assess and track employee satisfaction and well-being through surveys and feedback mechanisms. Our goal is to achieve an average employee satisfaction rating of at least eight out of ten by 2030.
- We will implement comprehensive occupational health and safety programs to create a safe and healthy work environment for all employees. Our target is to achieve less than 35 work-related injuries and accidents per year by 2030.
- We will invest in employee skill development and training programs to enhance their capabilities and career prospects. Our aim is to have at least 80% of employees participate in annual training sessions.
- Masterpack Group will assess and align her salary structures to ensure that all employees receive a living wage, enabling them to meet their basic needs. Our goal is to achieve 100% compliance with living wage standards by 2030.
- Masterpack Group will promote responsible sourcing practices and ensure that our suppliers adhere to ethical labor standards. We aim to have up to a 100% of our suppliers meet internationally recognized labor and human rights standards.
- We will actively promote diversity and inclusion within the workforce, ensuring equal opportunities for all employees regardless of gender, race, ethnicity, or background. Our target is to achieve a diverse workforce, with a 50% increase in the diversity

SDG12. Responsible consumption and production. Masterpack Group aims to actively contribute to responsible production and consumption. Among others we will implement sustainable production practices and promote responsible consumption among employees.

- Masterpack Group will prioritize sourcing raw materials and components from suppliers who adhere to responsible and sustainable production practices. Our goal is to ensure that at least 75% of our suppliers meet internationally recognized sustainability standards by 2030.
- We will implement energy-saving measures and utilize renewable energy sources in our manufacturing processes. Our aim is to achieve a 20% reduction in energy consumption by 2030.
- Masterpack Group will implement waste reduction and recycling programs to minimize waste generation in our operations. Our goal is to achieve a recycling rate of at least 35% in 2030.
- Conducting a product lifecycle assessment to identify opportunities for improvements in the environmental impact of our products. We aim to make data-driven decisions to enhance sustainability throughout the products lifecycle.
- We will provide training and awareness programs for our employees to promote responsible consumption practices both at work and in their personal lives. Our target is to have at least 90% of employees participating in these programs.

SDG13 Climate Action. Masterpack Group aims to actively contribute to climate action by reducing our carbon footprint and promoting climate-resilient practices within our operations by 2030.

- Masterpack Group will conduct an initial greenhouse gas emission assessment and set a baseline. Our goal is to achieve a 42% reduction in emissions, compared to this baseline.
- We will increase our use of renewable energy sources, such as solar and hydroelectric power. Our target is to ensure that at least 75% of our total energy consumption comes from renewable
- By implementing energy-saving measures at our facilities we will reduce overall energy consumption. Our aim is to achieve a 20% reduction in energy use by 2030.
- We will implement waste reduction and recycling programs to minimize waste generation in our operations. Our target is to achieve a recycling rate of at least 35% by 2030.

- Masterpack Group will engage with our suppliers to promote climate-resilient practices and encourage them to adopt sustainable approaches. Our goal is to have at least 75% of our suppliers committed to climate action by 2030.
- We will provide training and awareness programs for our employees to promote climate-conscious practices both at work and in their personal lives. Our target is to have at least 90% of employees participating in these programs.

About Us

Our commitment to sustainability

Annually, Masterpack completes the Ecovadis assessment, which assesses companies on labor & human rights, environmental practices, ethical standards, and sustainable procurement.

In 2023, Masterpack achieved a gold medal for the second consecutive year. In 2024 we managed to improve our score with 1,3%.

We conduct this assessment as a group, involving our key production partners. We passionately believe that our sustainability ambition is a collaborative endeavor, requiring the active participation and commitment of everyone involved.

Our supply base is SMETA 4 Pillar assessed and approved as a standard.

We aim for platinum Ecovadis level in 2026.



Scorecard

Publication date: 27 Aug 2024 Valid until: 27 Aug 2025



About Us

Governance

Governance provides a framework for transparency, accountability, and ethical decision-making.



By embracing the principles of good governance, Masterpack reinforces its commitment to sustainability, integrity, and long-term value creation, thereby laying the foundation for continued growth and positive impact.

✔ Masterpackgroup BV is a Dutch entity that develops and sells FIBC solutions including technical enhancements and overseas production in a number of production partners that are (partly) owned by Masterpackgroup or where a joint venture is established. All suppliers are controlled and audited by Masterpackgroup BV. The Dutch entity is governed by two statutory Directors, Tim and Michelle de Winter who are the 5th generation family owners of the company.

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✔ Sustainability is part of the top management functions who are entrusted with the responsibility of leading sustainability initiatives. Reporting directly to the Managing Director, the applicable functions collaborate closely with all departments within Masterpack, as well as key production partners. Sustainability is a fixed item on the weekly QESH agenda and thus embedded in the day-to-day operations overseeing Dutch and International operations.

✔ Our policies on sustainability topics were updated in 2023, broadening the scope to our value chain. Each objective is translated into specific targets and corresponding Key Performance Indicators (KPIs), enabling us to monitor progress effectively. These goals encompass both short-term and long-term objectives, providing a clear direction for our current efforts and our ambitions for the future.

✔ As a signatory to the UNGC maximally comply to the UN Global compact principles, GPRS & UN SDG's

Social

In our pursuit of sustainable business practices, we recognize the crucial role that our employees play in shaping a responsible and ethical corporate landscape. We remain dedicated to an inclusive, diverse, and equitable workplace. The following section includes progress on our efforts regarding social factors.

For our social accountability we use the SMETA (SEDEX Members Ethical Trade Audit) 4-pillar framework, which emphasizes a comprehensive approach to ethical and responsible business practices within supply chains. SMETA is a widely recognized audit methodology developed by SEDEX, a global membership organization, to promote transparency and improvement in working conditions and environmental performance.

The 4 pillars of SMETA provide a robust framework for assessing a company's commitment to social accountability:

- 1 Labor Standards: This pillar focuses on ensuring fair and ethical treatment of workers. It covers critical aspects such as:**
 - **Freely Chosen Employment:** Prohibiting forced, bonded, or involuntary labor.
 - **Freedom of Association and the Right to Collective Bargaining:** Respecting workers' rights to form and join trade unions.
 - **Child Labor:** Strict prohibition of child labor in accordance with international and local laws.
 - **Wages and Benefits:** Ensuring workers receive at least the minimum wage and are provided
 - **Working Hours:** Adherence to legal limits on working hours and overtime.
 - **Non-Discrimination:** Promoting equal opportunities and treatment regardless of race, gender, religion, etc.
 - **Regular Employment:** Aiming for stable employment relationships rather than precarious work.
 - **No Harsh or Inhumane Treatment:** Prohibiting any form of abuse, harassment, or disciplinary action that is cruel or unusual.

