



Shaping the future of sustainable packaging



About the report

Our annual sustainability report 2023 aims to provide transparency to our stakeholders about our sustainable business practices. This report has been prepared in accordance with the GRI Standards: Core option and extra-financial information is audited by a third party.

Feedback welcome

If you have any suggestions, comments or questions regarding this report or the CSR policy of VPK Group, do not hesitate to submit them.

Contact: Stephanie De Smedt,
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Group Sustainability Manager

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More about our sustainability management:

www.vpkgroup.com/sustainability

Ownership and legal form

VPK Group NV is a Belgian limited liability company whose registered office is located at Kareelstraat 108, 9300 Aalst, Belgium.

VPK Group NV is registered in the Register of Legal Persons of Dendermonde under the number 0400313852.

Entities included in the consolidated financial statements

Aquila Brzeg Sp.z o.o.	Corex Czech sro.	Mandriladora Alpesa SA (25%)	VPK Groisy SAS
Aquila GmbH (75%)	Corex Finland Oy	Nordic Packaging and Container (Jersey) Holdings Ltd.	VPK Les Echets SAS
Aquila Radomsko Sp.z o.o.	Corex France SAS	Nordic Packaging and Container Holdings Ltd.	VPK Nederland BV
Aquila Wrzesnia Sp.z o.o.	Corex Germany & CO KG	NPAC (Finland) Holdings Oy	VPK Packaging A/S
Argon BV	Corex Holding NV	Peterson Eiendom Bäckefors AB	VPK Packaging AB
Beihai Corenso Paper Core Co Ltd.	Corex Luxembourg SA	Peterson Eiendom Norrköping AB	VPK Packaging Alizay SAS
Blue Paper SAS (50%)	Corex Mohed AB	Peterson Eiendom Randers A/S	VPK Packaging AS
Cartonnerie de Saint Just Malmont	Corex Nederland BV	Peterson Eiendom Sarpsborg AS	VPK Packaging BV
Cartonneries de Wallonie SA	Corex Sosnowiec Sp.z.o.o.	Peterson Eiendom Sykkylven AS	VPK Packaging Kft
Corenso Foshan Paper Core Co Ltd	Corex Swiecie Sp.z o.o.	Peterson Holding AS	VPK Packaging Ltd (former Rigid Containers Ltd) - Limerick
Corenso Group Holdings Ltd.	Corex Turkey AS	Rigid Charta Ltd	VPK Packaging Ltd.
Corenso Holdings China Ltd.	Corex Wigan Ltd.	S.C. Corex Romania srl.	VPK Packaging NV
Corenso Holdings Germany GmbH	Corrboard UK Ltd.	SC VPK Packaging srl.	VPK Packaging Polska Sp. z.o.o.
Corenso Leiza SL	Ecoformer NV	Smart Packaging Solutions BV	VPK Packaging SAS
Corenso Tolosana SA	Encase Ltd.	Smart Packaging Solutions NV	VPK Paper Normandie SAS
Corenso United (Deutschland) GmbH & Co KG	Encase Properties Ltd.	Viallon Emballage SAS	VPK Paper NV
Corenso United Verwaltungs GmbH	Hangzhou Corenso Hualun PC Co Ltd	VPK Converting SAS	VPK Services NV
Corex Bäckefors AB	Immowell NV	VPK Corrugating SAS	VPK Specialties SAS
Corex Belgium NV	Interkor LLC (50%)	VPK Distribution SAS	VPK UK Holding Ltd.
Corex Board Atlantic SAS	Jellestadveien 37 AS	VPK Finance NV	

Date of publishing

15 June 2023

Introduction from the CEO

The paper and packaging industry is one of the most sustainable industries in Europe. In fact, it is the largest industrial user and producer of renewable energy in the European Union, and a world leader in sustainably sourced raw materials and recycling rates.

At VPK, we actively contribute to this leading position. We can substantiate that claim through independent certifications, such as BRCGS, EcoVadis, Sedex, FSC CoC, etc., through which we are already achieving great recognition for our efforts.

Still, we aim for more. We want to strengthen our contribution to the EU Green Deal targets that will turn Europe into the world's first carbon-neutral continent by 2050. This is the main driver why we have broadened our carbon reduction plans by addressing our Scope 3 emissions as well as our Scope 1 and 2 emissions.

We are of course continuing to lower our carbon footprint. Our technical experts are investigating various ways to reduce the use of fossil fuels throughout VPK. With great results. In Strasbourg, for example, we are going to stop using natural gas as a source for drying the wood waste that fuels the Blue

Paper Combined Heat Power Plant. At our Alizay site in northern France, we already operate in a carbon-neutral way thanks to the local biomass-powered power plant.

And there is more. Much more. From the launch of our innovative fanfold packaging brand fit2size®, which significantly reduces idle space in e-commerce packaging, to the conclusion of our Watergate project in Oudegem, Belgium, which has made us one of the industry's best in class in terms of water consumption. We continue to invest in solutions that further reduce the environmental impact of our operations.

However, sustainability obviously goes beyond improving environmental performance. We also care about the well-being of our people. We want to make sure that everyone feels comfortable and safe working at VPK. This is why we invest in safety awareness campaigns, check our



colleagues' well-being in surveys, and provide ample training opportunities in both soft and hard skills.

At VPK, we have a clear vision of sustainability, with well-defined goals and ambitions. In recent years, we have already achieved great things in this regard, and the current sustainability report shows that we are continuing along this path. Thus, we aim to keep our sector at the top of one of the most sustainable industries in the world, and by extension continue to lead our Group, our economy, and society as a whole towards a more sustainable future.

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PIERRE MACHARIS
CEO, VPK GROUP

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About VPK Group

PART
1

Sustainability report 2023



Content part 1



01.

Mission statement and values

As an international packaging group, we share a common company mission, a clear statement why our company exists and the direction we're heading to.

We push sustainable growth beyond tomorrow's standards, both ecologically and economically. We think and act globally, while staying close to our clients and their products.

To achieve this, we put an updated set of values at the heart of our company. They are the drivers of our company culture. Our own moral compass.



Ownership

We own our **decisions** and **actions**, we encourage to try new things and dare to fail, we give **responsibility** and cultivate initiative.



Trust

We have **confidence** in our people and clients, with one **handshake** you can set things in motion.



Care

We are **dedicated** to the **well-being** of our people, our clients and our **planet**.



Beyond

We **anticipate** the future. We **accelerate** where needed. We go **beyond** what is required.

02.

Growth and development

VPK Group is a leading packaging group that was established in Belgium in 1935. Since then, it has grown from being a local player to an international supplier of sustainable protective packaging solutions, covering 3 market segments: **corrugated board, solid board, and tubes & corner protectors.**

To produce our products, **we recycle 1,3 million tons of paper and board on a yearly basis**, and use it as a raw material for our 100% recyclable and biodegradable protective cardboard packaging solutions. We create value through the efficient use of sustainable raw materials, with respect for natural resources, all within a circular business model.

As a packaging group, we strive to provide an **optimal and reliable service** by paying close attention to the local markets and, at the same time, share our expertise and knowledge across countries, in order to guarantee the best solutions in line with our customers' needs.

VPK Group's continued growth is mainly the result of its long-term vision, a sound financial structure and commitment to sustainability, both ecologically and economically. We believe that **sustainability** not only concerns our products, but also our internal and external relationships, our management approach and our planet.

1935
VPK is established in Oudegem, Belgium

2005
In France VPK acquires the Ondulys group.
In Poland the production of cardboard sheets is started under the brand Aquila.



2014
Blue Paper Strasbourg becomes the second paper site within the VPK Group.

2019
VPK acquires European and Chinese divisions of Corenso.



2021
VPK launches the project to convert the Alizay industrial site into a hub for sustainable development in the circular economy.

2000
Rigid UK is acquired.



2013
The first factory outside Europe is a fact. Corex is founded in Turkey.

2016
The Scandinavian Peterson Group with 6 plants in Norway, Sweden and Denmark is acquired.



2020
VPK acquires a majority stake in Viallon Emballage France, Corrbboard UK and acquires Encase in the UK.

2022
VPK starts its greenfield corrugated packaging operation, wall-to-wall to the Alizay paper mill conversion project

Overview of our divisions and brands



Markets served*



Fresh and processed food

► DISCOVER THE CUSTOMER CASE

Retail

► DISCOVER THE CUSTOMER CASE



E-commerce

► DISCOVER THE CUSTOMER CASE



Industrial

► DISCOVER THE CUSTOMER CASE



*These markets represent the largest share of our customers, but are not exhaustive.

03.

Geographical presence




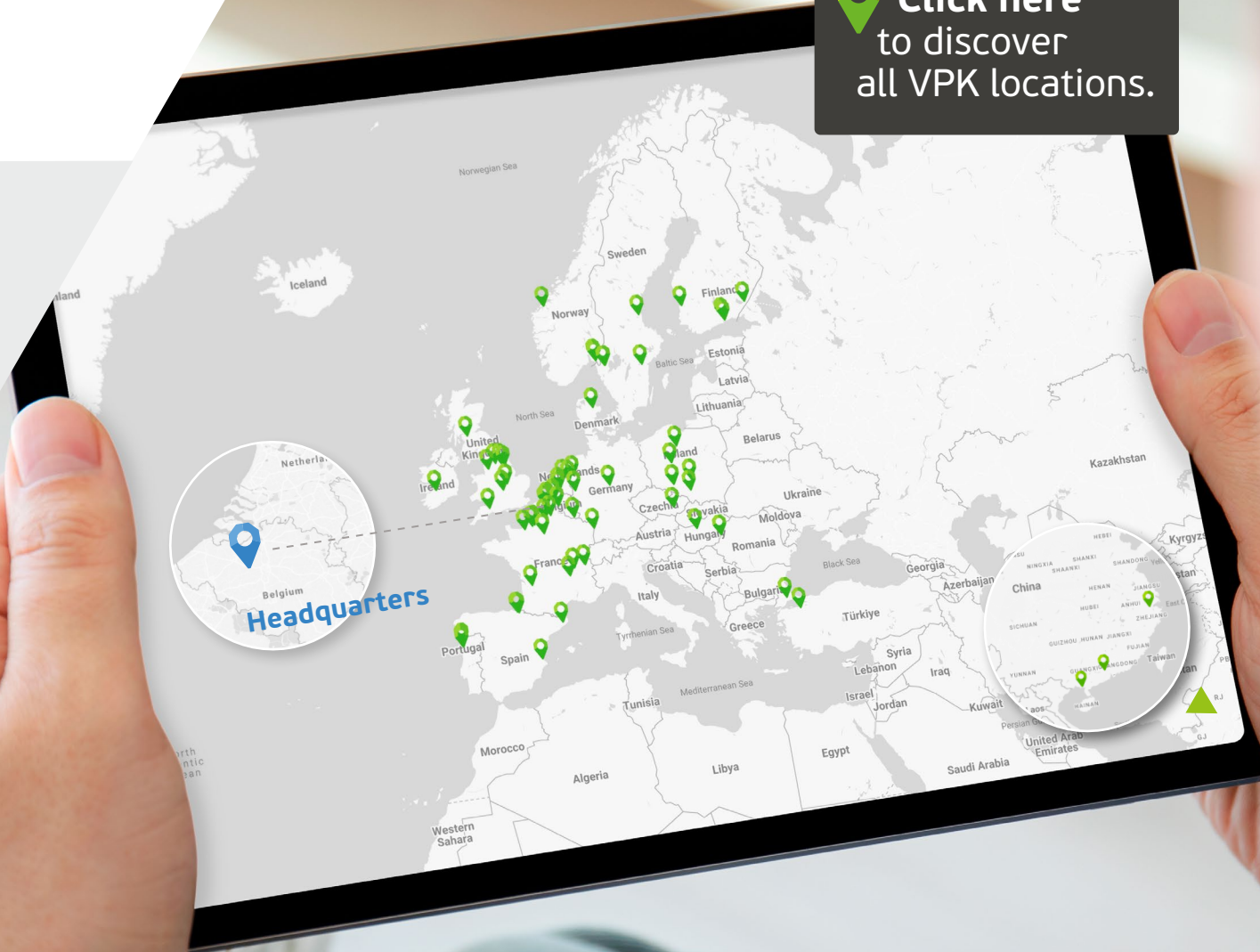
 [Click here to discover all VPK locations.](#)

VPK is founding partner of Blue Box Partners, a pan-European alliance of four private capital run companies. Each partner is well-established and successful in its respective home market and shares the same structure, values and long-term business outlook.

Blue Box Partners' coordinated approach, with the combined expertise of 12.200 employees and the production capacity of 111 sites, ensures we can provide the bespoke designs and delivery requirements of any customer, large or small.



 [Click here to discover all Blue Box Partners' locations.](#)





04.

Sustainable corporate governance

VPK Group is a private capital company owned by a limited set of investors who have a long-term commitment to the firm. This allows the company and its management to set out long-term goals and targets.

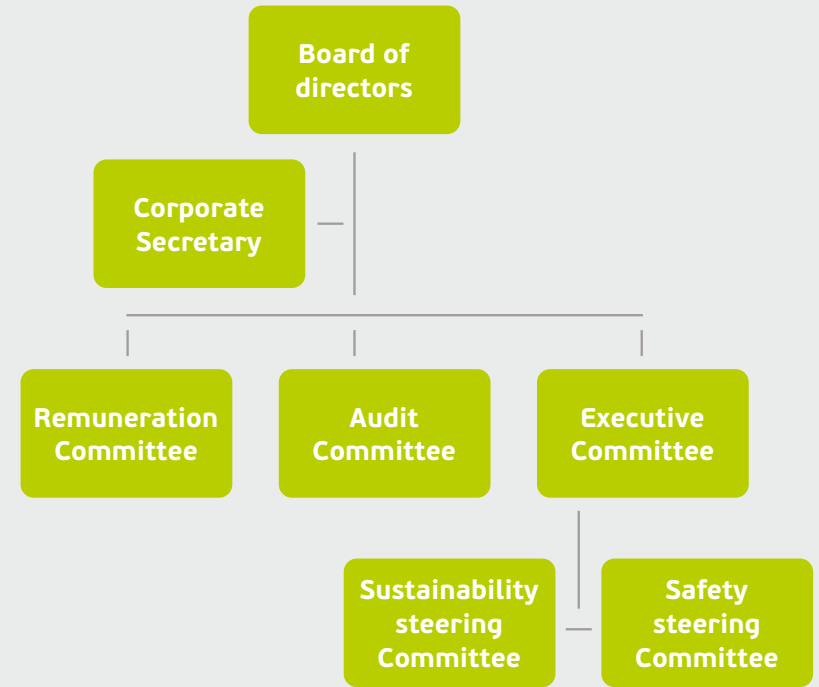
Concentrated ownership: VPK Group has a concentrated and stable ownership business model as opposed to dispersed ownership. Inside these concentrated models, values drive the business, and these instil responsibility.

Responsible ownership: Family business owners inspire family values throughout a company and ensure that it is ready to be passed on to the next generation. Therefore, family ownership is, in essence, responsible and plays a fundamental role in sustainability practices and the guidance of a company's strategy.

Overcoming short-termism: Short-term thinking in a business can have an adverse effect on sustainability and the perception of companies. One of the clear advantages of family companies is their long-term approach; meaning sustainability is already built into the fabric of these enterprises.

Governance model

The **Board of directors** is tasked with overseeing and validating the activities of the executive committee. It is assisted by two advisory committees. The executive committee is also assisted by two advisory committees.



BOARD OF DIRECTORS

 Carl Verstraelen Chairman Board of Directors Responsibilities Independent board member VPK Group	 Pierre Macharis Responsibilities Managing Director VPK Group
 Michel Delbaere Responsibilities Managing Director, Crop's Independent board member VPK Group	 Ludwig de Mot Responsibilities CEO McBride, Independent board member VPK Group
 Jean-Paul Macharis Responsibilities Board member VPK Group	 Dirk Meeus Responsibilities Corporate Partner, Allen & Overy, Independent board member VPK Group
 Wolfgang de Limburg Responsibilities CEO, Managing Partner, Ergon Capital, Independent board member VPK Group	 Stephane Wilmes Corporate Secretary Responsibilities Chief Legal Officer VPK Group

EXECUTIVE COMMITTEE

 Pierre Macharis Responsibilities CEO VPK Group	 Wim Messiaen Responsibilities Head of Corrugated division VPK Group
 Erik Peeters Responsibilities CFO VPK Group	 Denis Zenner Responsibilities Head of Specialties division VPK Group (Corex and Smart Packaging Solutions)
 Wim Naessens Responsibilities Head of Paper division VPK Group	

05. Key numbers



>6.500
employees



employed in 64 plants



present in
20 countries



2.231.000.000 m²
of corrugated
board &
426.000 tonnes of
solid board and
cores sold

Facts & Figures

2022



1,3 million tonnes
of recovered paper
and cardboard
recycled

526.641

MWh of green energy



turnover of 2.129
million euros

Future

135 million invested in
sustainable growth

Responsible sourcing

100% recycled paper

Click items to discover more

2021 ecovadis Sustainability Rating GOLD

CDP DRIVING SUSTAINABLE ECONOMIES

Cradle-to-cradle certified

FSC FSC* certified suppliers

Supplier code of conduct

Eco-efficient production

27% energy from renewable sources

31% electricity from renewable sources

5% absolute reduction of CO₂ footprint**

Frustration-free packaging

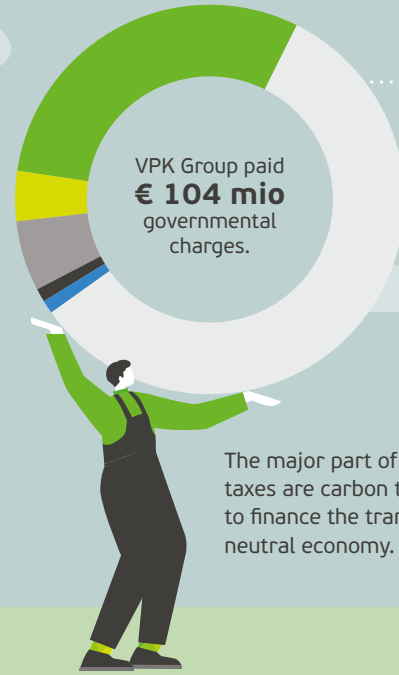
Just-in-time deliveries and volume maximisation with Tetris algorithm

vpk

*We are certified under FSC-C109033** VPK Group absolute GHG scope 1 & 2 emissions, % 2022 vs 2020 (baseline)

Our tax contributions support sustainable development

The United Nations Sustainable Development Goals (SDGs) help to create a world that is socially fair, environmentally secure, economically prosperous and more inclusive. Taxes are a critical financial resource to help reach these goals.