- 2 Health and Safety: This pillar assesses the measures in place to provide a safe and hygienic working environment. Key areas include:**

- **Workplace Safety:** Identifying and mitigating hazards to prevent accidents and injuries.
- **Emergency Preparedness:** Having clear procedures for emergencies, including fire safety, first aid, and evacuation plans.
- **Sanitation and Hygiene:** Ensuring access to clean facilities, potable water, and adequate sanitation.
- **Occupational Health:** Providing necessary medical support and promoting overall worker well-being.

3 Environment (Extended Assessment)*: This pillar goes beyond basic compliance and examines a company's environmental management practices in detail. It includes:

- **Environmental Management Systems:** Assessing policies and procedures for managing
- **Waste Management:** Proper handling, reduction, and disposal of waste.
- **Energy Use and Greenhouse Gas Emissions:** Monitoring and efforts to reduce energy consumption and emissions.
- **Water Usage:** Responsible water management and conservation.
- **Compliance with Environmental Laws:** Adherence to all relevant local and national

4 Business Ethics*: This pillar assesses the integrity of a company's business practices. It covers:

- **Anti-Corruption and Bribery:** Policies and procedures to prevent corruption and bribery.
- **Responsible Sourcing:** Ensuring ethical considerations in the sourcing of materials and services.
- **Transparency and Integrity:** Promoting honest and transparent business dealings.
- **Grievance Mechanisms:** Providing channels for workers and stakeholders to raise concerns without fear of retaliation.

In essence, the SMETA 4-pillar audit provides a holistic view on our company's social accountability, helping our business identify risks, drive continuous improvements, and demonstrate our commitment to ethical and sustainable practices throughout our global supply chains.

* Environmental and Ethics pillars will be discussed in more details in the respective sections of this report.

Social
General

In 2023 the workforce composition of Masterpack was researched for the first time. It shows data on the gender diversity within our workforce, taking a closer look at the percentage of female employees relative to the total workforce.



Understanding gender representation is crucial for promoting inclusivity and ensuring equal opportunities within our organization.

In **2024**, our team at Masterpack headquarters decreased slightly due to economic circumstances as well as people leaving to pursue other opportunities. Our international workforce increased however with 13.8% compared to 2023. We are an inclusive company where the percentage of female employees is more than 50% of the workforce.

Total # of employees	2022	2023	2024
Number of hires		229	251
Total number of employees	2195	2251	2562
% of female employees	61%	50%	52%

% of employees per age group	All employees			Female employees		
	2022	2023	2024	2022	2023	2024
<25		18%	26%			25%
25-55		55%	64%			62%
>55		27%	9%			13%

*Only for 2024 we have included the % percentage of female employees per age group. Now onwards we will include this in our basic information.

% of employees per department (NL)	% of total employees		% Female	
	2023	2024	2023	2024
Management		2%		2%
Sales		2%		1%
Support		3%		5%
Logistics		3%		2%
Production		89%		90%
Other		2%		1%

✔ **Management** at Masterpack consists of two managing directors, one male and one female, who led the management team consisting of sales and operations managers. Masterpack group in the Netherlands manage the supply chain.

✔ **Sales** includes roles related to selling products or services and maintaining customer relationships.

✔ **Support** includes roles focused on aiding with customers or general administrative support.

✔ **Logistics** includes roles related to managing and executing logistical activities, such as coordination, transportation, and warehouse management.

✔ **Production** includes roles related to production processes, operations, and the execution of operational tasks.

✔ **Other** includes roles that do not directly fit into any of the above categories, such as financial roles and marketing.

Social

Labor conditions & human rights

The promotion and protection of labor and human rights are essential pillars of society. As we navigate the complex landscape of international operations, it's essential to uphold ethical principles.

The International Labor Organization conventions serve as a guide, setting standards and advocating for the rights of workers worldwide. As per UNGC we have zero tolerance against any form of modern slavery including child labor, forced labor or human trafficking.

We have implemented SMETA 4 pillar 3rd party auditing in all our production facilities to ensure that we have all possible measurement in place to comply with labor conditions & human rights. Our current report is positive and are available through the SEDEX portal.

The data below provides an overview of Masterpack Group's current landscape regarding labor and human rights. We strive to create awareness and understanding of the importance of upholding labor standards and promoting social justice. By working with our key production partners, we work towards a work environment that prioritizes the well-being and rights of every individual.

Human rights	2022	2023	2024
# of reported incidents on child or forced labour	0	0	0
# of reported incidents of discrimination	0	0	0
% of key production partners subjected to a human rights risk assessment	60%	100%	100%
% of Masterpack Group's key production partners engaged in Sedex membership	100%	100%	100%

Labour	2022	2023	2024
% of employees given special remuneration for worked overtime	0	0	0
% of employees receiving paid annual vacation	0	0	0
% of employees receiving 24 hours rest within a time frame of 7 consecutive days	60%	100%	100%
% of employees that have the right to freedom of association and collective bargaining	100%	100%	100%
% of Masterpack Group's production facilities included in the Ecodavis assessment	100%	100%	100%
% of Masterpack Group's production facilities participating in Sedex Membership	100%	100%	100%

This summary outlines the commendable practices and areas of compliance observed in the working conditions across the audited manufacturing facilities. The assessment focuses on aspects such as employee voice, compensation, working hours, and fundamental human rights, demonstrating a foundational commitment to ethical labor practices.



Employee Voice and Engagement

Across all four audited facilities, a consistently positive and favorable attitude among employees towards their workplace was observed. Workers generally expressed satisfaction with their employment, wages, and the respectful treatment received from supervisors and management. They reported feeling comfortable and empowered to offer suggestions and communicate complaints directly to their supervisors or through established channels.

All facilities have implemented various mechanisms to facilitate two-way communication and grievance reporting. These include transparent systems for confidential reporting of human rights impacts, ensuring that employees can raise concerns without fear of reprisal.

Common channels provided are suggestion boxes, confidential email systems, and direct communication with management or designated compliance officers. In some cases, the progress of grievance resolution is communicated back to employees, either directly or through public address systems and notice boards for anonymous complaints.



Compensation and Benefits

The audited facilities generally demonstrate strong adherence to local minimum wage requirements, with some even exceeding these standards. For instance, YIXING WELLKNIT CONTAINER BAG CO LTD pays all its workers above the local legal minimum wage. Similarly, Monobag Mills Limited and Paragon Plastics Ltd. ensure their lowest-grade workers receive the stipulated minimum wage, with a significant portion of their workforces earning above this threshold. Thai Master Pack Co.Ltd also confirms that 77% of its workforce earns the legal minimum wage, with the remaining 23% earning more.

A consistent positive practice across all facilities is the voluntary nature of overtime work, which is compensated at premium rates. These rates often meet or exceed local legal requirements, with payments ranging from 150% to 300% of the normal wage rate for various overtime scenarios (weekday, weekend, statutory holidays). Workers are provided with clear and understandable pay slips detailing their wages and deductions.