The major part of our environmental taxes are carbon taxes. These are used to finance the transition to a carbon neutral economy.

Our governmental charges contribute to social coherence, education and infrastructure in all countries of VPK activities. The biggest part (49%) are social contributions towards unemployment benefits, health insurance and pensions.



Key figures 2022

€ 2.129
Million revenue



€ 193
Million profit before corporate income taxes



26%
Tax rate

MC	M+	÷	x
7	8	9	-
4	5	6	+
1	2	3	=
0	.		



€ 135
Million investments



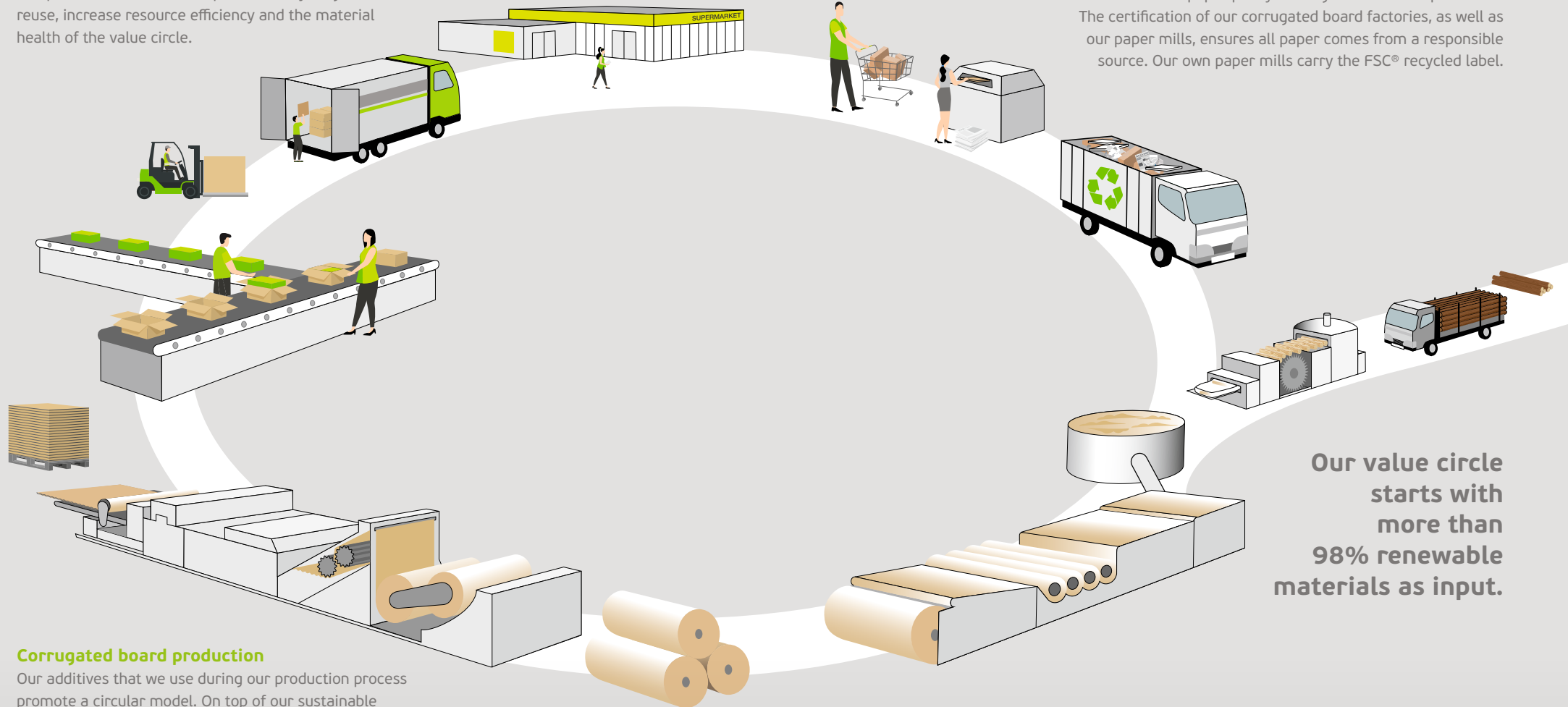
€ 40 Million income taxes



12%
CAGR (5 year period)

06. Supply chain

Closed loop recycling management is essential for the development of a circular economy. Our priorities are to further promote recycling and reuse, increase resource efficiency and the material health of the value circle.



Production of corrugated based paper

For the production of our corrugated cardboard, we mainly use recovered paper partly coming from our own processes. The certification of our corrugated board factories, as well as our paper mills, ensures all paper comes from a responsible source. Our own paper mills carry the FSC® recycled label.

Corrugated board production

Our additives that we use during our production process promote a circular model. On top of our sustainable resources, our technological innovations guarantee an environmentally friendly production process.

Our value circle starts with more than 98% renewable materials as input.

07. Code of conduct

Rules of conduct for the VPK Group

VPK aims for sustainable growth. We want to pursue business success with respect for a code of ethics. Therefore, we use a single code as a guiding principle throughout the group. This code was developed for all our employees and external stakeholders and is aligned with the ten principles of the United Nations Global Compact. A summarized version of our code of conduct can be found on your right hand side.

This code can not possibly cover every situation that you may encounter. For any additional questions, there is a single point of contact via compliance@vpkgroup.com

Nature



- 1 We will support a precautionary approach to environmental challenges.
- 2 We undertake initiatives to promote greater environmental responsibility.
- 3 We encourage the development and diffusion of environmentally friendly technologies.

Company



- 4 We respect all laws, rules and regulations.
- 5 We are committed to advancing the business of VPK and its divisions.
- 6 We work against corruption in all its forms.
- 7 We insist on honesty and respect for VPK's assets and property.
- 8 We value and protect confidential information and we respect the confidential information of others.

People



- 9 We will eliminate all forms of forced, compulsory and child labour.
- 10 We want to be best in class in occupational health and safety and target zero accidents.
- 11 We respect the freedom of association and the right to collective bargaining.
- 12 We will eliminate all forms of discrimination with regard to employment and occupation.
- 13 We will safeguard the principle of fair remuneration and decent working hours.

As per EU Whistleblowing Directive 2019/1937 and all transpositions into national law by the EU Member States, reports can be made to VPK's internal reporting channel concerning (suspected) practices believed to be non-compliant with ethical business practices, considered as illegal or in breach with this Code (compliance@vpkgroup.com; +32 52 30 79 57; via www.vpkgroup.com).

Implementation of the code of conduct

All members of management teams throughout VPK have signed the code of conduct. Furthermore, the complementary approach for a set of topics is found below.

Anti-bribery and anti-corruption

Besides signing off the code of conduct, we have identified several countries in our operational parameter where significant risks exist and supplementary actions are required. Management members, sales and procurement staff of business units located in countries scoring less than 60 on Transparency International's anti-bribery index annually receive recurring specific and compulsory training on this topic.

Forced, compulsory and child labour

Besides signing off the code of conduct, management members, sales and procurement staff of business units located in countries with and identified 'high risk' on the Child Labour Index by Verisk Maplecroft are required to sign a declaration on honour stating that they are not involved either directly or indirectly in the practice of child labour. This entails own production facilities as well as suppliers who are asked to provide a similar statement.

Diversity and Inclusion

VPK actively promotes diversity and inclusion. Employees are recruited and

promoted based on their ability, skills, competence and motivation for each job. However when a male candidate and a female candidate apply with equal qualifications and motivation for a job, the female candidate will be preferred, as long as the advised gender diversity ratio of 1/3 female versus 2/3 male has not been reached.

Grievance mechanism

All breaches against the code of conduct are reported. Besides the possibility of reporting to a superior, HR or the legal department and as per EU Whistleblowing Directive 2019/1937 and all transpositions into national law by the EU Member States, reports can also be made to VPK's official internal reporting channel (compliance@vpkgroup.com; +32 52 30 79 57), via www.vpkgroup.com. While VPK prohibits retaliation against any employee for such reports made in good faith, it also protects the rights of any person mentioned in or involved in the report. During the past reporting period, 1 complaint was reported of which the content qualifies as a breach of the Code of Conduct. The report was thoroughly investigated, after which the cause of the breach was addressed and feedback was provided to the whistleblower.

Read our extensive [code of conduct](#)



08.

Cyber security strategy and data protection

In recent years, VPK has increased its investment in cyber security. And we shall continue to do so to ensure business continuity, protect the confidentiality and integrity of customer information, and maintain the timely processing of orders.

The VPK Cyber security and data protection strategy is built around the following key components:

- **Performance measurement and benchmarking.** VPK is benchmarked against industry and ISO 27000 standards for ICT security, in order to continuously improve its cyber security resilience. A management dashboard is in place to report on Key Performance Indicators.
- **Privacy and data protection.** Our customers can rest assured that we have made all possible investments to protect their personal data against potential security breaches. We have robust data recovery plans in place to deal with any cyber security issues that may arise.
- **Identity and access management (IAM).** In order to ensure our cyber resilience, we swear by the tight management of the digital identities and user access within our IT environment.
- **Third-party risk management.** We participate in our ICT service provider's Security Operations Centre, which covers both preventive analysis of security incidents and incident response management in the event of any cyber incidents.
- **Security reporting.** We continuously follow up on our cyber resilience, which is documented in reports by our Chief Information Security Officer (CISO) and Security Operations Centre (SOC).
- **Awareness.** Through various communications and training sessions, we aim to increase cyber security awareness across the Group.





09.

Partnerships

Philanthropic cases

Fostering social and environmental change through caring, philanthropic initiatives

As a sustainable company, we do not just look at our own operations. We strive to make a difference outside the company walls too. We do this by providing annual financial support to numerous organizations and initiatives that work to fight inequalities and make life more comfortable for the less fortunate.

Providing financial support to various health initiatives

Every year, we contribute to sparking medical breakthroughs in the fight against cancer. For instance, we have decided to make a donation to **Antwerp University Hospital Oncology Foundation**. This Foundation is committed to groundbreaking cancer research. It not only focuses on improving existing treatments, but also envisages pioneering research in the development of new therapies.

We also support several other medical initiatives including the **Dennenhof** organization. This non-profit organization offers hippotherapy for children with motor disabilities. In this way, these children can relax more, develop their balance and coordination, gain strength in their trunk muscles, allowing them to raise themselves better and learn to experience improved symmetrical posture.

In 2022, we also supported a lecture by **Esther Crombag**, which she organized to



raise funds to train a guide dog for someone who is deaf and blind. Esther is an inspiring woman. She herself went blind when she was 11 years old and has since achieved remarkable personal goals in life. During her lectures, she wants to pass on her life lessons to her audience and 'show' others that there are opportunities and possibilities to be found or created for everyone, disabled or not.

Supporting foreign aid

At VPK, we want to ensure that our financial support can be used where help is needed most. With this in mind, we donated funds to **Médecins Sans Frontières (MSF)**. Our support was used to help people affected by the devastating earthquake in Turkey and Syria, and the raging war in Sudan.

In addition, we support initiatives that help bridge the global inequality gap, by giving children and adolescents who are raised in vulnerable circumstances the opportunities to explore and develop their skills and talents. For example, we make an annual donation to **Niño Feliz**. This organization's unique 360-degree approach enables underprivileged children in Bolivia to create a future for themselves and escape the vicious cycle of poverty.

Another example of an organization that can count on our annual support is **AnaMalawi**. This not-for-profit organization organizes nursery school education in Malawi, giving pre-school children a good start in life and freeing up time for the mothers to develop economic activities. Recently, the country was hit by cyclone Freddy. In the aftermath of this natural disaster, AnaMalawi opened up the school doors for the local community, offering a safe haven for no fewer than 68 homeless families.

Fighting climate change by expanding nature

VPK also partnered with **Natuurpunt** to give nature an extra boost. Natuurpunt is an independent voluntary association that ensures the protection of vulnerable and endangered natural species and areas in Flanders. Thanks to our donation, Natuurpunt was able to purchase and plant no fewer than 1.000 native trees, with the help of a group of our own colleagues. The newly planted trees give rise to the development of a large green lung surrounding the Belgian city of Ghent. Once 'our' 1.000 trees are fully grown, they will be able to absorb up to 22.000 kg CO₂ per year.



10.

Sustainable management

General framework

Over the years, VPK has recorded strong growth, both organically and through successful acquisitions. This rapid growth resulted in a strong need for fundamental and effective internal control and risk management systems. To develop a clear company structure, the entire group has been divided up into three operational divisions. Financial management, group purchasing, ICT and risk management in its broadest sense are centralized: they are organized and managed at group level. Specific expert topics are also centralized. These entail: safety management; infrastructure and technology management; operational excellence; and sustainability strategy. All other functions are organized at a decentralized level to ensure full accountability with business unit management.

Accounting and control

All guidelines with regard to management reporting and external financial reporting have been set out in detail in the Group Accounting Manual. The aim is to obtain a

well-performing and transparent financial reporting process, ensuring mutual comparability between all group companies. The accounting principles mentioned in this internal manual comply with the International Financial Reporting Standards (IFRS) and are respected by all the group's companies. Periodically, all staff members closely involved in the financial reporting process liaise, in order to discuss and address new accounting or financial topics in a structured way. These initiatives, for instance, the annual Finance Day, which brings together all financial staff, enable VPK to identify and fundamentally analyse new risks related to the financial reporting process in time, taking into account their probability and possible impact on the group. At a decentralized level, business controllers review financial data and report on a monthly basis in turn to the group controller. Hence, our business controllers are the link between the operational and the financial aspects of the corresponding business units. Their specific local knowledge allows for a very accurate analysis of the financial data. In addition, the group controller ensures that there is

overall coordination and clear reporting to the executive committee.

Introduction of new products

Our current product portfolio consists of paper, cores and packaging, which are fully recyclable. In this value circle, we are both recycler and product seller. During the conception phase of new products, the latter are screened for a variety of parameters including the ultimate recyclability and life cycle impacts of what we put on the market.

Risk analysis

The board of directors and the executive committee translate VPK's strategy into concrete and measurable objectives, for both the short and the long term. Each of these objectives is characterized by an on-going pursuit of internal growth and international expansion, and defines the company's risk exposure. These objectives can only be realized by taking specific, calculated and well-considered financial risks, supported by adequate measures.

Furthermore, the group strategy is built on a thorough risk and opportunity assessment, to make the company more resilient in pursuing its business objectives.

The principal risks and opportunities in our own operation or value chain identified are: health and safety, employee wellbeing, training and development, ethics and transparency, product hygiene, circularity, water impact, climate action, renewable energy, innovation and economic growth.



Where do risks occur in our value chain

Downstream

- Sustainable and circular
- Product hygiene
- Transparency
- Partnership

Upstream

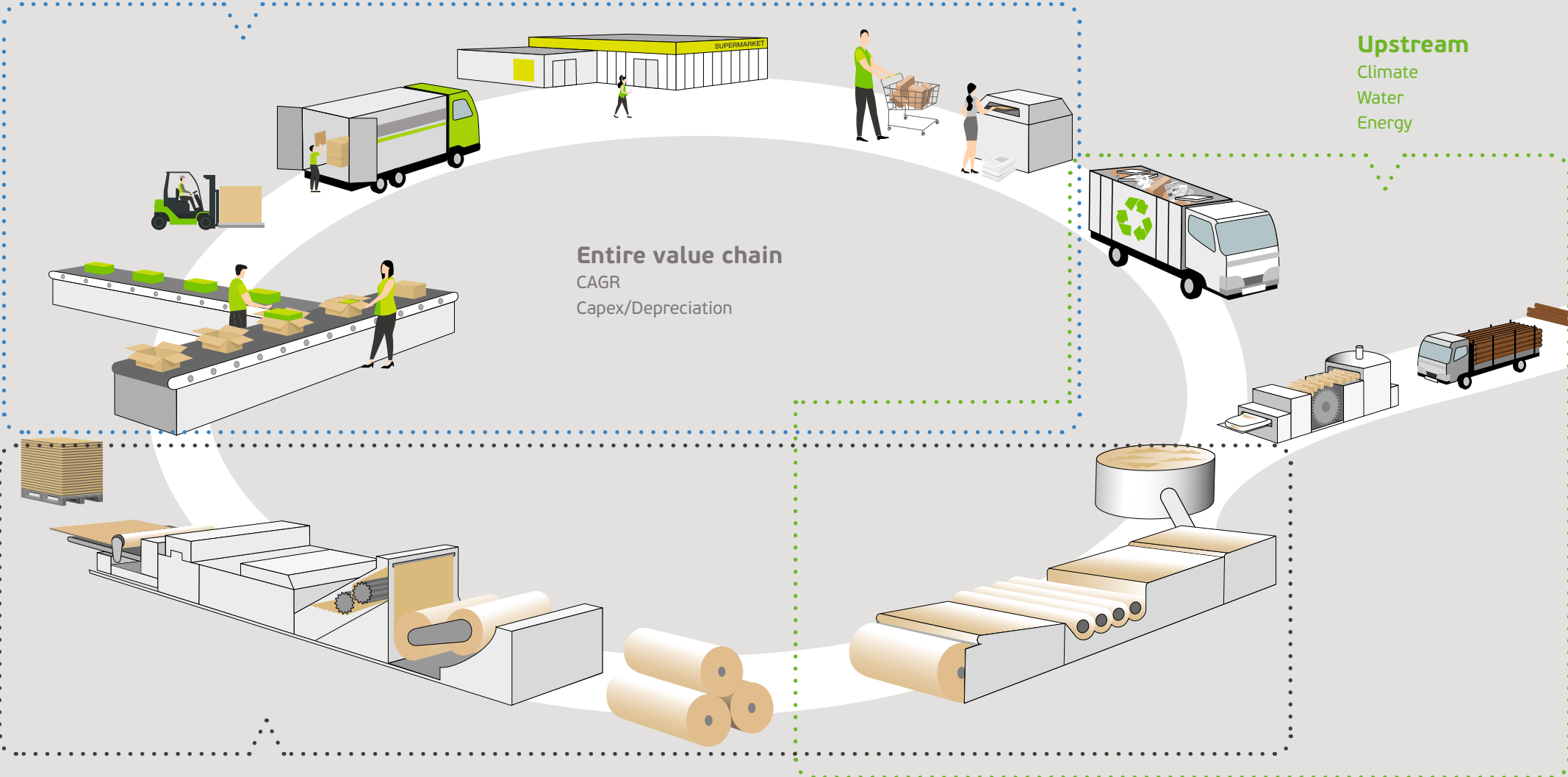
- Climate
- Water
- Energy










Entire value chain

- CAGR
- Capex/Depreciation

Own processes

- Climate, water, energy
- Employee well-being
- Health and safety
- Training and development



SDG		KPI
	3 GOOD HEALTH AND WELL-BEING	LTIR Hazard and near miss reporting
	4 QUALITY EDUCATION	Permanent contracts Employee engagement surveys
	17 PARTNERSHIPS FOR THE GOALS	Training hours
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Sedex, EcoVadis, CDP and UN GC
	6 CLEAN WATER AND SANITATION	Waste
	13 CLIMATE ACTION	BRC FSC®
	7 AFFORDABLE AND CLEAN ENERGY	Water intake
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	CO ₂ emissions
	8 DECENT WORK AND ECONOMIC GROWTH	Renewable energy
		Capex/Depreciation
		CAGR



3 GOOD HEALTH AND WELL-BEING

KPI

LTIR
Hazard and near miss reporting

Health and safety

The health and safety of all our employees and contractors is paramount. Safety risks can also have a tremendous impact on our companies' operations, as our employees are our most valuable assets. If we provide a healthy and safe environment, this also helps enhance the company's overall performance. Therefore, we report and track work-related injuries via the lost time incident rate (LTIR). Our policy is to have zero accidents. Furthermore, a lot of situations or incidents can cause accidents with injuries, but are not shown in the LTIR. Therefore, we also put a big focus on the reporting of hazards, near misses and other leading indicators. The close out rate of these incidents is our measure to evaluate performance.