Beyond basic wages, several facilities offer additional benefits. YIXING WELLKNIT provides a "full-time bonus scheme". Monobag Mills Limited offers an attendance bonus and an Eid Bonus twice a year. Thai Master Pack Co.Ltd stands out with a comprehensive suite of benefits, including annual and attendance bonuses, skill allowances, free cooked rice, New Year parties, education scholarships, outings, shift allowances, and incentive programs.

This facility also has robust social security contributions from both employer and employee, covering pension, unemployment, maternity, sickness, and injury benefits. Paid annual leave and statutory holidays are provided in accordance with local legal requirements across most sites.



Working Hours and Rest Periods

All audited facilities generally comply with local legal standards for standard working hours. For example, YIXING WELLKNIT CONTAINER BAG CO LTD and Thai Master Pack Co.Ltd maintain standard working hours of 8 hours per day and 40-48 hours per week, respectively. Monobag Mills Limited and Paragon Plastics Ltd. also align their standard working hours with legal maximums.

Crucially, the total hours worked, including overtime, generally do not exceed 60 hours in any 7-day period in YIXING WELLKNIT CONTAINER BAG CO LTD and Paragon Plastics Ltd., demonstrating adherence to international ethical standards in this regard. All facilities consistently report that overtime is voluntary, and workers are provided with at least one day off in every 7-day period, ensuring regular rest days.



Worker Representation and Collective Bargaining

While the presence of independent trade unions varies based on local legal frameworks, all facilities have some form of worker representation. YIXING WELLKNIT CONTAINER BAG CO LTD and Thai Master Pack Co.Ltd have established worker committees (worker committee and Welfare Committee, respectively) where representatives are democratically elected by the workers. These committees serve as a channel for employee concerns and facilitate communication with management. Workers are generally aware of their representatives and feel comfortable raising issues with them.



Freely Chosen Employment

All audited facilities demonstrate strong adherence to the principles of freely chosen employment. There is no evidence of forced, bonded, or involuntary prison labor across any of the sites. Workers are free to leave their employment after providing reasonable notice, and original identity documents are not retained by employers; only copies are kept for personnel files. Furthermore, there are no restrictions on workers' freedom to leave the site after their shifts conclude.



Non-Discrimination Practices

A consistent and positive finding across all facilities is the absence of discriminatory practices in hiring, compensation, access to training, promotion, or termination. Policies are in place to prevent discrimination based on factors such as gender, age, religion, race, marital status, and other personal characteristics. Female and male workers are reported to receive the same pay and working conditions, and promotions are based on ability and skill. No instances of sexual harassment were identified during the audits.



Freedom from Harsh or Inhumane Treatment

All audited facilities consistently demonstrate a high level of compliance with the prohibition of harsh or inhumane treatment. There was no evidence of mental or physical coercion, nor were there any reports of sexual harassment or other forms of intimidation. Workers interviewed confirmed that they had never witnessed any instances of physical abuse, sexual or verbal harassment, or intimidation within the factories. Facilities maintain legal disciplinary procedures that are communicated to all employees, reinforcing a respectful and dignified work environment.

Social

Health & Safety

Our products are for a large part man made and our factories require skilled and motivated employees in order to be able to provide high quality products to our customers.

The wellbeing of our staff is therefore the key factor for success. We are committed to providing a safe and healthy work environment across all facets of our operations. To uphold this commitment, we have established health and safety protocols to mitigate risks.

H&S Emergency Action Plan

- Facilities have implemented emergency lighting, exit signs (though some areas may need more), and fire extinguishers. Some sites are equipped with PA systems for emergency announcements, indicating a commitment to clear communication during critical events.

Trainings

- Training is actively provided to relevant personnel, particularly on business ethics issues. There is also evidence of orientation training to communicate the Social Responsibility Policy to employees. These initiatives aim to ensure that staff are aware of company policies and ethical guidelines.

Complaints/Whistleblower Procedure on H&S Topics

- Established channels for worker complaints are in place, including direct communication with management and the use of anonymous suggestion/complaint boxes. Management is expected to communicate grievance review progress, fostering an environment where workers can raise concerns.

Audits

- The very existence and conduct of these SMETA audits (which assess compliance against the ETI Base Code, SMETA Additions, and local laws) demonstrate a robust, implemented system for evaluating Health & Safety, Labour Standards, Environment, and Business Ethics. The process includes records review, worker and management interviews, and visual observation to identify areas for improvement.

Prevention Measures for RSI, Hazardous Substance Exposure, Noise, etc.

- Personal Protective Equipment (PPE) is supplied for all employees and that there is a focus on maintaining hygienic conditions and ensuring access to sufficient drinking water sources.

H&S Risk Assessments & Equipment Inspections

- The SMETA audits themselves serve as a form of risk assessment, identifying hazards and areas of non-compliance which then lead to corrective action plans. This systematic approach to identifying and addressing safety issues is an implemented action. While specific "equipment inspection programs" are not explicitly detailed as universally well-implemented, the audit process scrutinizes machine safety and

Health and safety	2022	2023	2024
% of employees in developing countries that received a health check up	100%	100%	100%
% of operational sites for which an employee health & safety risk assessment was conducted	100%	100%	100%
% of employees that are represented in worker health & safety committees	80%	100%	100%
Average hours of annual occupational health & safety training per employee			1.25
Total number of health & safety incidents	46	35	41
Days of sick leave due to injuries at Masterpack	0	0	0
Days of sick leave due to injuries at Masterpack Group	50	21	21
Lost time injury frequency rate for Masterpack Group	228.31	21980	232.00
Lost time injury severity rate for Masterpack Group	0,03	0,03	0.03

The lost time injury frequency rate was calculated by [total number of lost time injury events] x [1,000,000/total hours worked]

The lost time injury severity rate was calculated by [number of days lost due to injuries] x [1,000/total hours worked]

Health and Safety Highlights

While health and safety remains an area with ongoing challenges, several positive practices were noted. All facilities have general health and safety policies and procedures in place, which are communicated to workers. Potable water and clean, segregated toilet facilities are generally available in all areas.

Fire safety measures such as clearly marked exits, adequate firefighting equipment, and regular checks are implemented. Many facilities conduct regular health and safety training and maintain first aid kits with trained personnel. Chemical safety measures, including the availability of Material Safety Data Sheets (MSDS) and trained workers, are also in place.

In summary, the audited facilities have established a strong foundation of ethical working conditions, particularly in ensuring fair compensation, respecting fundamental human rights, and fostering open communication channels. These positive practices serve as a baseline for continuous improvement in their commitment to worker welfare.

Social

Career & Development

We are dedicated to empowering our employees to reach their full potential. We believe in providing the necessary resources and guidance to support their professional growth and development. Health, safety, and continuous growth of our employees enables our company to continuously improve.

Every employee at Masterpack undergoes at least one regular performance and career development review per year. Furthermore, we encourage an open dialogue between employees and management regarding their career aspirations and skills development. The satisfaction rating employees gave development opportunities in 2023 was a seven.

This increased to 7.3 in 2024. For 2025 we are looking into the further improvement of this grade and our career development program. A few workshops and programs we offer are Health awareness, professional skill enhancing program, diversity & inclusion training, climate-conscious training etc.

Career training and development	2022	2023	2024
% of employees undergoing regular performance and career development reviews	100%	100%	100%
% of employees with access to training opportunities	100%	100%	100%
Average amount of training hours per employee at Masterpack HQ	1.56	1.86	3.33
Average amount of training hours per employee at Masterpack Group			9.75
Satisfaction rating employees give development opportunities		7	7.3



Environment

In this section, we delve into the metrics and insights that shape our commitment to environmental management. From energy consumption to waste, we explore the progress made in our commitment to environmental responsibility and the conservation of resources.

Implemented Environmental and Chemical Management Practices

This summary highlights the measures and systems in place concerning pollution control and the management of materials and chemicals, demonstrating efforts to adhere to environmental standards and manage operational impacts.

Pollution Control Measures

Facilities have implemented various measures to manage and mitigate environmental pollution, including robust management systems, adherence to regulatory requirements, and monitoring of key environmental aspects.

- **Environmental Management Systems & Certifications:**

Facilities generally have established environmental policies and procedures that guide their operations and address environmental impacts. These policies are often communicated to employees and, in some cases, to suppliers. Designated managers are responsible for overseeing environmental issues and ensuring compliance. Some facilities hold recognized environmental certifications, such as ISO 14001, demonstrating a structured approach to environmental management. Environmental risk assessments are conducted to identify and control potential impacts.

- **Regulatory Compliance & Permits:**

Facilities typically demonstrate compliance with local and national environmental laws and possess the necessary permits for their operations, including those for groundwater extraction, waste disposal, and environmental clearance.

- **Air & Noise Monitoring:**

Some facilities actively monitor air emissions, boundary noise, and ambient air quality through third-party tests, with results generally reported to be within acceptable limits. Inspections of working environment conditions concerning noise, heat, and lighting are also conducted.

- **Water & Wastewater Management:**

Facilities monitor their water usage and manage wastewater discharge. This includes tracking water volume used and discharged and conducting regular wastewater testing. Some facilities also report on recycled water volumes.

- **Waste Management & Recycling:**

Procedures are in place for managing waste generated from operations, covering collection, storage, and removal. Designated waste storage areas are common. Facilities track total waste produced and, in some instances, record weights of recycled waste for continuous improvement targets. Annual waste disposal reports are submitted to relevant authorities.

- **Energy Consumption Monitoring:**

Facilities monitor their energy consumption (e.g., electricity usage) and, in some cases, set reduction targets to minimize costs and improve environmental performance. Records for energy consumption are maintained monthly.

- **Environmental Emergency Preparedness:**

Some facilities have established and tested emergency plans to mitigate environmental impacts in case of incidents, including specific training for chemical leakage scenarios.

Materials and Chemicals Management

Facilities have implemented measures for the safe handling, storage, and management of materials and chemicals used in their production processes.

- **Chemical Inventory & Documentation:** Facilities maintain documentation processes to record all chemicals used in the manufacturing process, including hazardous chemicals. Chemical registers and inventories are kept, and hazardous chemical lists and safety information reports are submitted to relevant departments annually.
- **Safe Handling & Training:** Workers in areas handling chemicals are trained on correct handling procedures and emergency protocols. Training on emergency plans for chemical leakage is also provided to employees.
- **Storage & Containment:** Material Safety Data Sheets (MSDS) are available for chemicals. Efforts are made to ensure proper labeling and, in some cases, secondary containment for chemical drums and containers.
- **Banned Substances & Client Requirements:** Facilities are aware of and strive to meet client requirements and legislation in destination countries regarding environmental and chemical issues, including adherence to banned substance lists. Some explicitly state that they do not use any banned chemicals and commit to minimizing the use of hazardous chemicals in their environmental policies.

Our future goal is to implement ISO 14001 or equivalent in all our production locations. To further materialize our sustainability goals.

Environment General

Environmental sustainability encompasses a broad spectrum of topics, each interconnected and crucial. In this section, we highlight the following topics: greenhouse gas emissions, energy management, water and waste management, product end-of-life and product responsibility.



The table below gives a brief summary of the most important data discussed.

In **2024**, the scope of emissions and energy management calculations was broadened to include our production locations. This expansion accounts for the significant increase in the reported data during this period as 2023 only our Masterpack HQ was taken into consideration.

Overview	Unit	2022*	2023*	2024	2024**
T of emissions (Co2e)	tons Co2e	8,54	7,88	8,25	8881,79
Mwh of renewable energy used	Mwh	64,45	80,15	74,16	7556,80
ML of water used within Masterpack Group	ML	26105,70	15820,80	669,88	
T of waste generated within Masterpack Group	tons	1919,16	1078,10	1985,00	

* Our purchased energy is green energy so figures 2022 and 2023 are now adjusted compared to last report

** From 2024 onwards, we added emissions of the whole group instead of only HQ

Environment

Greenhouse gas emissions

Masterpack monitors and evaluates its carbon footprint by measuring both Scope 1 and Scope 2 emissions. Scope 1 encompasses emissions stemming from sources directly owned or managed by the company, exemplified by the electricity generated through its solar panels. Meanwhile, Scope 2 emissions encompass those acquired or integrated into the company’s operations through external procurement.

In 2024, we started to enhance our proficiency and precision in measuring the scopes of emissions. We aim to attain a more comprehensive understanding of our impact.

Through our objective to increase the recycled content we will reduce our Scope 3 emissions drastically. Our future goal is to quantify the Co2 results also from scope 3.

Our future goal is to implement ISO 14001 or equivalent in all our production locations. To further materialize our sustainability goals.

Overview	Tons Co2e			
	2022*	2023*	2024	2024**
Total Co2 emissions	8,54	7,88	8,25	8881,79
Scope 1 emissions	8,54	7,88	8,25	96,50
Generated energy	0,00	0,00	0,00	0,00
Company owned vehicles	8,54	7,88	8,25	96,50
Scope 2 emissions	0,00	0,00	0,00	8785,29
Purchased energy	0,00	0,00	0,00	8785,29

* Our purchased energy is green energy so figures 2022 and 2023 are now adjusted compared to last report

** From 2024 onwards, we added emissions of the whole group instead of only HQ

The calculations above were done using emissions factors provided by Milieu barometer. A tool created by Stimular, a foundation that helps companies become more sustainable.

Environment

Energy management

Masterpack headquarters is equipped with solar panels, enabling the generation of energy. Despite this renewable energy source, there is occasional supplementation with purchased energy to meet operational demands. This purchased energy is however sourced from European wind farms, ensuring that it is also categorized as renewable energy. Our energy footprint at headquarters is coming from 100% renewable sources!