3 GOOD HEALTH AND WELL-BEING

KPI

Permanent contracts
Employee engagement surveys

Employee well-being

Our employees' mental well-being and satisfaction are seen as one of the key risks and opportunities of our business. If this is not fully managed, it can affect our employees' sense of belonging and sense of personal value. We have zero tolerance for incidents involving harassment and discrimination. We strive to create an open, diverse and trusting environment with satisfied and respected employees. As a management parameter, we report on the employee engagement surveys and initiatives carried out to evaluate and improve the happiness and motivation of all our employees.



4 QUALITY EDUCATION

KPI

Training hours

Training and development

A lack of skilled employees and individuals who are not fully educated can hamper our company's performance or create safety risks. It is also undesirable for the development of the employees themselves. We want to grasp the opportunity to attract and develop talent. The development of this talent provides a competitive differentiator and is essential for our company's future successes. Training and education empower our employees. More skills give people possibilities and flexibility. For VPK it translates into a more resilient organization. We actively develop training and development for entrepreneurial colleagues. We track this via the average amount of training hours.



17 PARTNERSHIPS FOR THE GOALS

KPI

Ethics and transparency

Sedex, EcoVadis, CDP and UN GC

The value chain has become increasingly complex with a multiplicity of actors. This increases the risks of limited transparency and unethical business practices. Without this transparency, there can be no trust between us and our customers, on the one hand, and our suppliers on the other. We have selected four well-respected platforms (Sedex, EcoVadis, CDP and UN GC) to work with, so we can map our risks and create an overview for ourselves and for our customers. We create transparency, reduce risks and build on opportunities for our stakeholders. We track our performance via the amount of businesses that have subscribed to these platforms, and how well they manage it.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KPI

Waste

Circularity

Linear economic models entail a risk for the finite amount of resources that are present on the planet. The basis of our circular model provides a good framework for moving away from this depletion of resources. The opportunity lies in greater resource efficiency and keeping all materials in the loop as long as possible. Overall, our impact on global resource depletion is relatively low. We track our performance via our waste figures.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KPI

BRC
FSC®

Certified materials and product hygiene

BRC

Product hygiene is crucial in our business, as our packaging is a logistics means to getting products to the end consumer. Hence, it requires stringent controls. Via a GFSI-accredited food safety certification, we provide a credible guarantee to our food and non-food customers that our products will cause no harm and that they are produced in a hygienic environment. We track our performance via the amount of sites we have that are BRCGS certified, and their certification level.

FSC®

VPK believes in a transparent supply chain and provides its customers with guarantees of the traceability of the materials of origin. We do that by using certified FSC® materials in our production and through FSC® Chain of Custody (CoC) certification at our sites. This gives us the assurance that the materials used in our products come from well-managed forests, controlled sources or recycled materials. Therefore, our products do not harm biodiversity and are deforestation-free.



6 CLEAN WATER AND SANITATION

KPI

Water intake

Water security

Water is needed to produce paper in our recycling facilities, to manufacture finished packaging, and also to grow trees, which provide the basis of our raw material. Therefore, the availability of water is crucial in order to continue our business. Overall, our impact on water availability on a basin level is quite low, but some of the basins we operate in are under water stress. Our performance is tracked via the water we withdraw from various bodies compared with the amount of products we sell.



13 CLIMATE ACTION

KPI

CO₂ emissions

Climate action

Changing climate poses a risk to our direct business, our customers, suppliers and, more broadly speaking, to the carrying capacity of the planet. It is expected to cause disruptions to society. If we build sufficient capabilities to manage these disruptions, it will also provide opportunities. Overall, our impact on climate change is relatively low, but our operations may be affected adversely by future climate change. We track our current performance by comparing our direct and indirect emissions in absolute terms and in comparison to the amount of products we sell.



7 AFFORDABLE AND CLEAN ENERGY

KPI

Energy efficiency

Renewable energy

Energy in the form of electricity and heat is needed to produce our paper and finally our packaging. Uncertain supply entails a key risk for our continuous operability. Overall, our energy needs are relatively low in comparison with the energy needs of the countries we operate in. We track our current performance by comparing our energy consumption with the amount of products we sell. Furthermore, increasing our self-generated renewable energy is a strategic priority.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

KPI

Capex/Depreciation

Innovation

Lack of innovation constitutes a big risk, if markets evolve and consumer preferences shift. In the current legislative and policy-related climate, significant changes are underway to alter the way companies do business. VPK accelerates innovation to maintain its leading position in single-use plastics substitution and carbon emission reduction projects. The performance of our innovative investments is evaluated by dividing the value of investments by the depreciation of our current assets.



8 DECENT WORK AND ECONOMIC GROWTH

KPI

CAGR

Economic growth

Economic growth is crucial for increasing profits and financing new investments. The risk of lower economic growth entails slower investment capabilities and a slower transition towards sustainable business models. The CAGR evaluates our financial growth on a longer timescale to have a more robust image of the performance of an investment in volatile and uncertain markets.





How we translate our strategy into practice

PART
2

Content part 2



01. Health and safety*



3 GOOD HEALTH AND WELL-BEING

KPI

LTIR
Hazard and near miss reporting

The health and safety of our workforce is one of our top priorities. That is why we create a strong safety culture at all levels of our organization.

All co-workers, at all sites and in all positions, are responsible for achieving our safety goals. More specifically, all members of our hierarchy commit themselves to providing the required resources and ensuring clear information, instructions, training and supervision at all VPK facilities. In addition, we count on all managers and supervisors to promote safe behaviour among their team members and report any unsafe behaviour or unsafe situations.

We stress the importance of reporting all accidents and incidents throughout our organization in our safety management systems, so that we can evaluate our progress towards a safer working environment. We do so through the monitoring of various KPIs, on which we have focused for the past two years:

- Lost time injury rate (LTIR) should be below 8
- Close out rate of reported hazards and near misses should be above 85%
- Zero accidents is the general policy at every site

Past reporting period

- In 2022, we performed almost as well as the previous year, but narrowly missed our LTIR target because we sharpened it from 10 to 8 to emphasise the importance of safety within the organisation.
- We are 3% below our target for hazards and near misses compared to last year.

Outlook for the next few years

For 2023, we keep the target for the lost time incident rate to a value below 8 (top 25 percentile of the industry).

With the health, safety and welfare of our employees, site visitors and contactors in mind, it is vitally important we continue our journey to build a sustainable positive safety culture within our business. To help, support and drive this positive safety culture, we will be focussing on the following safety initiatives:

- Continue to implement our six steps for safety strategy into all our sites.
- Train all our leaders and line

management to manage safety throughout their sites.

- Develop a risk assessment tool that can help and assist our sites manage and control the identified risks and safety control measures.
- Create safety training videos in multiple languages that embrace the key safety

rules to help raise safety awareness at all our sites.

- Continue to carry out safety audits throughout the group to ensure our sites have embraced and implemented our six steps for safety strategy.



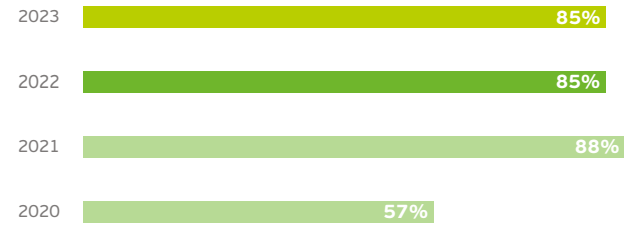
*More information on the data can be found in the annex to this report.

Lost time injury rate (LTIR)



● Actual value ● Target value

Hazard and near miss close out rate



● Actual value ● Target value



Safety

It starts with you

#beaware

Don't give **stress** a chance.
Talk about it.

Always wear the correct
Personal Protective Equipment.

Don't let **fatigue**
be a risk to safety.

Take care of your own
and **each other's safety.**

Don't be **indifferent**
to safety hazards.

Do the checks for a
safe working environment.



CASE

Health and safety

Raising awareness about safe behaviour, to achieve the Group's zero accident ambition

VPK prioritizes safety at work at all times. Over the years, VPK has implemented best-in-class physical safety equipment, including personal protective gear, machine safety, etc. However, in occupational health and safety, the safe behaviour of workers is equally important. That is why VPK launched a group-wide safety awareness programme aimed at team leaders and operators, helping them understand and remedy dangerous behaviour in operations. We had a chat about the campaign with VPK Marketing Partner Stephanie De Smedt.

Stephanie, what triggered this campaign?

"The idea for the campaign emerged from last year's Vlerick Future Leaders Programme. As part of one of the CEO challenges, one of the groups worked on occupational health and safety (OSH). Their proposal consisted of a three-tier programme including IOSH training for all senior and middle management, as well as blue collar workers, the implementation of a dashboard tool visualizing the safety statistics across all sites, and, last but

not least, a group-wide safe behaviour awareness campaign."

What exactly did the campaign entail?

"Over a period of 12 weeks, the campaign aimed to raise awareness among all Group employees regarding both personal (stress, fatigue, safety attitude) and contextual (personal protective equipment, care for each other, safe working environment) risk factors. Each of these six health and safety risks was highlighted through



a multitude of interactive communication materials that are available in no fewer than 14 languages.

To increase the effectiveness of the campaign, we chose to centralize all communication materials in places where little or no other communication was already available, to make sure that the message was seen."

So, what communication materials did you create?

"A week before the start of the campaign, we communicated a teaser video that was displayed on various TV screens throughout all of our factories, announcing the arrival of the campaign, as well as our ambition to reach zero accidents throughout the Group.

During the campaign, every two weeks, a new poster dedicated to a specific safety risk was hung up in the canteens, changing rooms, toilets, break rooms, etc. throughout the factories across the Group. Each poster also included a QR link to the campaign website. On this website, our colleagues would find a short video and poll on the same safety risk that was highlighted on the poster. The poll was

completely anonymous and invited our colleagues to take a moment to reflect on the topical risk factor. As such, throughout the campaign, the website was gradually expanded with new videos and polls on all risk factors.

Additionally, we have spread 'chain posters', a series of six posters that literally form a chain to emphasize the aspect of sensitizing each other and contributing to safety altogether.

To conclude the campaign we hung up wrap-up posters, summarizing the six health and safety risks, in central locations, as a permanent reminder to all co-workers of the risks on the job. In this way, we aim to create a shift in mindset and align everyone to our common goal of zero accidents."

Interesting fact, the campaign material was printed digitally at our plant in Courcelles, in high definition. It is our intention to repeat this campaign on an annual basis.



Over a period of 12 weeks, the campaign aimed to raise awareness among all Group employees regarding both personal and contextual risk factors.

Stephanie De Smedt – VPK Group Marketing Partner



02. Employee wellbeing



3 GOOD HEALTH AND WELL-BEING

KPI

Permanent contracts
Employee engagement surveys

The wellbeing of our employees is a vital ingredient for our business success. We are convinced that when our people feel appreciated for their work, they will go the extra mile for us and support our smart and sustainable growth ambition.

Therefore, we have implemented various policies to nurture the wellbeing of the entire VPK workforce on multiple levels, including:

- Long-term stable employment
- Fair and equal remuneration
- Dedicated talent management, personal development and learning perspectives

To measure the effectiveness of our initiatives, we follow up on our employees' wellbeing. This is done through informal talks in the car park, at the (coffee) machines and even at lunch. Additionally, we engage in more formal evaluations through toolbox talks and digital surveys. At least every five years, we conduct a vast survey, which probes into different aspects of employee wellbeing: work content, working conditions, working atmosphere, work organization and labour standards.

We have also defined a KPI to monitor our progress in employee wellbeing: we use the percentage of permanent contracts as an indicator for providing our people with stable and long-term employment. It is our goal to keep this figure as high as possible.

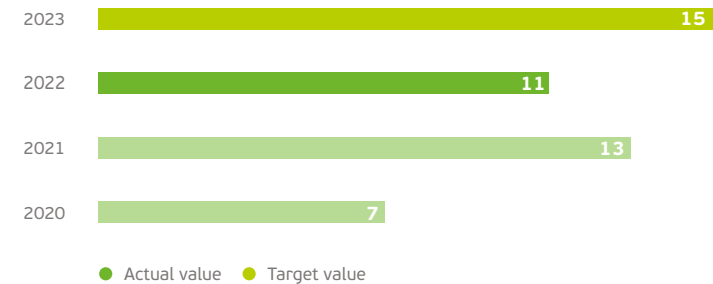
Past reporting period

- In 2022, we have increased the percentage of permanent contracts from 91% to 94% and almost reached the 95% target.
- In 2022, we conducted employee engagement surveys in 11 entities, instead of the planned 15.

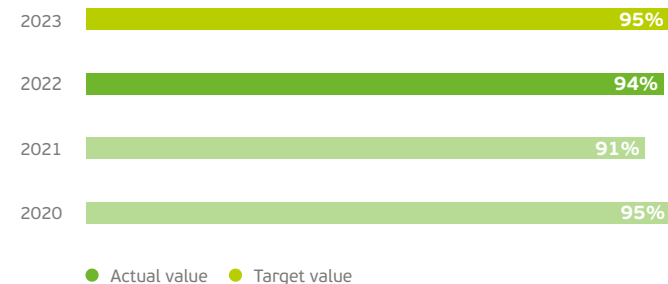
Outlook for the next few years

- The future of VPK is shaped by its people. Employee engagement is a key driver of performance. Therefore we keep our ambitious target for employee engagement surveys to 15 per year.

Number of sites with completed employee engagement surveys



Percentage of permanent contracts





CASE

Good Health & Wellbeing

Probing employee wellbeing, to take targeted actions and make VPK an even better place to work

The wellbeing of our employees is important to us, which is why we monitor it closely. We do this by means of digital, anonymous surveys, among other things, which we organize periodically across the Group. Last year, our colleagues in Randers, Denmark, were invited to participate in an elaborate online wellbeing survey. We discussed it with Anita Svoldgaard, HR Manager VPK Denmark.

In the second quarter of 2022, the Nordic HR team organized a survey in Randers, Denmark. What was the general idea behind this survey?

“With the survey, we wanted to take the temperature of the local culture at the VPK site in Randers. How satisfied are

our colleagues in their jobs? How is their mental wellbeing? The answers to such questions provide a baseline, helping us identify the domains in which targeted actions would be most efficient, so as to make VPK in Randers an even better place to work. They give us guidance as to how we can further develop the company culture with both personal and business-related drivers that support our sustainable Group strategy, as well as our growth ambitions.”

How did you go about it practically?

“We compiled an online survey of 72 questions that cover various aspects of working at VPK, including safety, the Group’s mission, vision and values, and business and people drivers.”

Business drivers focus on more economic topics, such as knowledge about the customer/market, products and workflows. The people-focused drivers dive deeper into how the respondent experiences his or her functioning in the organization, in his or her team, or as an individual. In total, the survey took about 15 to 20 minutes to complete.”

What was the response rate like?

“Sixty-two percent of all employees working at Randers participated in the survey. In comparison with the last survey in 2019, we put more emphasis on communication to raise awareness and keep the survey in people’s minds. For instance, the survey was discussed during information meetings and there were also articles in the internal newsletter. Moreover, we took our time to

brand the survey and to involve internal stakeholders. Union representatives, managers and the HR manager took on the role of coaches, while employees logged into the system and filled in the questionnaire.”

What are the general takeaways of the survey?

“The answers clearly show that the site scores well in domains such as safety, teamwork and management. We also got a view of the domains in which we can take targeted actions. This includes for instance having even more customer focus in each corner of VPK like suggesting encouraging customer service to contact customers by telephone rather than via e-mail. Or getting different departments to work together even better.”

Have you taken any action yet?

“Yes definitely. We have developed an action plan for the entire organization that strives for continuous improvement in the identified areas. The Works Committee and Work Environment Committee are closely involved in this. Moreover, the action plan is an integral part of our BRCGS objectives. So, we will also be audited on it by an independent external party.