The variation in energy usage is largely dependent on the processed volumes. The amount of renewable energy generated is largely dependent on weather and sunshine conditions. Consequently, the data on energy management now offers a more complete insight into Masterpack's energy management practices. We continue to improve our net footprint. The majority of the employees in the Netherlands drive in electric cars, or better still, they commute by bicycle, a typically Dutch way of commuting, whilst it is not intended as a sustainability measure, it does contribute.

Environment

Energy use

	Use in MWh			
	2022*	2023	2024	2024*
MWh of energy used	65,45	80,15	74,16	7556,80
MWh of renewable energy purchased	10,96	34,65	31,59	1289,00
MWh of renewable energy generated	54,49	45,50	42,57	6267,80

* From 2024 onwards we added emissions of the whole group instead of only HQ

Environment

Water & waste management

Water and waste management are critical components of sustainable business practices. As we continue to grow, the importance of efficient water usage and waste reduction becomes increasingly visible.

Masterpack Group has taken measures to enhance sustainability within its operations. One of those initiatives involves the implementation of water reuse systems, effectively reducing overall water consumption. Within our production process our wastewater is not contaminated/ polluted so doesn't need a special treatment before discharge.

Furthermore, Masterpack Group is committed to optimizing waste management practices. Through innovative approaches, such as repurposing waste for labels or transforming it into post-industrial recycled material, we have successfully diverted significant amounts of waste.

Water and waste Masterpack Group	2022*	2023*	2024*
Megaliters of water used	26105,70	15802,80	669,88
% of wastewater treated before discharge		1,00	6,00
Reported incidents on water pollution		0,00	0,00
Tons of hazardous waste generated	12,16	12,10	14,14
Tons of non-hazardous waste generated	1907,00	1066,00	1985,00

* The Megaliters as calculated in 2022 and 2023 was incorrectly formulated, so correctly adapted in this year's report

At Masterpack Group, our commitment to environmental stewardship is demonstrably integrated into our operational framework. Through robust Post-Production Recycling (PPR) initiatives, we are significantly advancing our circular economy objectives.

In the most recent reporting period, out of 1,614 tonnes of plastic waste generated, we successfully reprocessed and reintegrated 1,448 tonnes into our production cycle. This represents a substantial 90% recovery rate, underscoring our effective waste management strategies and commitment to resource optimization.

Key Benefits and Impact:

- Resource Efficiency: Our PPR program directly reduces the demand for virgin plastics, contributing to the conservation of natural resources and decreased energy consumption associated with raw material production.
- Waste Diversion: By internally repurposing a significant volume of post-production waste, we substantially reduce landfill contributions and the associated environmental burdens.
- Economic Value Creation: The internal reuse of materials translates into tangible economic benefits through reduced procurement costs and enhanced operational efficiency.
- Commitment to Sustainability: This initiative reflects Masterpack Group's proactive approach to corporate social responsibility, demonstrating a measurable contribution to a more sustainable industrial ecosystem.

Environment

Product end-of life

Post Industrial Recyclate (PIR) is a solution sourced from industrial waste streams, embodying the essence of the circular economy. Rather than consigning these materials as waste, Masterpack has incorporated PIR wherever possible and allowed.

Meanwhile, the usage of Post Consumer Recyclate (PCR) is a step towards closing the loop for material use. Masterpack has taken proactive steps to explore the integration of PCR into our FIBC's. However, as these PCR-containing FIBC's have yet to be introduced to the market, our journey in this regard is still ongoing.

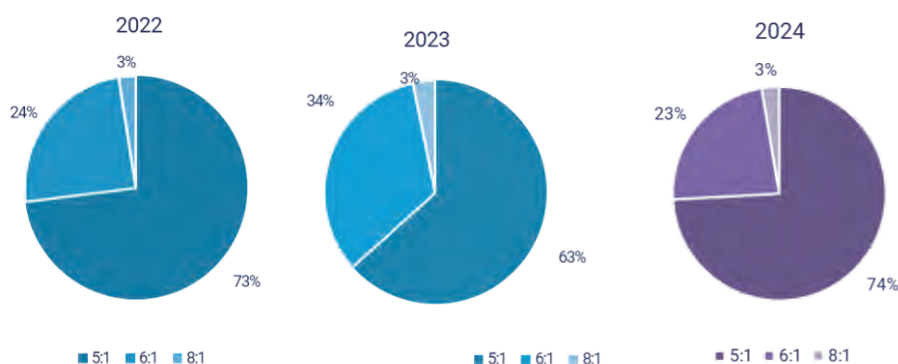
Nevertheless, we have launched this type of FIBC in 2024, underscoring our dedication to advancing sustainable practices. We use the internal postindustrial scrap material immediately in our products and we started to buy high quality industrial scrap from reliable sources. We are however dependent on developments in FCM recycled polyolefins.

EFSA in Europe in co-operation with the plastic recyclers Europe work on projects to increase the number of recycled polyolefins usable for FCM purposes. Since our most important legislative constraint is the food safety of our packaging, we are limited by international developments in this field.

Masterpack currently offers a range of FIBC's designed to meet various needs. Among these options are the 5:1 FIBC, which is specifically designed for single-use applications, while the 6:1 and 8:1 FIBC's are tailored for multiple uses, offering durability and longevity.

In 2023, there was a notable decline of 10% in the sales of single-use FIBCs compared to previous year. This trend reflects a possible shift in customer preference towards more sustainable and cost-effective solutions, highlighting the importance of versatile, reusable packaging options. 2024 shows that the main volume shifted again to single usage.

This has to do with customer demands. But with the new regulations coming into place in the coming years we expect that the multiple usage will gradually increase.



Environment

Product responsibility

To ensure product quality, we need to address customer concerns effectively. Masterpack’s Quality Manager oversees this aspect by managing customer complaints.

Moreover, our Quality Manager takes proactive measures to ensure health and safety standards within our company. This includes ongoing efforts to refine specifications, standard operating procedures, and conducting training sessions aimed at mitigating the risk of both complaints and non-compliance incidents.

All our locations are ISO 9001, ISO 22000 and BRC certified with all procedures in place to ensure that the change of risks is limited. If non-compliance or issues occur, we have a recall procedure in place.

Based on the mandatory GMP regulations we have procedures regarding food safety (e.g. Product Recall procedure) in place. Compliance to food and other applicable regulations are always documented and issued to our customers in general or if applicable for each order.

In 2024, we noticed a reduction of the number of complaints. The relative complaints rate (# complaints divided by the volume of products supplied) is below 0,01%.

Customer complaints	2022	2023	2024
# of customer complaints	40	38	30
% of customer complaints in relation to amount/ volume of products delivered	0%	0%	0%
% of products distributed that contained health and safety information	100%	100%	100%
# of incidents of non-compliance with health and safety regulations	6	6	5

Ethics

The ethics section of this report explores the principles and values that guide our actions. Through transparency and integrity, we reflect on our commitment to ethical conduct and the measures we've implemented to ensure accountability.



Masterpack Group emphasizes sustainable and responsible business practices, ensuring product quality and safety throughout its supply chain, and expects partners to uphold these values. The company's Code of Conduct for Partners, effective December 1, 2023, outlines fundamental principles and expectations for partners, covering labor and human rights, environmental aspects, business ethics, and responsible sourcing. Partners are required to acknowledge, accept, and adhere to this Code of Conduct, including obtaining SEDEX membership and conducting SMETA audits as needed.

Furthermore, we have the following policies and measures in place to ensure responsible behaviour on the part of our employees as well as our partners:

- **Labor and Human Rights:** Masterpack Group prohibits child labor and forced labor, with specific definitions and age limits for young workers in accordance with ILO conventions and local legislation. Partners must offer equal opportunities, abstain from discrimination, and have a zero-tolerance policy for abuse or harassment. Adherence to laws regarding working hours (maximum 60 hours per week, with one day off in seven) and minimum wage standards is mandatory, with a commitment to providing a living wage. Overtime must be compensated according to local laws, and accurate records of working hours and clear compensation information must be provided to employees.
- **Health and Safety:** Partners must provide a safe and healthy work environment, implement accident prevention measures, and have emergency preparedness procedures. This includes promoting good health practices, providing access to clean drinking water and sanitation facilities, and offering appropriate training to employees. Partners are expected to conduct internal audits and risk assessments to continuously improve working conditions. Product quality and safety standards, including food safety, must be met, and any concerns regarding product safety or quality must be promptly reported.
- **Environmental Responsibility:** Partners are expected to take responsibility for their environmental impact, establish an environmental policy, and comply with environmental protection legislation. This includes enhancing energy efficiency, adhering to energy and greenhouse gas regulations, monitoring consumption, and exploring renewable energy sources. Compliance with air quality regulations (e.g., reduction of PM and NOx), proper identification and safe management of hazardous materials, and monitoring and treatment of wastewater and solid waste are also required. Partners must also adhere to local biodiversity regulations and minimize harm to biodiversity from production processes.

- **Ethics:** Masterpack Group has a strict stance against fraud and bribery, prohibiting the offering or acceptance of incentives that could influence business decisions. Partners and HQ must comply with anti-bribery and anti-corruption laws and establish relevant policies and procedures. Information management must adhere to relevant laws and organizational policies, with a data breach procedure in place. Anti-competitive practices such as price-fixing, market allocation, or collusion are prohibited, and partners must comply with competition laws. Partners are committed to sustainable supply chain management, sourcing from ethical and sustainable suppliers.
- **Whistleblower Procedure:** Masterpack Group has a whistleblower procedure (updated May 29, 2024) to report suspected misconduct or irregularities confidentially and with protection against retaliation. This procedure applies to all departments of Masterpack headquarters. Misconduct includes violations of legal regulations, threats to public health or safety, environmental dangers, improper conduct threatening organizational functioning, wasteful use of government funds, and concealment of information regarding these issues. Employees can consult an advisor or confidential advisor and seek support from the Advisory Department of the House for Whistleblowers. Internal reporting can be made to any superior or the internal oversight body, and the employer commits to protecting whistleblowers and other involved parties from retaliation. Information regarding reports and whistleblower identity is managed confidentially.
- **Due Diligence Procedure:** Masterpack Group employs a Third-Party Due Diligence Procedure (effective September 2022) to assess potential business partnerships and minimize risks. This supplements the Supplier Assessment Procedure and extends to all third-party partnerships. Data collected during due diligence is processed in compliance with GDPR. The procedure involves basic and advanced data collection, including financial information, company policies, sustainability reports, accreditations, and information on senior management. Information is verified with the relevant Chamber of Commerce. The collected information is used for analysis and risk assessment, considering the company's history, ethics, involvement in illegal activity, financial manipulation, fraud, corruption, bribery, and information security risks. The management is consulted to assess risks and make decisions on continuing or ending relationships.
- **Competitor Interaction Guidelines:** These guidelines, effective October 2023, ensure lawful, ethical, and transparent interactions with competitors. Employees must comply with antitrust laws and avoid anti-competitive practices like price-fixing or market allocation. Ethical conduct includes demonstrating integrity, honesty, and fairness, with a zero-tolerance policy for fraud and bribery. Employees must avoid damaging competitors' reputations or spreading false information, maintaining a respectful and professional tone. Respect for intellectual property rights is paramount, prohibiting infringement, unauthorized use of copyrighted materials, or misleading use of trademarks.

Confidential information about competitors obtained through illegal or unethical means is prohibited. Fair advertising and marketing practices are required, ensuring accurate, transparent, and substantiated claims. Gathering competitive intelligence must be done legally and ethically, and collaborations with competitors must comply with applicable laws. Employees are trained on these guidelines, and suspected infringements should be reported.

Masterpack Group reserves the right to demand corrective measures or terminate collaborations in cases of non-compliance with the Code of Conduct. Products produced in violation of the Code may be declined. Partners must also adhere to all pertinent laws and regulations in their operating countries and ensure no entities within their corporate group, leadership, owners, or subcontractors are on Sanctions and Watch lists. The obligations outlined in the Code of Conduct are additional to other contractual obligations and remain in force regardless of contract termination or expiry.

Ethics

General

Over the past few years, Masterpack has implemented various procedures aimed at upholding ethical standards within the organization. In 2023, we introduced additional protocols, including a data breach procedure and competitor guidelines, to further strengthen our ethical framework.

Masterpack uses Microsoft 365 and Oracle based ICT solutions and has an external partner to ensure digital security for the systems used and the users and partners who work in our ICT environment. The framework and code of conduct can be obtained upon request. They are based on the ILO framework.

The 4 production plants of Masterpack are SMETA 4 Pillar certified and are regularly audited. This third-party auditing system provided by SEDEX ensures that the highest ethical standards are implemented and verified.

Procedures	Year
Whistleblowers	2020
Due diligence	2022
Databreach	2023
Competitor guidelines	2023

Customer complaints

	2022	2023	2024
# of reported cases of business ethics violations via whistleblower procedure	0	0	0
# of lawsuits or legal actions regarding business ethics violations	0	0	0
# of security incidents	0	1	12

Ethics

Sustainable Procurement

2023

In 2023, we’ve implemented a series of new initiatives aimed at enhancing our sustainable procurement practices. One critical aspect of our approach is the screening of every new supplier using environmental and social criteria. Our screening process takes geographical data into account, and assesses the risks related to child labour and global human rights violations.

Additionally, our dedication to sustainability has extended to our key production partners, who have demonstrated their dedication by signing our Partner Code of Conduct. Through this commitment, they signify their willingness to uphold standards of integrity, transparency, and accountability throughout their operations.

2024

In 2024 we can proudly report that all key production partners have signed our code of conduct. The execution is regularly monitored by means of 3rd party and 2nd party audits (customers) and by our internal audit program.