Let’s give some examples of actions that we have already undertaken. For instance, we have brought people around the table to better align the workflow between planning and customer service. And we have also set up an internal training session for management and selected employees around mental wellbeing and

attitude. The purpose of this training is for the participants to become ambassadors for the company culture and how to work together towards better results. Eventually, everyone will have the opportunity to attend this training session during the Randers company day on 16 June 2023.

With these and other actions, we aim to make the Randers site an even better place to work in the coming months and years. And get even better results in the next survey in 2025.”

How satisfied are our colleagues in their jobs? How is their mental wellbeing? The answers to such questions provide a baseline, helping us identify the domains in which targeted actions would be most efficient to make VPK in Randers an even better place to work.

Anita Svoldgaard, HR Manager VPK Denmark



03. Training and education



4 QUALITY EDUCATION

KPI

Training hours

VPK’s entrepreneurial spirit is in every fibre of our company. All around the world, our people are given full responsibility and trust to run our business as if it was their own. To live up to this commitment, we want to make sure all our colleagues have the appropriate competencies to fulfil that role.

That is why we continuously invest in learning and developing their skillsets and expertise, so that they can excel in their job and advance their career at VPK. We do this from the time they join VPK until they retire:

- We make sure people get the right training and support during their onboarding period to learn the skills needed for the function
- Every year, we identify the learning and development needs of our employees and develop a training calendar based on performance talks and talent management exercises
- We also invest in various safety training courses, to make sure everyone understands the different safety policies and rules

company and continue to differentiate ourselves positively from our competitors. Therefore, we are aiming to provide at least 20 hours of training per employee by the end of 2023.

Past reporting period

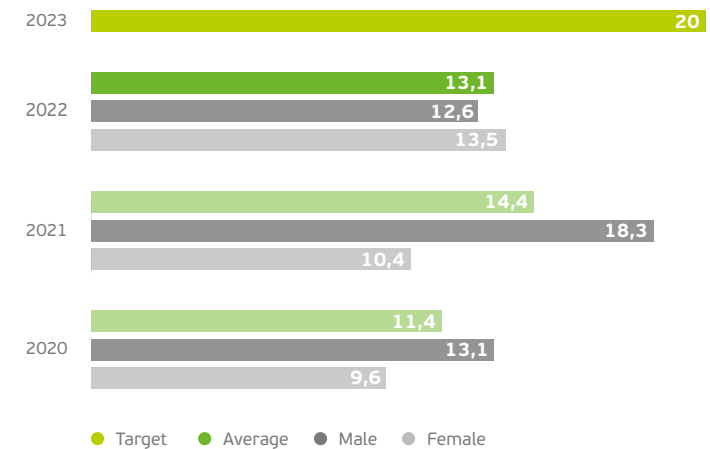
- In 2022, we averaged 13 training hours per employee. The number of training hours for female colleagues increased by 30% compared to the previous year.

Outlook for the next few years

- To hold on to our ambition of 20 training hours per employee by 2023, we intend to:
- Increase our training intensity while focussing specifically on the topic of safety at work
 - Improve the recording of training hours

The training and development of our employees will enable us to excel as a

Hours of training per employee





CASE

Training and education

Achieving synergies across plants, through uniform tools and in-depth training

As a sustainable organization, we understand the importance of our people and their ability to perform at their best. It's up to us to make sure they have everything they need to do so. How? By providing them with tools that make their job easier, among other things. And, subsequently, the necessary training to use these tools smoothly. Last year, for instance, we invested more than 100 training hours in teaching 40 key users in Alizay, France, the ins and outs of our SAP & OMP Group Template.



CASE

Training and education

▼

In a group such as VPK with so many plants in different countries, we strive for uniform reporting and synergies by installing the same way of working in each place. This is why, for example, we are installing the SAP & OMP Group Template in all our corrugated plants. “The SAP & OMP Group Template enables us to generate comparable data from the different plants. More specifically for all commercial, financial and logistics processes (SAP), as well as for all planning and production activities (OMP). This allows the local business unit to operate with modern applications. An integrated solution for both the paper and corrugated business that provides detailed analysis and opportunities for productivity gains”, explains Michiel Van Gysegem, IT project manager at VPK Group.

Nurturing individual growth through tailor-made training

However, it is not just about the process

itself. It is also about the impact on individuals and their ability to adapt to a new way of working. Many users face the challenge of rethinking their familiar ways of working as we automate and streamline tasks that were previously manual. While this intensive learning process presents challenges, it also offers opportunities for growth and innovation.

“Achieving those synergies requires more than just the implementation of a uniform template. It requires us to ensure that the platform is embraced and utilized consistently throughout the organization. This emphasis on uniformity brings us to the critical aspect of key user training,” states Michiel.

In 2022, the SAP & OMP Group Template was implemented in the French VPK site in Alizay and around 40 key users received extensive training from the IT team. “All ►

In line with our corporate value of ‘Ownership’, we honour the train-the-trainer principle, giving our key users the responsibility to pass on their newly acquired knowledge and skills to local end users.

Michiel Van Gysegem, IT project manager at VPK Group



training sessions were tailored to the key user's specific area of expertise", adds Michiel. "For example, the training sessions for the key users from logistics focused on the concrete applications for their day-to-day operations, such as processing deliveries, consulting and updating stock inventories, etc. For sales people, we focused on creating and processing quotations, sales orders, etc."

Empowering individuals: key user training that puts people at the centre of success

The VPK Group IT team swears by a standardized approach in its key user trainings. For example, all key user trainings are organized face-to-face and digitally for people who cannot be physically present. Throughout the training, a variety of tools

are deployed to facilitate the key users' learning process. "We conduct in-depth training sessions based on demos in the platform's testing environment. In addition, we record all training sessions using Microsoft Teams for future review. On top of that, key users can consult dedicated training documentation on the VPK Group SharePoint", details Michiel.

"Once the key user training is completed, we validate the key users' knowledge by running test scripts. We also call this User Acceptance Testing (UAT)", continues Michiel. "The key users log into the SAP and OMP test systems and perform the various steps that are outlined in the test scripts. For instance, the various steps that they need to cover when selling cardboard boxes to a customer in France. Once the testers have signed off

on the test scripts, we can verify whether the systems are set up correctly and the users are sufficiently trained."

The key users in Alizay received more than 100 hours of SAP & OMP training, spread over some 30 training sessions. In turn, they have now become trainers themselves. Michiel: "In line with our corporate value of 'Ownership', we honour the train-the-trainer principle, giving our key users the responsibility to pass on their newly acquired knowledge and skills to local end users."

Spreading uniformity across all corrugated plants

The Alizay site is now the first French corrugated board factory in the VPK Group to operate in full SAP mode, following the other corrugated board factories in

the group. The same process is currently underway for four more French sites, namely Lisieux, Saint-Quentin, Lille and Longjumeau.

CASE

Training and education



Achieving those synergies requires more than just the implementation of a uniform template. It requires us to ensure that the platform is embraced and utilized consistently throughout the organization. This emphasis on uniformity brings us to the critical aspect of key user training.

Michiel Van Gysegem, IT project manager at VPK Group

04. Ethics and transparency



17 PARTNERSHIPS FOR THE GOALS

KPI

Sedex, EcoVadis, CDP and UN GC

At VPK, we conduct our business in an ethical and sustainable way, and we want to be transparent about it. In this way, we continue to build trust and increase opportunities with customers.

To share our commitment to sustainable business practices and ensure transparency, we work with four well-respected platforms.



Supplier Ethical Data Exchange (Sedex)

Sedex is one of the leading collaborative platforms for sharing ethical supply chain data. VPK has been active on the Sedex platform since 2016, sharing and reporting information on four key areas: Labour Standards, Health & Safety, Environment and Business Ethics.

We evaluate our ethical performance based on the number and the rating of the VPK sites that have subscribed to the Sedex platform. Currently, 22 of our production sites are registered on Sedex.



EcoVadis

EcoVadis is a globally recognized rating platform that assesses corporate sustainability based on four key categories: environmental impact, labour and human rights standards, ethics, and procurement practices. The objective of the EcoVadis rating is to measure the quality of a company's Corporate Social Responsibility (CSR) management system annually through its policies, actions and results.

At VPK, we use the EcoVadis assessment tool as a management tool to determine our priorities and decide which steps to take next. We have been disclosing our CSR performance on EcoVadis since 2017 and we are currently participating with eight countries: Belgium, Denmark, France, Poland, Romania, Sweden, the Netherlands and UK. It is our ambition to add one more country in the summer of 2023 to cover the majority of our geographical footprint.



Carbon Disclosure Project (CDP)

CDP is a global disclosure system, which enables investors, companies, cities, states and regions to manage their environmental impacts. VPK has been using CDP since 2016. Each year, we disclose environmental data in three sections: climate change, water security and forests. In each of these sections, we have reached level B rating.

We also participate in the CDP's Supplier Engagement Rating (SER), which assesses our sustainable contribution to the supplier value chain. More specifically, the SER assesses our performance in terms of governance, targets, CO₂ Scope 3 emissions, and value chain engagement. In this specific domain, we have obtained a level A score—leadership level—making us one of only seven Belgian companies to receive this score and the only player in the packaging sector.



United Nations Global Compact

The UN Global Compact is a voluntary corporate sustainability initiative that underpins a company's commitment to implement, disclose and promote the ten universal principles in the areas of human rights, labour, environment and anti-corruption.

VPK has been publishing its data on the UN Global Compact since 2020. We adhere to their methodology to document our sustainability journey. As a result, we have defined 12 key performance indicators related to the ten universal principles, as well as the nine most important SDGs for our company.

VPK meets all minimum requirements and submits an annual Communication on Progress (CoP). Our CoP and the CEO Statement of Continued Support are publicly available on the UN Global Compact [website](#). ►



Other endorsements

- Cradle To Cradle - since 2016
- Pack4Food - since 2017
- Healthy Printing Initiative - since 2018

Membership of associations

To enhance and ensure cross-industry collaboration and global partnership for sustainable development, VPK is an active member of various trade organizations, as well as multi-stakeholder partnerships that mobilize and share knowledge, expertise and technology and also support the achievement of sustainable development goals.

- FEFCO: Federation of European Corrugated Organization
- CEPI: Confederation of European Paper Industries
- CPI: Confederation of Paper Industries (UK)
- InDUfed: Association of Belgian manufacturers of Glass, Paper and Cardboard
- CBA: Corrugated Benelux Association
- NBF: Norske Bølgepappfabrikkers Forening, Association of Norwegian Corrugated Board Manufacturers.

▶ [GO TO THE ONLINE CERTIFICATE OVERVIEW](#)

05. Circularity



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KPI | Waste

Packaging and more specifically packaging waste has become a huge challenge for the development of a more sustainable economy.

At VPK, we want to contribute to a better society by reducing the impact of our packaging as much as possible. We do this by:

- Working closely with our customers to avoid inefficiencies from the design stage onwards
- Making optimal use of our packaging materials, ensuring our packaging is fit-to-size
- Using recycled materials as much as possible and looking for renewable alternatives
- Collecting and recycling our customers' packaging waste.

Based on these efforts, we aim to reduce the amount of waste that is landfilled to 2,41% of our total waste by 2025. In addition, we want to avoid waste as far as possible, even if it is recyclable. Therefore, we want to keep our corrugated recyclable waste at the same level and even lower it.

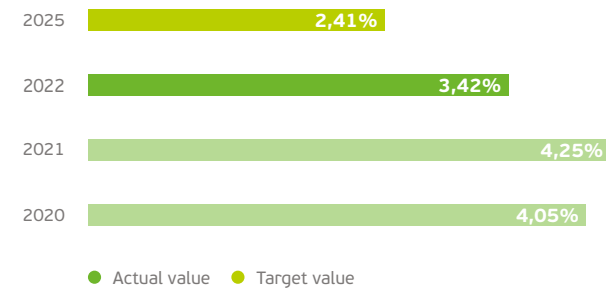
Past reporting period

- In 2022, we further reduced our corrugated recyclable waste by 11%. This is even better than the predefined target.
- Thanks to operational improvements from last year, we reduced the amount of landfilled waste. This brings us closer to our target. In the same period, we achieved an 11% decrease in total waste in 2022. This demonstrates an increasing commitment, the right actions and strong policies within VPK.

Outlook for the next few years

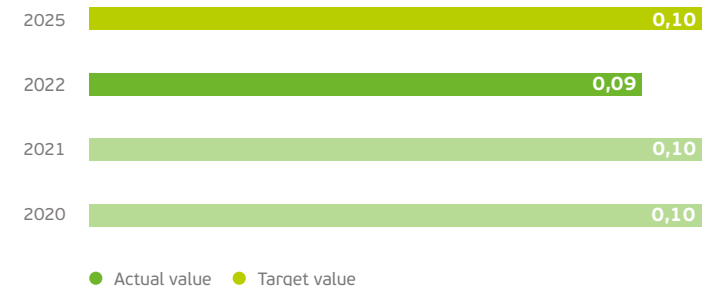
- Further scale-up of ongoing project in two papermills aim to ensure that landfilled waste will continue to decrease.
- By increasing the focus on the management of its waste streams, the corrugated board division has achieved improvement in its results. We keep the long-term target of less than 10% recyclable process waste.

Percentage of total waste that is landfilled*



*Debris from construction activities (e.g. building conversion) on-site is monitored but reported separately.

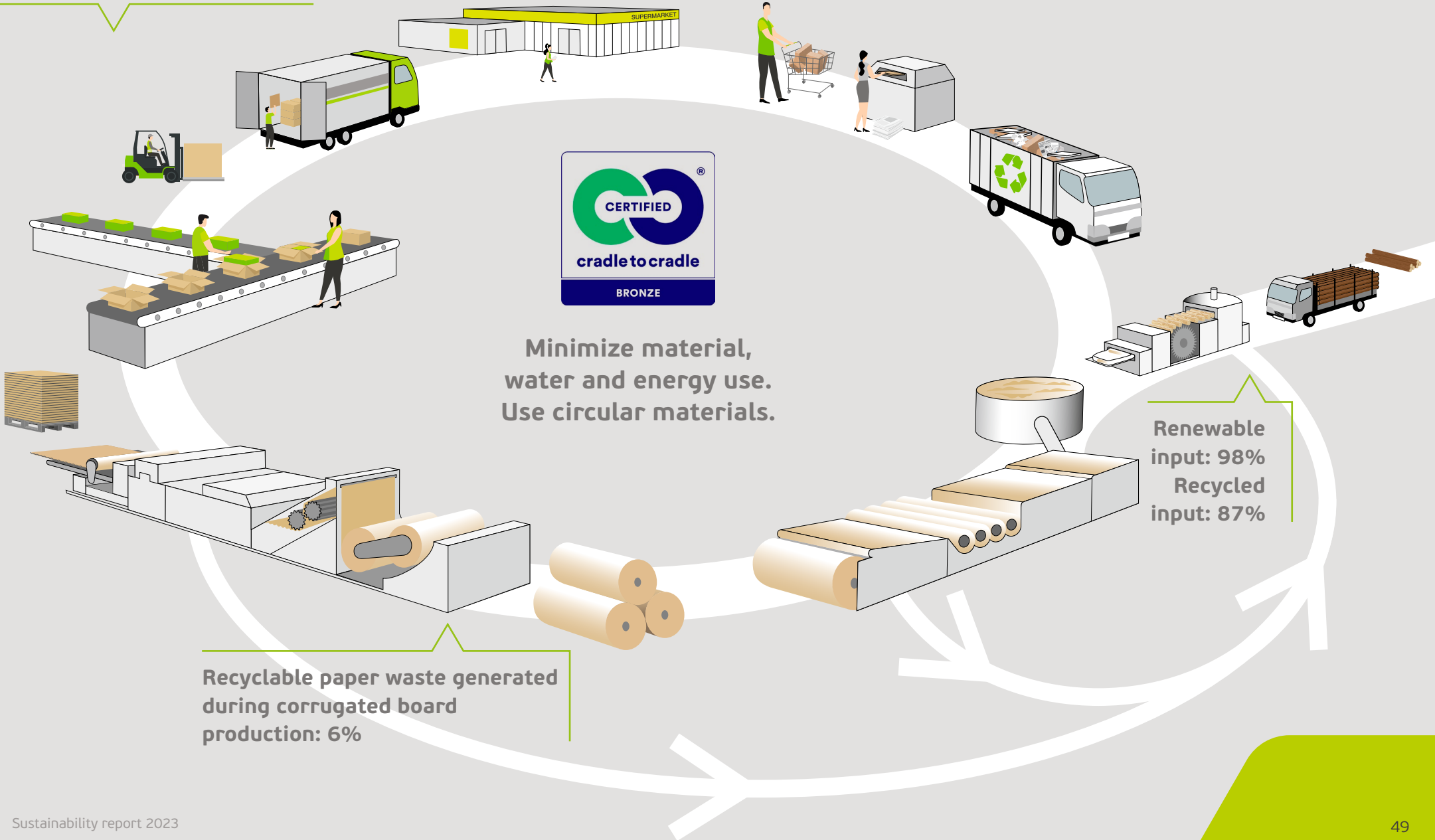
Tonnes of recyclable waste per tonne of corrugated board sold**



** Includes conversion, feeder, corrugated

Sustainable and circular

Recyclable corrugated waste generated during conversion: 2%



Minimize material, water and energy use. Use circular materials.

Renewable input: 98%
Recycled input: 87%

Recyclable paper waste generated during corrugated board production: 6%



CASE
Circularity

**Eliminating all forms of landfilling,
by separating and valorizing waste streams**

By converting recovered paper into new cardboard products, VPK breathes new life into otherwise lost materials. This includes more than just the recovered paper, as each tonne of recovered paper contains about 10% plastic, iron wire or other pollutants. At some sites, this waste was landfilled, but VPK is committed to stop sending waste to landfill sites by 2025. Hence, throughout the Group, various initiatives are being taken to valorize the collected waste. One of those initiatives is the waste treatment plan that has been introduced at the Corex Board Atlantic site near Bordeaux, France.

The Corex Board Atlantic plant has been producing coreboard for over 50 years. The mill produces around 100.000 tonnes of coreboard per year, as well as up to 7.000 tonnes of waste. "The waste consists of plastics, aluminium cans, wood pieces and iron wires that end up at our plant together with the recovered paper", explains Mill Director Stéphanie Claustres. "Up until 2021, this waste was landfilled. However, in accordance with the Group's

commitment to eliminate all landfilling originating from processes by 2025, we implemented a waste treatment process that enables us to separate all contaminants efficiently and recover valuable materials for recycling or other types of valorization."