Our internal audit program is executed at the site of each partner and the main suppliers at least once a year and consists of applicable quality, environmental and health and safety subjects. We add the ESG and sustainability subjects that are within our scope.

By auditing the supply chain on site, we are able to monitor all improvements and actively steer towards our common goals. Human interaction and the commitment we share with our supply chain is the best way to further improve our business. By supporting our supply base during 2nd and 3rd party audits we can enhance this commitment further and create a bond in the business which improves the connection. We look forward to further collaborating with our key production partners to advance and expand initiatives aimed at enhancing our sustainable practices.

We ask our supply base to implement the Partner Code of Conduct as a standard. By means of our on-site support, we can actively steer and support the implementation.

Procurement	2022	2023	2024
% of suppliers covered by a sustainability risk analysis	0%	100%	100%
% of key production partners that signed the Partner Code of Conduct	0%	75%	100%

Appendix

GRI Content Index

Statement of use: Masterpack Group has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.

GRI 1 used: GRI 1: Foundation 2021

GRI 2 General Disclosures

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
2-1	Organizational details	Our Product Range: Precision-Engineered for Your Needs Our Commitment to Sustainability General	
2-2	Entities included in the organization's sustainability reporting	Welcome	
2-3	Reporting period, frequency and contact point	Welcome	
2-4	Restatements of information	Greenhouse gas emissions Water and waste management	Our purchased energy is green energy so figures 2022 and 2023 are now adjusted compared to last report. The Megaliters as calculated in 2022 and 2023 was incorrectly formulated, so correctly adapted in this year's report.
2-5	External assurance		Masterpack Group has not assured this sustainability report.
2-6	Activities, value chain and other business relationships	Value chain	
2-7	Employees	General	See additional employment data below.

	MPG Total	HQ (NL)	ThaiMasterpack (TH)	Wellknit MP (CN)	Mono Bag Mills (BD)	Paragon Plastics (BD)
# employees	2562	30	850	885	347	450
# women employed	1326	6	400	603	157	160
# men employed	1236	24	450	282	190	290
% permanent contracts	86,4%	92%	100%	40%	100%	100%
% temporary contracts	13,6%	8%	0%	60%	0%	0%

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
2-8	Workers who are not employees		Omitted due to unavailable information. Masterpack Group does not currently track this data.
2-9	Governance structure and composition	Governance	
2-10	Nomination and selection of the highest governance body		Omitted as this disclosure is not relevant for Masterpack Group, a privately held, family-owned company. The highest governance body consists of two statutory directors, Tim and Michelle de Winter, who represent the 5th generation of family ownership. As such, there is no formal nomination or selection process; leadership is determined by family succession, grounded in long-term commitment and a deep understanding of the business. This structure reflects the company's values and continuity-focused governance model.
2-11	Chair of the highest governance body		<p>The highest governance body of Masterpack Group consists of two statutory directors, Tim and Michelle de Winter, who are also the 5th generation family owners. One of the directors serves as Managing Director, combining strategic oversight with day-to-day operational leadership, an arrangement that reflects the company's ownership structure and enables close integration of governance and management.</p> <p>In 2024, Masterpack Group was supported by an Advisory Board, which provided external input on strategic matters. This board was disbanded at the end of the reporting year. In 2025, a Supervisory Board will be established to further formalise governance and strengthen independent oversight.</p>
2-12	Role of the highest governance body in overseeing the management of impacts	Governance	
2-13	Delegation of responsibility for managing impacts	Governance	
2-14	Role of the highest governance body in sustainability reporting	Governance	Sustainability reporting at Masterpack Group is overseen by the company's two statutory directors, Tim and Michelle de Winter, who represent the 5th generation of family leadership. Sustainability is embedded in daily operations through top management functions that report directly to the directors and collaborate across departments and with international partners. It is a fixed item on the weekly QESH agenda.

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
2-15	Conflicts of interest		Masterpack Group has a Code of Conduct in place that every employee, including the highest governance body, is expected to adhere to, to ensure that conflicts of interest are prevented and mitigated. We also conduct due diligence on our suppliers, partners and third parties we work with. During the reporting period, no conflict of interest was identified.
2-16	Communication of critical concerns		<p>Masterpack Group encourages open and transparent communication across all levels of the organisation. Employees are able to raise critical concerns through several formal and informal channels. An open-door policy allows staff to speak directly with management at any time. In addition, an external HR advisor is available for confidential consultation and support.</p> <p>To ensure a safe and structured process for reporting serious concerns, Masterpack Group has a formal whistleblower procedure in place. Employees can also turn to a designated confidential person, who is trained to handle sensitive matters discreetly and professionally. These mechanisms help foster a culture of trust, integrity, and accountability.</p>
2-17	Collective knowledge of the highest governance body	Governance	
2-18	Evaluation of the performance of the highest governance body		Omitted due to confidentiality constraints.
2-19	Remuneration policies		<p>At Masterpack Group's headquarters in the Netherlands, an internal salary structure ("salary house") has been developed to provide clarity and consistency in employee remuneration. This structure outlines the roles, responsibilities, and corresponding salary levels, and is actively communicated to all employees at the Dutch location to promote transparency and fairness.</p> <p>For international operations and production partners, Masterpack Group adheres to SMETA (Sedex Members Ethical Trade Audit) guidelines and complies with relevant International Labour Organization (ILO) standards, including those relating to fair wages and working conditions. These standards form the basis for determining remuneration in local contexts and are monitored through audits and supplier engagement.</p>

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
2-20	Process to determine remuneration		<p>At Masterpack Group's headquarters in the Netherlands, an internal salary structure ("salary house") has been developed to provide clarity and consistency in employee remuneration. This structure outlines the roles, responsibilities, and corresponding salary levels, and is actively communicated to all employees at the Dutch location to promote transparency and fairness.</p> <p>For international operations and production partners, Masterpack Group adheres to SMETA (Sedex Members Ethical Trade Audit) guidelines and complies with relevant International Labour Organization (ILO) standards, including those relating to fair wages and working conditions. These standards form the basis for determining remuneration in local contexts and are monitored through audits and supplier engagement.</p>
2-21	Annual total compensation ratio		Omitted due to confidentiality constraints.
2-22	Statement on sustainable development strategy	Sustainability Strategy	
2-23	Policy commitments	Sustainable Development Goals ETHICS Labor conditions & human rights Ethics	
2-24	Embedding policy commitments	Governance ETHICS Labor conditions & human rights Ethics	
2-25	Process to remediate negative impacts	ETHICS	<p>Masterpack Group is committed to identifying, addressing, and remediating any actual or potential negative impacts linked to its operations or supply chain. A formal whistleblower procedure is in place, providing employees and stakeholders with a confidential and secure channel to report concerns related to unethical behaviour, human rights, or other violations. Reports can also be raised through an external HR advisor or a designated confidential person.</p> <p>All reported concerns are investigated promptly, and appropriate remedial actions are taken where necessary. The process is guided by principles of fairness, non-retaliation, and confidentiality.</p> <p>In international contexts, Masterpack Group ensures alignment with SMETA and ILO standards, and works with production partners to address and resolve any identified risks or non-compliances. This proactive approach supports continuous improvement and responsible business conduct throughout the value chain.</p>

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
2-26	Mechanisms for seeking advice and raising concerns	ETHICS	Masterpack Group has a whistleblower procedure (updated May 29, 2024) to report suspected misconduct or irregularities confidentially and with protection against retaliation. This procedure applies to all departments of Masterpack headquarters. Misconduct includes violations of legal regulations, threats to public health or safety, environmental dangers, improper conduct threatening organizational functioning, wasteful use of government funds, and concealment of information regarding these issues. Employees can consult an advisor or confidential advisor and seek support from the Advisory Department of the House for Whistleblowers. Internal reporting can be made to any superior or the internal oversight body, and the employer commits to protecting whistleblowers and other involved parties from retaliation. Information regarding reports and whistleblower identity is managed confidentially.
2-27	Compliance with laws and regulations	ETHICS Ethics	
2-28	Membership associations		
2-29	Approach to stakeholder engagement	Stakeholder engagement	Masterpack Group is a signatory of the United Nations Global Compact (UNGC), aligning its operations with the Compact's ten principles on human rights, labour, environment, and anti-corruption. The company is also an active member of the European Flexible Intermediate Bulk Container Association (EFIBCA), contributing to industry dialogue and best practices in the FIBC sector.
2-30	Collective bargaining agreements	Labor conditions & human rights	

GRI 3 Material Topics

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
3-1	Process to determine material topics	Materiality	
3-2	List of material topics	Materiality	
3-3	Management of material topics	Materiality Sustainable Development Goals SOCIAL ENVIRONMENT ETHICS Sustainable Procurement	

GRI 205 Anti-corruption

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
205-1	Operations assessed for risks related to corruption	SOCIAL ETHICS	
205-2	Communication and training about anti-corruption policies and procedures	ETHICS Ethics	
205-3	Confirmed incidents of corruption and actions taken	Ethics	

GRI 206 Anti-competitive behavior

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics	

GRI 103 Energy

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
103-1	Energy policies and commitments	Sustainable Development Goals ENVIRONMENT Energy management	
103-2	Energy consumption and self-generation within the organization	Energy management Energy use	
103-3	Upstream and downstream energy consumption		Omitted due to unavailable information. Masterpack Group does not currently track this data.
103-4	Energy intensity		Omitted due to unavailable information. Masterpack Group does not currently track this data.
103-5	Reduction in energy consumption	Energy use	

GRI 301 Materials

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
301-1	Materials used by weight or volume		Omitted due to unavailable information. Masterpack Group does not currently track this data.
301-2	Recycled input materials used	Product end-of life	
301-3	Reclaimed products and their packaging materials		Omitted due to unavailable information. Masterpack Group does not currently track this data.

GRI 303 Water and effluents

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
303-1	Interactions with water as a shared resource	Water and waste management	
303-5	Water consumption	Water and waste management	

GRI 305 Emissions

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
305-1	Direct (Scope 1) GHG emissions	Greenhouse gas emissions	
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse gas emissions	
305-3	Other indirect (Scope 3) GHG emissions		Omitted due to unavailable information. Masterpack Group does not currently track this data.
305-4	GHG emissions intensity		Omitted due to unavailable information. Masterpack Group does not currently track this data.
305-5	Reduction of GHG emissions	Greenhouse gas emissions	
305-6	Emissions of ozone-depleting substances (ODS)		Omitted as it is not applicable to Masterpack Group. Masterpack Group does not use or produce ozone-depleting substances in its operations. The company does not have its own manufacturing facilities and does not engage in activities involving the use of refrigerants or chemicals listed under the Montreal Protocol. Therefore, this disclosure is not applicable.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Omitted as it is not applicable to Masterpack Group. Masterpack Group does not operate industrial processes, combustion equipment, or transport fleets that generate significant air emissions such as NOx, SOx, or particulate matter. As production is carried out by external partners, Masterpack does not directly generate these emissions and therefore this disclosure does not apply to its operations.

GRI 306 Waste

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
306-1	Waste generation and significant waste-related impacts	ENVIRONMENT Water and waste management	
306-2	Management of significant waste-related impacts	ENVIRONMENT Water and waste management	
306-3	Waste generated	Water and waste management	
306-4	Waste diverted from disposal	Water and waste management	Information is only partially available, tracking and monitoring of waste is planned to be improved in the coming years.
306-5	Waste directed to disposal	Water and waste management	Information is only partially available, tracking and monitoring of waste is planned to be improved in the coming years.

GRI 308 Supplier environmental assessment

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
308-1	New suppliers that were screened using environmental criteria	Sustainable Procurement	
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Procurement	

GRI 403 Occupational health & safety

GRI Disclosure	Disclosure title	Location chapter title & link	Additional information / reasons for omission
403-1	Occupational health and safety management system	Sustainable Development Goals SOCIAL Health and safety	
403-2	Hazard identification, risk assessment, and incident investigation	SOCIAL Health and safety	
403-3	Occupational health services	SOCIAL Health and safety	
403-4	Worker participation, consultation, and communication on occupational health and safety	SOCIAL Labor conditions & human rights Health and safety	
403-5	Worker training on occupational health and safety	SOCIAL Health and safety	

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
403-6	Promotion of worker health	SOCIAL Health and safety	
403-8	Workers covered by an occupational health and safety management system	SOCIAL Health and safety	
403-9	Work-related injuries	Health and safety	
403-10	Work-related ill health	Health and safety	

GRI 404 Training & education

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
404-1	Average hours of training per year per employee	Career development	
404-2	Programs for upgrading employee skills and transition assistance programs	Career development	
404-3	Percentage of employees receiving regular performance and career development reviews	Career development	

GRI 405 Diversity and equal opportunity

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
405-1	Diversity of governance bodies and employees	General	

GRI 407 Freedom of association and collective bargaining

GRI Disclosure	Disclosure title	Location <i>chapter title & link</i>	Additional information / reasons for omission
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labor conditions & human rights	

GRI 308 Child labor

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
408-1	Operations and suppliers at significant risk for incidents of child labor	SOCIAL Labor conditions & human rights	

GRI 409 Forced or compulsory labor

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SOCIAL Labor conditions & human rights	

GRI 414 Supplier social assessment

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
414-1	New suppliers that were screened using social criteria	Sustainable Procurement	
414-2	Negative social impacts in the supply chain and actions taken	Sustainable Procurement	

GRI 416 Customer health & Safety

<i>GRI Disclosure</i>	<i>Disclosure title</i>	<i>Location chapter title & link</i>	<i>Additional information / reasons for omission</i>
416-1	Assessment of the health and safety impacts of product and service categories	Product responsibility	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product responsibility	