**Increasing the efficiency of the
production process**

The first stage of the waste treatment project targeted the continuous waste ►

flows generated by the secondary pulper. This waste stream represents up to 70% of the landfilled waste, mainly plastics, fibres, water, etc.

In January 2022, a line was installed to treat these waste streams in various steps. Stéphanie Claustres outlines the different steps of the waste treatment process: “Waste is ground using a shredder, conveyed by an endless screw into a centrifuge, and separated into fibres and water that return to the pulping process.”

The results of this first stage of the waste treatment plan exceeded expectations. “We were able to recover a significant amount of fibres and observed a 55% reduction in

waste production, consuming about 3% less recovered paper to manufacture the same quantity of coreboard”, stresses Stéphanie.

Separating plastic waste for recycling

In the second half of 2022, Corex Board Atlantic took things a step further. “The recovered paper enters our plant in bales that are strapped together using metal wires. These wires tangle together in the pulper, forming large 1-m³ balls of waste that we had to remove with a gripper. An operation that we had to repeat every two hours and for which we had to stop our line”, says Stéphanie. “Those balls of waste were put into waste collectors with no additional treatment and subsequently landfilled as such. Thanks to our investment, this is no

longer the case. The balls of waste are now shredded during the process and then pass over a magnet, which removes all the small pieces of metal. The metal is collected and sent off to a recycler. The remaining waste, predominantly plastics, fibres and water pass through the centrifuge and undergo the treatment process that was installed in the first phase.”

Next step: replacing fossil fuels

Altogether, the waste treatment plan helped Corex Board Atlantic save 4.000 tonnes of waste from being landfilled in 2022. And it does not stop there. “Our goal is to use this separated waste to fuel our on-site steam boilers”, adds Stéphanie. “We will use it as Solid Recovered Fuel to substitute fossil

fuels. In this way, we will reduce our site’s carbon footprint even further.”

The site continues its ambitious plans and will install a methanizer in 2023. Stéphanie: “As our production volumes and quality continue to increase, our process water contains more and more organic load. By installing a methanizer, we can convert that organic load into biogas that we can use on site as a substitute for natural gas and, on top of that, cut our site’s carbon emissions by 10%. Altogether, it is a sustainable investment that is perfectly aligned with our continuous growth.”

In accordance with the Group’s commitment to eliminate all landfilling originating from processes by 2025, we decided to implement a waste treatment process that would enable us to separate all contaminants efficiently and recover valuable materials for recycling or other types of valorization.

Stéphanie Claustres, Mill Director, Corex Board Atlantic

06. Certified commodities and product hygiene

Many of our packaging solutions are widely used in the food and feed market and will therefore come into direct and indirect contact with perishable goods. To ensure food safety and product integrity, we make sure our products are manufactured in a clean and hygienic environment. We have appointed local food safety specialists who are responsible for the implementation and follow-up of the BRCGS management system, a GFSI-accredited international benchmark for good manufacturing practice, which reassures customers that our products are safe, legal and of high quality. In addition, we ensure the sustainable production and origin of our recycled paper and fibres through FSC® CoC certification.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KPI

BRC FSC®

BRCGS certification

We evaluate our performance based on the number of sites that are BRCGS certified and their scoring. More specifically, we aim to have 65% of our sites and especially those supplying to the food and food processing market BRCGS certified by 2023, thus ensuring broad geographical coverage for our food portfolio. We evaluate our approach to food safety continuously and review our target and progress on a yearly basis.

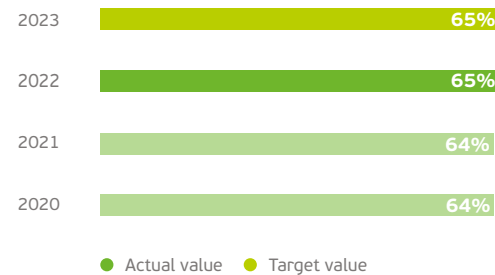
FSC® CoC certification

VPK believes in a transparent supply chain and guarantees its customers full

traceability of the origin of the materials used. Our system has been certified by the Forest Stewardship Council (FSC) Chain of Custody (CoC) since 2011. Thanks to this FSC® CoC certification, we have external assurance that our products originate from well-managed forests, controlled sources or reclaimed materials.

In addition, we have committed ourselves to only using materials that are supplied through a verified CoC-certified supply chain. For the production of our paper, corrugated boxes and sheets, we only accept FSC®-certified materials.

Share of BRCGS-certified packaging sites



Metric	unit	2020	2021	2022
Paper production (raw material inputs)				
Recycled fibres	Tonnes	996.975	1.083.424	1.026.503
Virgin fibres	Tonnes	0	0	0
Recycled fibres	Percentage	100	100	100
FSC® Chain of Custody reclaimed materials	Percentage	100	100	100
Packaging production (raw material inputs)				
Recycled fibres	Tonnes	933.735	1.059.816	976.663
Virgin fibres	Tonnes	151.447	172.274	147.164
Recycled fibres	Percentage	86	86	87
FSC® Chain of Custody certified materials	Percentage	100	100	100

Figures do not include Corex sites

Past reporting period

- In 2022, we reached our goal of 65% sites being BRCGS certified.
- In 2022, VPK Group had 44 FSC®-certified sites.
- All our paper mills are FSC®-certified and use 100% recycled CoC-certified fibres.
- 33 of 36 packaging sites are also FSC® certified.

Outlook for the next few years

- In 2023, we want to keep at least this percentage of BRCGS-certified sites.
- In 2023, we aim to get one more site FSC® certified.
- Our goal is to continue producing 100% FSC®-certified recycled paper and a maximum amount of CoC-certified corrugated boxes and sheets.





CASE
Product hygiene

VPK Radomsko obtains BRCGS AA+ rating, acknowledging the Group's unwavering focus on food safety



Packaging for the food industry must comply with strict rules on food safety, hygiene and traceability. For food companies, it is important that their suppliers co-comply with these regulations. At VPK, they have that guarantee thanks to our commitment to BRCGS certification. This commitment is clearly illustrated by our Polish packaging site in Radomsko, which recently achieved the AA+ rating, currently the highest achievable BRCGS status. We sat down with Poland's Total Quality Manager Anna Galant to talk about this major achievement.

First of all, congratulations on obtaining the highest possible BRCGS rating, Anna!

"Thank you. We are delighted that we were able to achieve yet another step in reinforcing our corporate social responsibility. What makes this achievement even more special is that we obtained the AA+ status after an unannounced audit. This clearly confirms that our on-site quality system is working properly



and is firmly embedded in our day-to-day operations.”

What makes this rating so important?

“A great many of our packaging products are supplied to companies in the food industry. Therefore, it is of utmost importance that we provide them with guaranteed safe, top-quality packaging. This means, packaging that complies with the most stringent food safety standards, such as BRCGS.

BRCGS is a global food safety standard that was first issued in 1998 by the British Retailers Association. Since then, this standard has become the quality

standard of choice of retailers, foodservice companies and food manufacturers around the world. The main reason for BRCGS’s leading status is that it introduces a kind of discipline within an organization to deal with quality issues. It creates awareness



among all employees to deliver a quality product by adhering to all hygiene standards.”

What do you think are the main reasons for achieving this AA+ rating?

“Our commitment to quality and food safety is at the forefront of everything we do. We regularly organize quality training sessions, both internally and externally. We share insights with other VPK plants, so that we are able to install and spread best practices throughout the entire Group. And we organize our own internal audits to check the proper functioning of our quality system and identify any opportunities for improvement.

CASE
Product hygiene



In short, it requires our full attention. And teamwork. We involve everyone in our commitment to quality: from management to factory workers. Thanks to everyone’s efforts and motivation, we manage to pursue the highest possible quality. Day in and day out.”

Our commitment to quality and food safety is at the forefront of everything we do.
We regularly organize quality training sessions, both internally and externally.

Anna Galant, VPK Poland’s Total Quality Manager



07. Water Intake



6 CLEAN WATER AND SANITATION

KPI

Water intake

Our production processes require a lot of water. However, water is a scarce resource, and as a sustainable company, we do not want our intensive water consumption to impact the water needs of other stakeholders.

Therefore, we are committed to keeping our water footprint as low as possible. In concrete terms, we take the water stress of different regions into account, based on a global water stress evaluation (WRI Aqueduct), and the water intensity of our operations in a risk-based approach. Based on this, we prioritize the water management goals and objectives relevant to our organization.

To control our water impact, we have implemented environmental management systems and, where necessary, water treatment facilities. Environmental managers and process technologists are responsible for using as little water as possible.

More specifically, our goals are to:

- Protect existing water bodies in accordance with the stand-still principle and thus prevent long-term deterioration
- Positively affect neighbouring water bodies that have been impacted by historical overconsumption
- Use water according to the following hierarchy: rainwater > surface water > ground water > city water (when technically possible)

- Promote water stewardship among our key suppliers, customers and other stakeholders in our value chain
- Reduce the impact of discharged water from our operations to zero

In concrete terms, we aim to reduce the net water intake of our paper mills to less than 6 m³/ton by 2025. This is a 9% decrease when compared to the reference year 2019, and is well below the industry average. We evaluate our performance each year to see if we are on track to achieve this target.

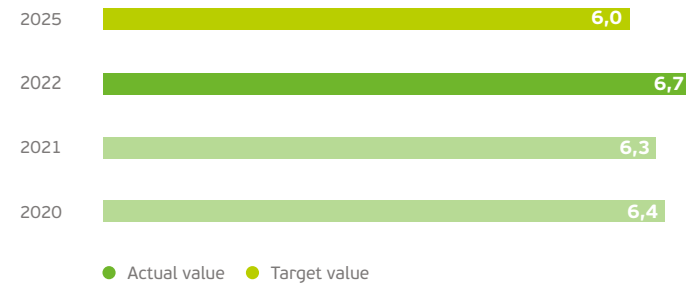
Past reporting period

- Our water intake is lower than industry average, unfortunately we have a slight increase by 6% in water intake in 2022.

Outlook for the next few years

- We aim to reduce the net water intake of our paper mills by continuing to implement operational improvements and increase management attention
- By increasing focus on water management and implementing new water-saving projects at our paper mills, we maintain our sharp target.

Water intake intensity of papermills (m³/tonne sold)





CASE

Water intake

Leading the industry the way in sustainable water consumption, by replacing high-quality water with fresh and purified water

Producing paper-based products requires a lot of water. In the world today, however, increasing drought has made water a scarce resource. Therefore, we at VPK are committed to using all water resources sparingly. On the one hand, by limiting our water consumption as much as possible, and on the other by reusing our water to the maximum. For this reason, we started the Watergate project at our paper mill in Oudegem, Belgium a few years ago. In 2022, we were able to complete the third phase of this vast water treatment project.

The Watergate project was launched to use water from the river Dender more intelligently and, subsequently, reduce our intake of ground and city water. "To achieve this ambition, we have implemented a series of new water treatment technologies over the years", adds Wim Remes, Waste Water Treatment Manager at VPK in Oudegem.

performance decantation tank, as well as sand filters to take in a higher volume of fresh water with a more stable end quality. This first step was absolutely necessary to enable the second phase of the project: adding an ultrafiltration unit that filters out any remaining particles from the fresh water that has passed through the sand filters.

Achieving industry best-in-class water consumption

The first stage of the Watergate project included the installation of a high-

The implementation of these technologies allowed us to achieve a significant reduction in the use of high-quality city or ground water. ►

“Some on-site consumers do not need city/groundwater quality to operate. Hence, we have switched these consumers to fresh or purified water”, explains Wim. “Thanks to these efforts, we have become one of the industry’s best in class in terms of water consumption, using only 4 m³ of water per tonne of paper compared to the industry average of 7 m³/tonne.”

Slicing the on-site consumption of water treatment chemicals

After completing the first two phases, the installation of a reverse osmosis plant concluded the third phase of the project in 2022. This plant is able to de-ionize 25 m³/h of water before it enters the demineralization plant. “But first, we needed to overcome some challenges”, states Wim.

“The consumption of water treatment chemicals is determined by the regeneration

frequency of the demineralization plant”, Wim continues. “During the project, we noticed that we could no longer detect the need for regeneration based on conductivity measurements. Hence, we need to implement a new online tool that measures the water’s silicon content, so that we can further reduce the regeneration frequency and be in full control of the process.”

Another issue was the frequent fouling of the reverse osmosis membranes, which requires chemical cleaning of the membranes. However, traditional cleaning methods were only successful in removing part of the pollution. “This is why we conducted an autopsy of one of the membranes, so that we could analyze the composition of the contamination. This gave us a better understanding of how to prevent that pollution and thus treat the water more efficiently”, clarifies Wim.

Further reducing the consumption of high-quality water

The reason for installing the reverse osmosis plant was the perspective of replacing up to 150.000 m³ of city and ground water with fresh water. “We are close to achieving this objective”, emphasizes Wim. “We already have a confirmed saving of 70.000 m³ of ground water per year. Due to the frequent fouling of the membranes, we have not yet tapped into the plant’s full capacity, but during stable conditions, we were already able to save the equivalent of 60.000 m³/year of city water.”

In addition, the reverse osmosis installation was designed to reach a recovery rate of 75%. Therefore, a consumer was sought for the remaining 25% of the concentrate, to avoid having to discharge it. Wim: “We did not find a local consumer who could handle the increased hardness and salt content.

However, we were able to reuse one of the pipes to lead the concentrate back to the cold water tank where it can be put to good use. We can even reuse the residual pressure of the reverse osmosis plant to lead the concentrate through the pipes, without any additional pumping or electricity.”

With the implementation of this third phase, the Watergate project comes to a conclusion. But it does not mark the end for Wim and his team when it comes to the site’s water consumption: “We still have more than enough ideas to make our water consumption even more sustainable”, concludes Wim.

Thanks to these efforts, we have become one of the industry’s best in class in terms of water consumption, using only 4 m³ of water per tonne of paper compared to industry average of 7 m³/tonne.

Wim Remes, Waste Water Treatment Manager, VPK Oudegem



08. Climate and carbon emissions management

Like any manufacturing company, our activities also have an environmental footprint. To mitigate the climate impact of our operations, we apply a dedicated management approach.

Reducing our carbon footprint is essential for society and our activities. At VPK, we recognize the importance of climate action and continue to contribute to a sustainable future.

Our goal is to limit global temperature rise to 1,5°C above pre-industrial levels and achieve net-zero CO₂ emissions by 2050. To achieve this, we have set ourselves ambitious reduction targets aligned with the Science Based Target initiative (SBTi).

VPK fully commits to reducing its absolute GHG scope 1 & 2 emissions by 42% by 2030 compared to reference year 2020.

Together with the motivated support of our engineers, sourcing managers, waste managers, logistics managers and material managers, we are fully committed to improving our CO₂ emissions. To reduce our Scope 1 and Scope 2 emissions, we continue to invest in carbon-neutral energy solutions.

Currently, we have achieved 5,2% absolute reduction in our Scope 1 & 2 CO₂ emissions compared to baseline year 2020. This accounts for almost 19.000 tonnes of CO₂e. We will continue to monitor our progress on an annual basis.

VPK has already committed to the Science Based Target initiative. As a next step, we will submit our target to SBTi for official validation.

We have developed a trustworthy climate transition and carbon reduction plan and choose SBTi to provide our stakeholders with a standardized and robust approach.

Past reporting period

- In 2022, we have achieved a 6,8% reduction in our absolute Scope 1 & 2 CO₂ emissions compared to last year. This brings us closer to our target.
- Last year, we emitted 10% less CO₂e per tonne of goods sold compared to the 2020 baseline.

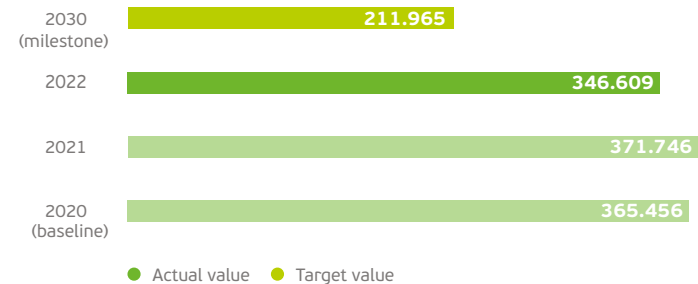


13 CLIMATE ACTION

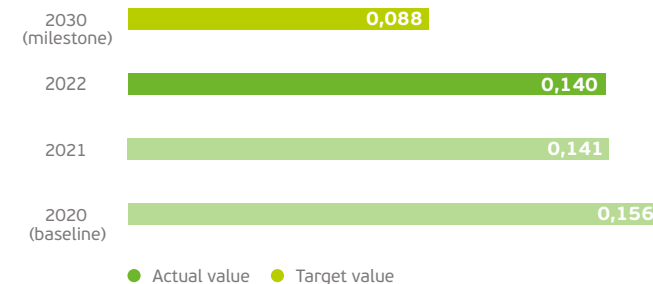
KPI

CO₂ emissions

VPK Group scope 1 + 2 absolute emissions (tCO₂e)



VPK Group scope 1 + 2 intensity emissions (tCO₂e/t sold)



▼

Outlook for the next few years

- Several fuel switch projects have been initiated last years, but they still need to be scaled up to provide measurable results
- We continue to expand renewable energy sources with new solar and biogas installations, biofuel boilers and other alternative solutions to non-fossil fuel
- We investigate and optimise our packaging in terms of weight, size, components used, strength, etc. to reduce the carbon footprint and provide our customers with the most sustainable solution
- We continue to implement a route planning system and a 3D load building system for transport to our customers and increase the volume per load



Mapping our Scope 3 emissions

To map the full carbon footprint of our operations, we conducted a thorough assessment of the emissions in our supply and value chain. This included a thorough review and recalculation of our Scope 3 emissions* in accordance with GRI Standards and the GHG Protocol.

We focused the assessment of our Scope 3 emissions on a selection of 9 out of 15 categories that are most relevant and important to our business (see text box). For each of these categories, we took into account all the data that are available throughout the value chain. Most of the data were collected at group level; for the largest and most important category—purchased goods and services—we contacted our suppliers to provide us with the required primary data. Based on these supplier emission figures, we were able to calculate 85% of the total emissions in this category. The remainder was complemented with industry averages (FEFCO, ADEME, etc.).

Scope 3 emissions amount to 69% of our total GHG emissions

As a result, we calculated that our Scope 3

emissions represent an estimated 69% of our total GHG emissions. This corresponds to 770.842 tonnes of CO₂e.

Further analysis revealed that more than 89% of our Scope 3 emissions are concentrated in seven upstream categories. Two of these categories (Purchased goods & services and Upstream transportation & distribution) even represent 80% of the total Scope 3 emissions. Consequently, we will focus our Scope 3 reduction efforts on these two categories.

Achieving the first reductions

In 2022, we already succeeded in reducing the group's Scope 3 emissions by more than 114.200 tonnes of CO₂e. This is an absolute reduction of 13% and an intensity reduction of 5% compared to 2021. This decrease is the result of lower production, as well as

Scope 3 emission categories

Upstream categories

1. Purchased goods and services
2. Capital goods
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting

Downstream categories

8. Processing of sold products
9. End-of-life treatment of sold products

*Other indirect (Scope 3) GHG emissions are a consequence of an organization's activities, but occur come from sources not owned or controlled by the organization."

Source: GRI 305: emissions 2016

targeted actions that tackle both transport and our sites' energy management.

Implementing a new transport planning system

Last year, we started to implement a new transport planning system that will significantly improve the way we use our means of transport and thus reduce our carbon footprint.

The new system will allow us to optimize our transport loads, determine the optimal means of transport, and decrease the distance travelled by empty shipments at every step of the order management and transport planning process.

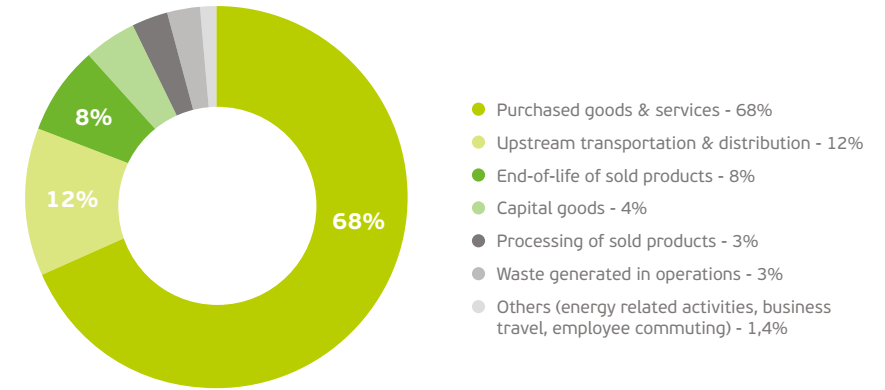
Currently, the transport planning system is being used at a pilot plant. The plan is to install it as a must-have planning tool across our corrugated packaging plants throughout 2023 and 2024.

More initiatives to further address Scope 3 emissions

In addition to the new transport planning system, we have determined a series of future actions to further reduce our Scope 3 emissions:

- In 2023, we will **set a Science-Based Target(SBT) for Scope 3 emissions.** This target will be incorporated into our overall decarbonization strategy to meet the European Commission's net zero ambition by 2050.
- In 2022, we already collected primary carbon emissions data from suppliers, representing 85% of the total Scope 3 emissions for purchased goods and services. We aim to **further improve** the quality of our GHG emissions data by **obtaining more primary data from other suppliers.**
- As more than two-thirds of our Scope 3 emissions are represented by purchased goods and services, we will focus on a **Sustainable procurement programme** to replace carbon-intensive raw materials.
- The rollout of the previously mentioned transport planning system.

Scope 3 emissions (tCO₂e)





CASE

Climate and carbon emissions management

Advancing towards carbon-free production, by gradually eliminating the use of natural gas

VPK has committed itself to achieving carbon neutrality by 2050. Throughout the Group, we are studying and deploying various initiatives to achieve this ambition. And at the heart of this endeavour lies the Alizay Sustainable Development Hub in the North of France.

BEA, short for Biomasse Energie d'Alizay, is a combined heat and power plant that has been producing green energy based on biomass since January 2021. Moreover, it is the third largest biomass-powered energy production site in the whole of France, with the capacity to process 155 MW of biomass.

Woody biomass such as wood chips, bark, etc. is used as feedstock to power the BEA plant. These materials are converted by the BEA boiler into 175 tonnes of green high-pressure steam per hour. This high-pressure steam is then expanded with an extraction steam turbine into low-pressure steam whilst generating

electricity at the same time. As such, 100 tonnes of low-pressure steam per hour is used to run the on-site paper mill.

Turning waste into green steam

Currently, all fuel for the BEA boiler is sourced externally, but VPK also wants to feed the boiler with rejects. More specifically, the non-usable materials that enter the Alizay site with the supplies of recovered paper. "We are talking about 35.000 tonnes of rejects per year, including non-usable paper fibres, as well as plastics, textiles and wood", clarifies Johan Dhaese, Group Energy and Environment Manager at VPK Group. ►

In total, less than 10% of BEA's load would consist of this alternative fuel, half of which would still be biomass. "More importantly, discharging the collected waste into the boiler would avoid the transportation of 35.000 tonnes of waste to various waste processors. Reusing the energy as fuel saves up to 7.000 tonnes of CO₂ emissions per year compared to natural gas", according to Johan's calculations.

Supplying the corrugator with 100% green steam

The Alizay Sustainable Development Hub also features three gas boilers. Two of these boilers generate 55 tonnes of steam per hour each based on natural gas, and serve as back-ups for the BEA boiler. "The BEA boiler runs for about 8.100 hours a year, whereas the

paper machine runs for approximately 8.500 hours per year. During the biomass boiler's stoppage time, steam is supplied to the paper mill by the two gas boilers", explains Johan.

The third gas boiler is used to meet the steam demand of the corrugator. This gas boiler is fed by biogas, supplied by the paper mill's anaerobic digester that valorizes the organic load of the mill's effluents. The result is biogas that has about 75% of the energy content of natural gas. Johan: "Fuelled by 100% biogas, the boiler will produce about six tonnes of steam per hour, which is more than what the corrugator needs. Hence, the remaining steam is diverted to the paper mill."



Using residual heat from flue gases to dry wood

Also at the Alizay site, VPK plans to produce wood pellets, some 120.000 tonnes per year. These wood pellets will be used by several sites across the Group as a substitute fuel for natural gas or will be sold on the market.

"The pellets will be produced from wood chips. These will be dried, ground and then pressed into pellets", elaborates Johan. For the drying process, VPK will install a heat recovery plant that transforms waste heat from BEA's flue gases into hot water. "The heat exchangers will have a capacity of about 20 MW, which is equivalent to 30 tonnes of low-pressure steam per hour. As a result, we can dry the wood chips without having to use any natural gas. As such, the 20-MW heat exchangers will significantly increase the primary energy savings of the BEA biomass CHP. And, on top of all that, the 120.000 tonnes of pellets per year will help save as much as 120.000 tonnes of CO₂ emissions."

The 20-MW heat exchangers will significantly increase the primary energy savings of the BEA biomass CHP. And, on top of all that, the 120.000 tonnes of pellets per year will help save as much as 120.000 tonnes of CO₂ emissions.

Johan Dhaese, Group Energy and Environment Manager, VPK Group



09. Energy



7 AFFORDABLE AND CLEAN ENERGY

KPI

Energy efficiency

Energy production and consumption weigh heavily on our environment, especially, considering the use of fossil fuels during production and the emission of greenhouse gases that goes with it. In addition, lots of energy is still wasted before and during use.

VPK has committed itself to reducing its energy consumption and stepping up the clean energy transition. To put this commitment into practice, we abide by a three-pillar energy policy:

- 1. Use less:** Sustainable energy use means avoiding unnecessary energy use. That is why we invest in energy-efficient process technology, LED lighting, insulation, high-efficiency engines, etc. We ensure our relentless focus on energy efficiency by participating in the Flemish energy agreement, ISO certification, national energy agreements, etc.
- 2. Use to the fullest:** We aim to achieve the most efficient conversion of primary energy into steam or electricity. This is accomplished through the optimal configuration of our installations,

cogeneration and different forms of energy recovery.

- 3. Use renewables:** We are gradually implementing alternative and renewable energy resources such as solar power, biomass, biogas, etc.

With the support of our central and local energy managers, we intend to put this policy into practice and thus increase the percentage of renewable energy. Every year, we evaluate our progress in this area. In 2019, VPK reached the EU target of 21,8% renewable energy. We are sharpening our target by an additional 21% to minimum 43% by 2030. This exceeds the EU target and is fully in line with our intention to replace fossil fuels with renewable energy to reduce emissions and become carbon neutral by 2050 at the latest.

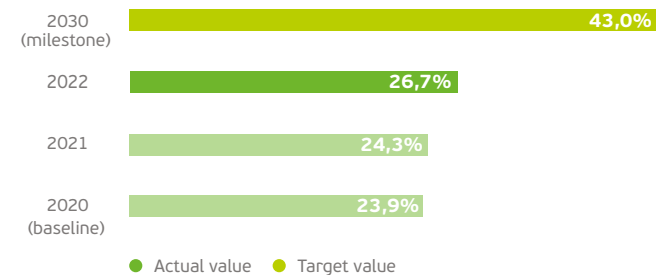
Past reporting period

- Every year we add more renewable energy sources (solar panels, biomass boilers, biogas, ...) and reduce consumption of fossil energy along with CO₂ emissions.
- In 2022, our paper production facilities have managed to use more green fuel instead of fossil fuel.

Outlook for the next few years

- We envision more energy-saving projects to further reduce our energy consumption for both our paper and our corrugated board activities

Renewable energy as % of total energy





Enhancing the efficiency of the waste-to-energy process, to save 18.000 MWh of natural gas

At VPK, we want to use natural resources as sparingly as possible. This explains our relentless focus on energy efficiency and process control. In this context, we have made an important investment decision at Blue Paper that will help us reduce our annual natural gas consumption by some 18.000 MWh.

The Blue Paper site in Strasbourg is equipped with a rotary kiln called Blue Circle that generates energy based (mainly) on internal waste (e.g., wood, textiles, plastics and other rejects from the recovered paper). To be more precise, the heat of Blue Circle's flue gases is converted into steam, 25 tonnes of steam per hour to be exact, which is used to power the site's paper mill.

Battling the moisture content of the waste

Blue Circle's combustion process

still has room for improvement. "The waste that is incinerated in Blue Circle contains about 45% moisture", adds Johan Dhaese, Group Energy and Environment Manager at VPK Group. "That moisture first needs to evaporate before the waste fuel will start to combust. Consequently, the high moisture content reduces Blue Circle's energy efficiency."

Currently, the Blue Paper site is adding natural gas to the process to dry the waste in the furnace. "However, we wanted to find a way to avoid this

additional use of natural gas and boost Blue Circle's energy efficiency at the same time", explains Johan.

Adding an industrial belt dryer

"And we found a way to fulfil that dual objective", Johan continues. The solution includes the installation of a belt dryer, which will dry the waste from a moisture content of 45% to a stable 10%. "The dryer will be installed just before the entrance to the rotary kiln, so that only dry waste will enter the combustion process, which will significantly improve the efficiency of the combustion process."

Recovering heat from the paper mill's condensate

The essential ingredient for the drying process is heat. And for that heat, Blue

Paper is no longer looking to natural gas, but to sources available on site. Specifically, the condensate from the paper mill. Johan says: "We can recover the residual waste heat contained in the condensate of the paper mill by adding a heat exchanger to the process. On top of that, we can also use the heat of the blow-off steam that is otherwise lost."

The new heat exchanger at the Blue Paper site will have a capacity of 2,5 MW, which will suffice to power the belt dryer without having to add any natural gas. "This investment, altogether, will allow us to save as much as 18.000 MWh of natural gas and avoid the equivalent of some 3.600 tonnes of CO₂ emissions. Results that make this investment more than worthwhile."



This investment, altogether, will allow us to save as much as 18.000 MWh of natural gas and avoid the equivalent of some 3.600 tonnes of CO₂ emissions. Results that make this investment more than worthwhile

Johan Dhaese, Group Energy and Environment Manager at VPK Group



10. Innovation

The world we live and work in is becoming increasingly uncertain and complex, with more and more changes coming our way, the impact of which is not always clear. In order to thrive in such a volatile context, we at VPK rely on our vision. We want to go beyond compliance – we focus on innovation.

Innovation is an essential aspect of our risk and opportunity management. Our dedicated innovation managers survey market trends, business development opportunities, and trends and changes in legislation in order to develop novel packaging solutions.

More specifically, our product innovation partner manages the development of new product ideas in collaboration with the various country R&D managers. In general, new ideas are divided into three categories:

- **Core business:** ideas that can be implemented in the short term
- **Close to core business:** ideas that can be implemented in the medium term
- **New business:** ideas that can be implemented in the long term

Alongside product innovation, we also invest in the innovation of our machinery to make sure our products live up to the highest market standards. Consequently, the overall

value of our existing assets increases. That is why we evaluate our investments in innovation by dividing the value of our investments by the depreciation of our current assets. We aim to keep this innovation investment ratio (3 years average) above 1,25 at all times. This value ensures our position as an innovative investor.

Past reporting period

- Over the past three years, we have invested heavily in new machinery and the construction of a greenfield site in Poland and Norway

Outlook for the next few years

- In the coming years, we expect to keep our innovation investment ratio high due to the paper and conversion project in Alizay (France) and various replacement projects
- A large portion of the investments will be dedicated to the reduction of the Scope 1 and 2 emissions.

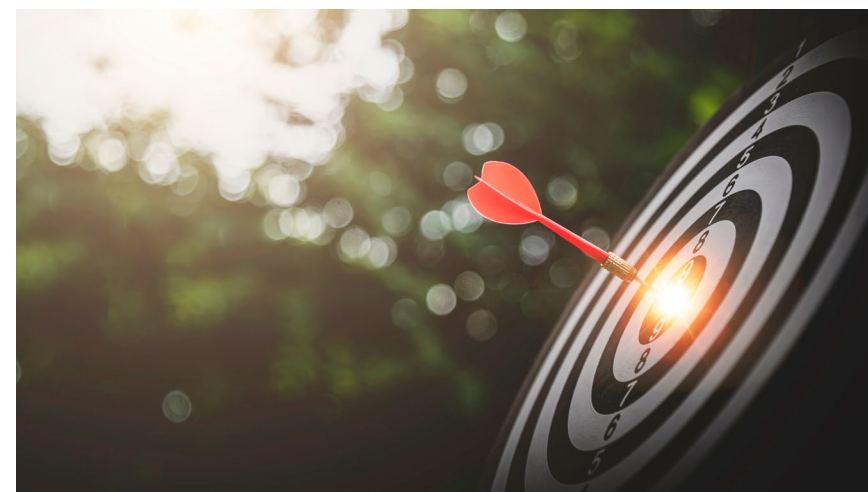
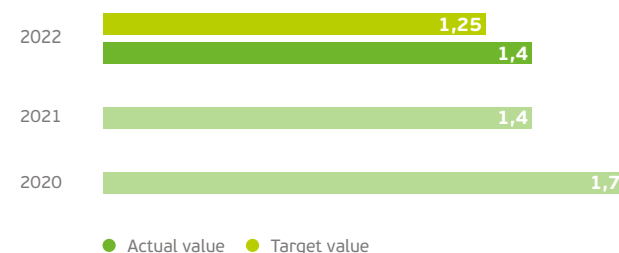


9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

KPI

Capex/Depreciation

Investment depreciation ratio





CASE
Innovation

fit2size[®]

**Revolutionizing e-commerce packaging,
with Fanfold packaging brand fit2size[®] and
a highly efficient digital printing line**

VPK wants to make a difference in e-commerce packaging. How? By ensuring sustainable efficiency gains. On the one hand, with a new brand of Fanfold packaging that better fits the original product and thus wastes even less space. On the other, with a new digital printer that can print packaging in high definition at an unrivalled fast pace. And all of this from VPK's newest circular hub in Alizay, France.

To meet the increasing demand for e-commerce and logistics packaging, VPK has launched a new brand to further strengthen its ambition to supply excellent sustainable packaging solutions, fit2size[®]. It is based on the latest Fanfold innovation, a continuous length of corrugated sheet that has been accordion-folded into a stack and

scored to fit each customer's exact specifications.

New fit2size[®] brand saves packaging space

With the growth in e-commerce and the increasing consumer awareness about oversized boxes and packaging waste, fit2size[®] works towards the elimination ►

of void fill, spacers and fillers and helps to produce exact-size corrugated packaging on demand, to achieve stock keeping unit (SKU) reduction, and limit manual handling and forming.

Philippe Tran, Managing Director of VPK France describes how the brand was created: "We wanted a pan-European brand with a strong affiliation to the VPK brand identity and an eco-friendly appeal that combines space saving with void fill reduction. fit2size® meets these requirements."

Producing the greenest e-commerce packaging on the market

The fit2size® Fanfold sheets will be made of green energy paper supplied by VPK's paper mill located in the circular economy hub in Alizay, France. Hence, VPK truly believes that its Fanfold solutions will be the greenest packaging solution for e-commerce



and logistics, Fanfold being by nature a sustainable product, through the elimination of wasted space and void fill in packaging boxes.

Targeting customers in France and adjacent countries

VPK's fit2size® products are produced in Alizay and therefore target customers in France where supply is limited and often

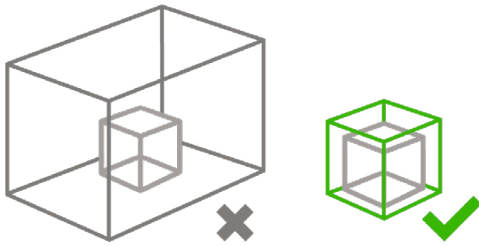
involves buying in from other countries. However, the fit2size® products are set to meet demands for Fanfold all across Europe, especially in the neighbouring countries. "We are also targeting adjacent countries such as the UK and the Benelux region, where VPK has a strong position in corrugated packaging. Our plant in Alizay is perfectly located to export to those countries", explains Philippe Tran. "This investment will definitely strengthen VPK's position in France and beyond."

Investing in a new state-of-the-art digital printing line

After deciding to make the Alizay site a showcase for the production of Fanfold, VPK also invested in a new digital printing line, the first machine of this type in France. For the record, this inkjet press is capable of printing corrugated sheets in a single pass at a speed of 75 metres per minute, thanks

to the presence of a LED drying system. Its main advantages: lower energy consumption and virtually no emissions of volatile organic compounds (VOCs).

Moreover, this technology offers a great deal of flexibility in terms of applications. "Compared to flexo printing, which will remain a mainstay in the cardboard industry, digital printing offers a much better colour rendering of gradients and photographic images. And, when it comes to this specific digital printer, there is great latitude in applications. For instance, printing the inside of e-commerce packages to obtain that "wow" effect. Or widening our range of applications in the wines and spirits segment, point of sale displays or even industrial pre-series and marketing operations. In short, it opens up a whole new world of opportunities", concludes Philippe Tran.



We wanted a pan-European brand with a strong affiliation to the VPK brand identity and an eco-friendly appeal that combines space saving with void fill reduction. fit2size® meets these requirements.

Philippe Tran, Managing Director, VPK France

11. Economic growth



8 DECENT WORK AND ECONOMIC GROWTH

KPI

CAGR

In everything we do, we always aim for long-term sustainable growth. In this way, we secure our commitment to people, planet and profit. It ensures our financial health, which will allow us to continue our investments in broadening our offer, expanding our production capacity, enhancing our resource efficiency, implementing more green technologies, valorizing our R&D efforts, etc.

To monitor our sustainable financial growth, we use the compound annual growth rate (CAGR)¹ as one of our leading indicators. This indicator evaluates our financial growth over a longer period of time, providing a more robust performance tracker for our investments in the cyclical market and the volatile and uncertain environment in which we operate. It is our objective to have a CAGR of more than 5%, measured over a five-year period.

Our CAGR is continuously managed and evaluated by our CFO and the finance department, so that we can continue to pursue our sustainability goals at a stable pace.

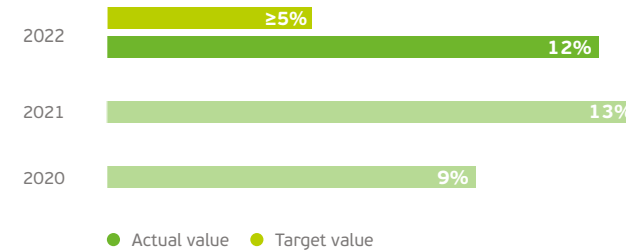
Past reporting period

- We reported a slight decrease of growth rates in 2022, namely 1% less compared to the previous year. VPK continues to post strong economic value following organic growth and growth by acquisition.

Outlook for the next few years

- We strive to keep our CAGR as high as possible

Compound annual growth rate



¹ Compound annual growth rate (CAGR) is the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each year of the investment's lifespan



CASE

Economic growth

Replacing two machines with one modern piece of equipment, to boost production efficiency and capacity

As a sustainable company, VPK aims for long-term growth. To achieve that ambition, we continue to invest in the latest and highest-performance technologies, so that we can work ever better and more efficiently. The investment in a new flatbed die-cutter at our solid board site in Meer, Belgium, last year fits this picture perfectly. We discussed the ins and outs of this investment with Marc Hopstaken, Plant Manager Meer at Smart Packaging Solutions, our solid board division.

Tell us Marc, why this investment in a new flatbed die-cutter?

“Our site in Meer was equipped with two die-cutters. But these machines dated back to the 1970s. They more than proved their service, but it became difficult to guarantee their operational reliability. The speed and changeover of

these machines were also proving more and more of a hurdle. In short, it was time for an upgrade.”

What can you tell us about this new piece of equipment?

“We replaced the two old machines with one flatbed die-cutter. Not just

CASE

Economic growth

any one, it's a BOBST Expertcut 145 PER, the Rolls Royce among die-cutters. The machine can output as many as 7.500 sheets per hour. Moreover, it can process sheets with a maximum size of 1450 x 1050 mm."

How long did the installation take?

"It's a rather bulky machine, weighing a whopping 64,5 tonnes. To support all that weight, we first had to carry out the necessary ground and foundation works. If you take these works into account, it took us about three months to install the line. Building the machine itself took six weeks. Once the machine was installed, the operators were trained by an instructor from the supplier, because this new piece of equipment is very different in operation from the previous machines."

What is the big advantage of the new machine?

"This new machine has many benefits. First of all, we use it to punch solid cardboard, and on this machine we can produce all the different products in our portfolio, ranging from normal standard packaging to plano set-up trays and punnets.

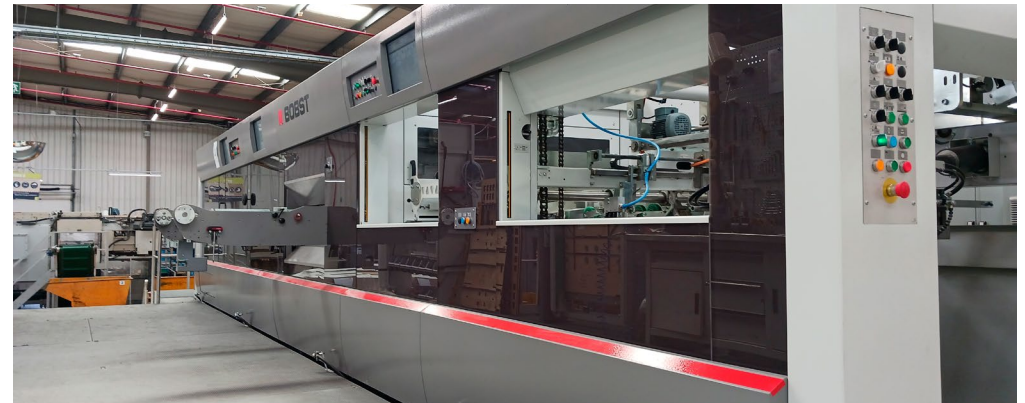
The machine is also equipped with a separation unit, which makes it a lot easier to break out difficult and multiple packs properly and stack them on pallets.

The machine also has a stacking reverser to straighten stacks of cardboard, with the possibility of blowing air between the sheets, to make sure the stacks are easy to process. This more than benefits the

stability of the production process.

Last but not least, the new die-cutter greatly increases our production capacity. When loading the cardboard, we now remove the pallet to lead the stack over the conveyor

belts to the insert. Hence, we no longer have to stop the machine at every pallet change as we did with the old ones. Now, we can produce non-stop in three shifts, as we have been doing since mid-August 2022."



We replaced the two old machines with one flatbed die-cutter. Not just any one, but really the Rolls Royce among die-cutters. The machine can output as many as 7.500 sheets per hour. Moreover, it can process sheets with a maximum size of 1450 x 1050 mm.

Marc Hopstaken, Plant Manager Meer, Smart Packaging Solutions



Driven by data

PART
3

Sustainability report 2023

Content part 3

01.

Assurance statement

This report has been prepared in accordance with the terms of our engagement contract dated 28 February 2023 (the “Agreement”), whereby we have been engaged to issue an independent limited assurance report in connection with a selection of sustainability indicators marked with symbol “✱” included in the Sustainability Report as of and for the year ended 31 December 2022 (the “Report”).

The Directors’ Responsibility

The Directors of VPK Group NV (“the Company”) are responsible for the preparation and presentation of the selection of sustainability indicators for the year 2022 marked with symbol “✱” included in the Sustainability Report (the “Subject Matter Information”), in accordance with the criteria disclosed in the Report (the “Criteria”).

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Directors includes the design, implementation and maintenance

of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we have obtained.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (ISAE 3000), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable engagement been performed. The selection of such procedures depends on our professional judgement, including the assessment of the risks of material misstatement of the Subject Matter Information in accordance with the Criteria.

The scope of our work comprised the following procedures:

- assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject Matter Information as of and for the year ended 31 December 2022 in the Report;
- conducting interviews with responsible officers;
- undertaking site visits at 2 of VPK Group NV’s sites; we selected these sites based



on their inherent risk and materiality to the group and sites not visited in the prior period;

- reviewing, on a limited test basis, relevant internal and external documentation;
- performing an analytical review of the data and trends in the information submitted for consolidation;
- considering the disclosure and presentation of the Subject Matter Information.

The scope of our work is limited to assurance over the Subject Matter Information. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Report.

Our independence and quality control

We have complied with the independence and other ethical requirements in the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (IESBA Code) together with the legal Belgian

requirements in respect of the auditor independence, particularly in accordance with the rules set down in articles 12, 13, 14, 16, 20, 28 and 29 of the Belgian Act of 7 December 2016 organising the audit profession and its public oversight of registered auditors.

Our firm applies International Standard on Quality Management n°1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Related Services Engagements, and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information within your Sustainability Report as of and for the

year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the Criteria.

Other ESG related information

The other information comprises all of the ESG related information in the Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other ESG related information. As explained above, our assurance conclusion does not extend to the other ESG related information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other ESG related information and, in doing so, consider whether the other ESG related information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to

01. Assurance statement

perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Other matter - restriction on use and distribution of our report

Our report is intended solely for the use of the Company, to whom it is addressed, in connection with their Report as of and for the year ended 31 December 2022 and should not be used for any other purpose. We do not accept or assume and deny any liability or duty of care to any other party to whom this report may be shown or into whose hands it may come.

Diegem, 15 June 2023

PwC Bedrijfsrevisoren BV/Reviseurs d'Entreprises SRL represented by

Marc Daelman¹
Registered auditor

¹ Marc Daelman BV, member of the Board of Directors, represented by its permanent representative Marc Daelman

02.

Materiality

Identifying and selecting stakeholders

A fourth revision was carried out in 2023 based on subsequent feedback, competitor analysis, the current economic, environmental and ethical situation and recent relevant changes. We added new topics to our questionnaire: digital and cyber security; sustainable supply chain partners; and the traceability of raw materials. We also put more focus on climate change, emission reduction and renewable energy. A detailed stakeholder survey was conducted among the highest- and medium-priority stakeholders: employees; the Executive Committee; the Board of Directors; shareholders; customers; suppliers and financial institutions. This led to a prioritisation of topics represented by the SDGs, per stakeholder category, see below.

	High impact	Medium impact	Low impact
High interest	Shareholders, Executive committee, Board of directors, Employees		
Medium interest	Trade unions	Suppliers, customers, financial institutions	
Low interest	Local communities		

The priority for engaging with stakeholders is: shareholders; executive committee; board of directors; employees; customers; suppliers; trade unions; local communities.

Current approach to stakeholder engagement

1. Local communities

We interact with local communities via our local plant management and staff members. Press communication is used to communicate proactively about our company and operations.

2. Customers

10-20% of our customer base interact regularly on sustainability topics via supplier questionnaires, customer satisfaction surveys, and sustainability cooperation initiatives.

3. Employees

Employees are consulted via regular employee engagement moments, formal employee engagement surveys, trade union meetings and workers committees. Specific employee engagement around sustainability topics has not been carried out formally. VPK works with an internal newsletter as a proactive means of communication.

4. Shareholders

Shareholders are informed regularly of important changes and hold periodical shareholder meetings where relevant topics are discussed.

5. Executive committee

The executive committee is engaged via periodical sustainability steering meetings and dedicated meetings to discuss priority topics.

6. Board of directors

The board of directors is engaged via periodical meetings.

7. Suppliers and financial institutions

Suppliers and financial institutions are engaged via periodical discussions.

02. Materiality

Stakeholders consulted specifically in order to determine the content of this report

1. Employees

Dedicated interviews with a set of employees were conducted to validate the materiality topics and determine the content of the report. Via a dedicated survey, all employees were asked to prioritize the material topics.

2. Executive committee

The executive committee determines the end content of the report, the KPIs and cooperates in the evaluation of the materiality matrix. Via a dedicated survey, all ExCom members were asked to prioritize the material topics.

3. Customers

Via a dedicated survey, our biggest customers per country were asked to prioritize the material topics.

4. Shareholders

Via a dedicated survey, all shareholders were asked to prioritize the material topics.

5. Board of directors

Via a dedicated survey, the board of directors was asked to prioritize the material topics.

6. Suppliers and financial institutions

Through a dedicated survey, our largest suppliers per country and financial institutions were asked to prioritise the material topics.

Future approach to stakeholder engagement

We intend to consult and engage a broader range of stakeholders in the future, in greater detail as our maturity level increases. We are considering trade unions and local communities.

Approach to determining material topics and report content

The first materiality analysis of VPK was conducted in 2014. This was executed by the environment manager of the paper mill, together with an experienced sustainability consultant to engage with. A competitor analysis was performed to define a long list of material topics, which were then subsequently ranked. This ranking was

validated by top management. The first materiality matrix was updated in 2017 to reduce the amount of material topics, and refocus priorities. In 2019, a new revision was performed based on strategic working sessions with the executive committee, guided by an experienced sustainability consultant. A competitor analysis was also carried

out. During the working session, the executive committee members, from different business backgrounds, discussed the material topics that they perceived to be important and which were seen as important by the stakeholders they engage with.

A set of material topics was validated by 25 key employees. This led to 11 high priority material topics and 12 KPIs. Some of the material topics were rephrased so as to better reflect our business. These 12 KPIs were translated to 6 GRI disclosures and 6 non-GRI disclosures. A total of 6 other material topics were evaluated being of lower priority, and hence they will continue to be managed locally. Group consolidated reporting for these topics exists at a minimum level.

For the 11 retained material topics, a detailed stakeholder survey for

the highest priority stakeholders was executed. A fourth revision was performed in 2023 based on subsequent feedback, competitor analysis, the current economic, environmental, ethical situation and recent relevant changes. We added new topics to our questionnaire, being digital and cyber security, sustainable supply chain partners, traceability of raw materials. We also put more focus on climate change, emission reduction and renewable energy. A detailed stakeholder survey was conducted among the highest- and medium-priority stakeholders: employees; the Executive Committee; the Board of Directors; shareholders; customers; suppliers and financial institutions. This led to a prioritisation of topics, represented by the SDGs, per stakeholder category, see below.

	Employees	Stakeholders (customers, suppliers, financial institutions)	Board - Executive Committee - Shareholders
3 GOOD HEALTH AND WELL-BEING	✓	✓	✓
4 QUALITY EDUCATION	✓		✓
17 FOR THE GOALS		✓	✓
12 RESPONSIBLE CONSUMPTION AND PRODUCTION		✓	✓
6 CLEAN WATER AND SANITATION		✓	✓
13 CLIMATE ACTION		✓	✓
7 AFFORDABLE AND CLEAN ENERGY	✓	✓	✓
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	✓		
8 DECENT WORK AND ECONOMIC GROWTH	✓		✓

Key outcomes

Topics of interest to internal stakeholders

Employee wellbeing, health and safety, talent development, energy management, emission reduction, ethics and transparency, and economic growth were identified as strategic or high priority by this stakeholder group.

In addition, for employees, innovation and progress were identified as high priorities.

For the board of directors and executive committee, we saw a strong focus on data and cyber security. Therefore, we decided to include this topic as a short status in the sustainability report, pending more comprehensive metadata from the EU CSRD in the coming years.

Topics of interest to external stakeholders

Within this group, the topics have remained relatively constant in recent years, focusing on sustainable and circular product and supply chains, responsible fibre sourcing, innovation and progress. We notice a stronger focus on our environmental footprint – energy and emissions, and climate change.

Formerly defined 11 high-priority material topics and 12 KPIs, translated to 9 GRI disclosures and 3 non-GRI disclosures, have remained.

The data included in this report have been validated by an external and registered audit company since 2020. The KPIs in scope are marked with the symbol “✘” throughout the report.

Boundary Matrix

02. Materiality

		1	2	3	4	5	6	7	8	9	10	11	12
Cores and tubes	Belgium	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Foshan	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Hangzhou	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Beihai	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Vyskov	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Krefeld	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Leiza	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Tolosana	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Imatra	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Liljendal	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Loviisa	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Leers	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Differdange	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Nijkerk	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Wierden	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Sosnowiec	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Swiecie	●	●	●	●	●	●	●	●	●	●	●	●

1 Work related injuries

2 Work related hazard and incidents

3 Employee engagement

4 Average hours of training per employee per year

5 Ethical trade platforms

6 Waste

7 Number of FSC and GFSI certified sites

8 Water withdrawal by source

9 Greenhouse gas emissions

10 Energy Consumption

11 Capex/depreciation

12 Compound annual growth rate

● Data reported in full

● Data reported partially

● No data available

● Data not disclosed

● Data not consolidated

Boundary Matrix

02. Materiality

		1	2	3	4	5	6	7	8	9	10	11	12
Cores and tubes	Salonta	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Bäckefors	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Mohed	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Bursa	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Corlu	●	●	●	●	●	●	●	●	●	●	●	●
Cores and tubes	Wigan	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Courcelles	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Erembodegem	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Oudegem	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Randers	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Andelle	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Distribution	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Groisy	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Les Echets	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Lisieux	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Lille	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Longjumeau	●	●	●	●	●	●	●	●	●	●	●	●

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Boundary Matrix

02. Materiality

		1	2	3	4	5	6	7	8	9	10	11	12
Corrugated packaging	Roye	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Saint-Quentin	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Tourcoing	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Viallon	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Viallon CDSJM	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Raamsdonksveer	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Limerick	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Borgenhaugen_Display	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Halden	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Sykkylven	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Salonta	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Bäckefors	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Banbury	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Desborough	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	East Kilbride	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Leeds	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Selby	●	●	●	●	●	●	●	●	●	●	●	●

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Boundary Matrix

02. Materiality

		1	2	3	4	5	6	7	8	9	10	11	12
Corrugated packaging	Wellington	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging	Norrköping	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging and sheets	Brzeg	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated packaging and sheets	Radomsko	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated sheets	Corrboard Scunthorpe	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated sheets	Leinefelde	●	●	●	●	●	●	●	●	●	●	●	●
Corrugated sheets	Września	●	●	●	●	●	●	●	●	●	●	●	●
Paper (Corrugated packaging)	Blue Paper	●	●	●	●	●	●	●	●	●	●	●	●
Paper (Corrugated packaging)	Oudegem	●	●	●	●	●	●	●	●	●	●	●	●
Paper (Cores and tubes)	Pori	●	●	●	●	●	●	●	●	●	●	●	●
Paper (Cores and tubes)	Corex Board Atlantic	●	●	●	●	●	●	●	●	●	●	●	●
Paper (Solid board)	Loenen	●	●	●	●	●	●	●	●	●	●	●	●
Solid board packaging	Meer	●	●	●	●	●	●	●	●	●	●	●	●
Solid board packaging	Oudegem	●	●	●	●	●	●	●	●	●	●	●	●
Solid board packaging	Loenen	●	●	●	●	●	●	●	●	●	●	●	●

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- Data reported partially
- No data available
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03.

General and economic topics

Scale of the organization

	2020	2021	2022	% Variation
Total number of employees	6.440	6.560	6.514	-0,7%
Total number of operations	70	64	64	0,0%
Net sales (in m€)	1.345	1.746	2.129	21,9%
% debt of total capitalization	35%	/	/	/
Quantity of products sold corrugated (in Mm ²)	2.166	2.458	2.231	-9,2%
Quantity of products sold corrugated (in ktonnes)	1.083	1.229	1.115	-9,2%
Quantity of products sold paper (in ktonnes)	960	1.014	960	-5,3%
Quantity of products sold cores and solid (in ktonnes)	417	444	426	-4,0%

Information on employees and other workers

Percentage temporary contracts to temporary and permanent contracts

By region	2020	2021	2022
Belgium	1,0%	0,3%	0,6%
China	0,4%	0,0%	0,0%
Czechia	7,0%	6,8%	0,0%
Denmark	0,0%	0,6%	0,0%
Finland	6,6%	7,8%	8,8%
France	6,6%	10,1%	9,6%
Germany	12,3%	6,1%	17,4%
Ireland	2,4%	8,4%	0,0%
Luxembourg	0,0%	11,4%	0,0%
Netherlands	6,0%	49,1%	8,0%
Norway	5,8%	7,6%	4,0%
Poland	23,1%	65,0%	27,8%

By region	2020	2021	2022
Romania	0,7%	0,0%	0,0%
Spain	1,4%	8,5%	12,5%
Sweden	4,0%	2,5%	2,8%
Turkey	6,5%	4,9%	3,9%
United Kingdom	0,8%	0,4%	0,0%

by gender	2020	2021	2022
female	8,3%	9,9%	11,4%
male	4,7%	9,3%	5,1%

Percentage part-time contracts to full-time and part-time contracts

by gender	2020	2021	2022
female	15,4%	13,6%	10,7%
male	4,8%	3,8%	1,8%

This data is compiled via local ledgers, which are managed by the HR department. It is consolidated via the annual HR sustainability questionnaire. For certain dedicated projects and expert assignments, VPK Group works with consultants. We estimate this is below 0,1% of the total hours worked. Overall, 94% of our employees are employed under permanent contracts.

Governance

The executive committee

The executive committee meets twice a month. The following areas fall under its authority:

- Development of strategy and long-term objectives, which are submitted to the board of directors for approval;
- Execution of strategy (translation into plans, firming up objectives);
- Monitoring budgets and adjusting investment plans;
- Control and coordination of the various activities and subsidiaries within the group;
- Managing internal control;
- Coordination of the operational managers with final responsibility;
- Identifying and realizing group synergies;
- Developing new activities within the core activities;
- Proposing potential acquisitions to the board of directors.

There have been no reports of conflicts of interest between VPK Group and the members of the executive committee for the past reporting period.

Advisory committees

Remuneration committee

Composed of two members, both independent non-executive directors, it makes general recommendations concerning salary policy and, in particular, the remuneration of the directors, as well as the members of the

executive committee. The chairman of the executive committee has the right to attend remuneration committee meetings except when it is discussing his own evaluation. This committee also serves as an appointment committee and meets once a year.

03. General topics

Audit committee

Composed of three members, all non-executive directors, two of whom are Independent directors. It discusses the findings and recommendations of the external and auditors. It has an advisory role to the board of directors. The audit committee's role is to assist the board of directors in its supervisory duties regarding the internal control systems at VPK and its domestic and foreign subsidiaries in the broadest sense, including internal controls for financial reporting. The audit committee meets once a year.

Safety steering committee

The safety steering committee is composed of six members, the three COOs, the group technical manager, the group safety manager and the sustainability manager. The committee discusses the findings and recommendations of the group safety manager. In addition to that, it discusses safety performance throughout the company and develops plans to guide and assist the business units. This steering committee meets several times a year.

Sustainability steering committee

The sustainability steering committee is composed of eight members, the three COOs, the group energy & environment manager, the group environment manager, the group technical manager, the marketing partner and the sustainability manager. The committee discusses the findings and recommendations of the group sustainability manager. The overall strategy and action plans are determined in order to guide and assist the business units. This steering committee meets several times a year.

Collective bargaining agreements

In total, 64% of our employees are covered by collective bargaining agreements.

	2020	2021	2022
CBA	65,6%	66,8%	63,8%

Innovation and progress

	2020	2021	2022	% change
Capex (M€)	96	91	135	48%
Depreciations (M€)	73	82	83	2%
Ratio Capex/Depreciation (3Y)	1,7	1,4	1,4	0%

Economic growth

	2020	2021	2022	% change
CAGR% Operating income (5Y)	9%	13%	12%	-1%



04.

Environmental topics

Materials

Our **renewable materials** used predominantly consist of (recycled) paper, starch glue and pallets.

Our **non-renewable materials** used predominantly consist of non-renewable glue (cold melt), inks, strapping bands and plastic foil.

in tonnes	2020	2021	2022	change '22 vs '21
Renewable materials	2.501.980	2.761.925	2.612.029	-5%
Non-renewable materials	29.894	33.812	44.604	32%

Waste

Our waste is predominantly composed of paper, which in the majority of cases is recycled. Recycling of paper waste happens partly in our own installations, partly in others. If the paper waste is contaminated with plastics, waxes, glue residues etc.

and unfit for recycling, incineration with energy recovery is the second preferred method. This energy valorization happens predominantly on site. In the rare event that no recycling or incineration installation is available, off-site landfills are still used. However, ►

04. Environmental topics

▼
this is decreasing in favour of other treatment categories. Information on off-site treatment methods is supplied by the third party. Reuse happens solely on site.

Downstream, our paper-based products follow the same processing methods. Our products become waste at the final consumer stage, either in households or via retailing channels. Paper waste is collected and sorted via community collection companies. The sorted fraction that is fit for recycling returns eventually to our recycling installations or other ones. Collected paper is only incinerated if it is heavily contaminated.

Circularity measures involving our products include actively designing our products so they are fit for our own recycling installations. Our focus on increasing recyclability is to advocate the higher use of renewables and the use of fewer additives that hamper recycling efficiency.

These include e.g.:

- limiting the use of non-recyclable coatings
- the use of renewable inks
- investigating alternatives to plastic strapping

- limiting the use of plastic wrapping in our products

Our waste-related data are monitored via different tools, depending on the scale and complexity of the site.

These include:

- the weighing of waste going off site via a weighing bridge
- the weighing of waste manually or automatically and reporting it digitized
- the collection of data from the waste processing company

Data are monitored via reporting systems or local ledgers.

Hazardous waste categories can be seen as negligible compared to other waste streams. This is less than 1%.

In tonnes	2020	2021	2022	change '22 vs '21
Preparation for reuse	21.455	33.434	15.792	-53%
Recycling	136.786	145.323	139.388	-4%
Incineration	74.552	96.739	91.404	-6%
Landfill	9.815	12.216	8.728	-29%
Total waste*	242.608	287.712	255.313	-11%

*Debris from construction activities (e.g. building conversion) on-site is monitored but reported separately. Infrastructure waste from building conversion was 9.891 tonnes in 2022.

Tonnes of recyclable waste per tonne

In tonne/tonne	2020	2021	2022	change '22 vs '21
Conversion	0,10	0,09	0,04	-60%
Cores	0,09	0,06	0,07	23%
Corrugated	0,11	0,12	0,10	-15%
Feeder	0,07	0,06	0,06	6%
Papermill	0,12	0,14	0,13	-4%
Solid	0,09	0,09	0,09	3%

Water intake

04. Environmental topics

Regions without water stress

In m³	2020	2021	2022(*)	change '22 vs '21
Surface water usage	1.838.262	2.124.824	2.006.107	-6%
Ground water usage	2.216.779	2.296.886	2.451.575	7%
Rainwater usage	20.348	20.908	20.864	0%
Municipal water usage	284.981	326.392	333.811	2%
Total water usage	4.360.370	4.769.009	4.812.356	1%

Regions with water stress

In m³	2020	2021	2022(*)	change '22 vs '21
Surface water usage	1.786.697	1.760.118	1.804.486	3%
Ground water usage	105.477	116.772	70.922	-39%
Rainwater usage	77.217	77.217	77.217	0%
Municipal water usage	162.991	158.644	135.230	-15%
Total water usage	2.132.382	2.112.751	2.087.855	-1%

All water used comes from freshwater sources. Regions are classified in water stress levels according to WRI Aqueduct, a global water stress rating platform. We updated this in 2022. For VPK, locations are included in this category if the regions are characterized by significant stress (more than 40% on the WRI Aqueduct rating) and we also have high water consumption there. This includes only the Oudegem paper mill in Belgium.

This new approach was applied to all reported years, adjusting the figures for 2020 and 2021. For municipal water, data are based on invoicing or metered data. Surface water and ground water are pumped and thus data are based on pump flows. Rainwater is based on metered data or estimated based on average annual rainfall in the region and the surface on which it is captured.

in m³/tonne	2020	2021	2022(*)	change '22 vs '21
Conversion	0,30	0,21	0,26	24%
Cores	0,18	0,22	0,23	2%
Corrugated	0,26	0,26	0,27	7%
Feeder	0,17	0,17	0,18	5%
Papermill	6,36	6,32	6,70	6%
Solid	0,07	0,08	0,09	12%

Data marked with "" is in the scope of an independent limited assurance performed by PwC. For the assurance report, refer to p.76.

Energy

04. Environmental topics

	2020	2021	2022	Unit	change '22 vs '21
Total fuel consumption of non-renewable sources	1.295.709	1.341.431	1.242.643	MWh	-7,4%
	4.665	4.829	4.474	TJ	-7,4%
Total fuel consumption of renewable sources	237.794	254.326	283.938	MWh	11,6%
	856	916	1.022	TJ	11,6%
Renewable fuel as % of total fuel consumption	15,5	15,9	18,6	%	2,7%
Net electricity purchased for consumption	293.251	350.138	326.039	MWh	-6,9%
	1.056	1.260	1.174	TJ	-6,9%
Net steam purchased for consumption	113.321	120.373	122.468	MWh	1,7%
	408	433	441	TJ	1,7%
Renewable electricity as % of total consumed electricity	31,5	32,3	30,5	%	-1,8%

The energy intensity of our products is calculated based on the amount of sold products, as disclosed in the general disclosures. The sources of primary energy include fuel, biomass, biogas, steam and electricity consumed inside the organization.

	2020	2021	2022	Unit	change '22 vs '21
Total energy consumption within the organisation (excl. self cons PV electricity)	1.940.075	2.066.268	1.975.087	MWh	-4,4%
	6.984	7.439	7.110	TJ	-4,4%
Total energy from renewable sources	463.067	501.779	526.641	MWh	5,0%
	1.667	1.806	1.896	TJ	5,0%
Renewable total energy as % of total energy	23,9	24,3	26,7	%	2,4%

Relative energy consumption within the organization (including photovoltaic panels)

In GJp/tonne	2020	2021	2022	change '22 vs '21
Conversion	1,185	1,130	1,012	-10,5%
Cores	0,818	0,758	0,742	-2,1%
Corrugated	1,235	1,316	1,249	-5,1%
Feeder	0,744	0,771	0,785	1,8%
Papermill	5,844	5,687	5,830	2,5%
Solid	0,210	0,220	0,210	-4,8%

Emissions

04. Environmental topics

With regard to determining our roadmap towards 2050, we will follow a methodology of the Science Based Target initiative (SBTi). We chose 2020 as the base year for VPK Group's CO₂ emissions. Our goal is to limit global temperature rise to 1,5°C above pre-industrial levels and achieve net-zero CO₂ emissions by 2050. This supports the most ambitious goal of the Paris Agreement. The table below shows our total scope 1 and 2 emissions in the last three years for VPK Group and the changes compared to last and base year.

VPK Group

In tonne CO ₂ e	2020 baseline	2021	2022(*)	change '22 vs '21	change '22 vs '20
Scope 1 emissions (tCO₂e)	302.843	302.614	285.937	-5,5%	-5,6%
Scope 1 biogenic emissions (tCO₂b)	88.813	95.356	98.264	3,0%	10,6%
Scope 2 emissions (tCO₂e)	62.613	69.132	60.672	-12,2%	-3,1%
Scope 1 + 2 emissions (tCO₂e)	365.456	371.746	346.609	-6,8%	-5,2%

*The general operation and rules of the EU Emissions Trading System (ETS) are incorporated in the 'ETS Directive 2003/87/EC'.

Data marked with "" is in the scope of an independent limited assurance performed by PwC. For the assurance report, refer to p.76.

Papermills

In tonne CO ₂ e	2020	2021	2022	change '22 vs '21	change '22 vs '20
Scope 1 emissions (tCO₂e)	259.953	248.819	240.376(*)	-3,4%	-7,5%
Scope 1 biogenic emissions (tCO₂b)	83.322	88.825	92.544	4,2%	11,1%
Scope 2 emissions (tCO₂e)	29.467	27.034	21.220	-21,5%	-28,0%
Scope 1 + 2 emissions (tCO₂e)	289.420	275.853	261.596	-5,2%	-9,6%

In 2022, Scope 1 emissions from the EU ETS installations* - five paper mills - accounted for 84% of VPK Group's Scope 1 emissions and 75% of the sum of the entire VPK Group Scope 1 & 2 emissions (compared with the table with total scope 1&2 emissions above). This is the majority of our emissions for which we thus have very accurate data.

Emissions

04. Environmental topics

We intend to recalculate our base year emissions under following scenarios:

- The acquisition of an installation under EU ETS;
- Every three years if significant other acquisitions have been made.

For our installations on EU ETS we have site-specific emission factors for all fuel types, which are monitored on a continuous basis. For the other sites, we use general scope 1 emission factors as shown below. All emission factors were updated for the reporting years.

For scope 2 emissions, we use location-based emission factors based on

Eurostat energy mix data from the last available year, as the default calculation methodology. These were updated this year. If a site has purchased another energy source (Scope 2 emissions) and we have a supplier-specific emission factor, for example steam, we use the appropriate energy mix which is market-based. This only applies to one location. We also recalculated Oudegem's Scope 2 emissions from previous years according to the new methodology (deducting energy sold directly to other VPK entities).

We consolidate all figures based on equity share. We follow the GHG protocol for guidance on reporting.

The scope 1 + 2 emission intensity of our products

In tonne CO ₂ e/tonne	2020	2021	2022 (*)	change '22 vs '21
Conversion	0,026	0,032	0,024	-24,9%
Cores	0,061	0,061	0,059	-2,6%
Corrugated	0,060	0,066	0,061	-8,0%
Feeder	0,062	0,066	0,066	-0,1%
Paper mill	0,296	0,267	0,267	0,2%
Solid	0,010	0,010	0,010	-4,6%

Emissions

04. Environmental topics

Greenhouse gas emission intensity of electricity generation

Country	gCO ₂ e/kWh	Country	gCO ₂ e/kWh
Austria	114	Lithuania	120
Belgium	154	Luxembourg	68
Bulgaria	463	Malta	318
China	900	Netherlands	418
Croatia	138	Norway	10
Cyprus	646	Poland	750
Czechia	442	Portugal	220
Denmark	130	Romania	323
Estonia	946	Slovakia	113
EU27	275	Slovenia	222
Finland	77	Spain	232
France	67	Sweden	9
Germany	402	Turkey	430
Greece	604	United Kingdom	223
Hungary	195		
Ireland	363		
Italy	247		
Latvia	155		

Fuel	Conversion factor	Unit
natural gas (The Netherlands)	1,89	kg CO ₂ /Nm ³
natural gas (rest of Europe)	2,24	kg CO ₂ /Nm ³
LPG	1,73	kg CO ₂ /L
Heavy fuel oil	3.519	kg CO ₂ /ton
Light fuel oil (including diesel)	3.126	kg CO ₂ /ton
Hard coal	2.339	kg CO ₂ /ton
Brown coal	2.020	kg CO ₂ /ton
Biomass (wooden pellets)	556	kg CO ₂ /ton
Biogas	1,26	kg CO ₂ /Nm ³
Biogas	1.106	kg CO ₂ b/ton
Biodiesel	2.650	kg CO ₂ b/ton
Biomass	1.677	kg CO ₂ b/ton

05.

Social topics

Occupational health and safety

VPK implemented an occupational health and safety management system based on various recognized risk management and management systems and guidelines. Our sites develop their health and safety management systems based on our group six steps for safety strategy. For large operations the occupational health and safety management systems were ISO 45001 certified. The scope of our health and safety management system covers all our employees and other workers who perform work in places controlled by VPK.

Hazard identification, risk assessment, and incident investigation

Risk management is the foundation of health and safety management systems. A crucial part of our health and safety management system is the hazard and risk evaluation. This is done on various levels throughout the organization.

Machinery risk assessments

These risk assessments are performed on the level of the machines, and are evaluated periodically for existing

machines, and on acquisitions of new machines. Specific machinery guidelines exist to carry out this evaluation. Validation is undertaken by the group safety manager or external machinery safety experts.

Site risk assessments

These risk assessments are performed on a plant level and consider tasks performed, taking into account human aspects, organizational aspects,



the product and the environment. These are done on a plant level. This is part of the continuous safety management of the sites and can be delegated to management. Trained safety officers ensure the adequacy of these assessments.

Risks are evaluated to distinguish between severe risks and low priority risks. This prioritization of the risks determines yearly action plans. The yearly action plan aims to solve risks following the hierarchy of controls (elimination, substitution, guarding, PPE, organisation, correction, safety signage). The result is a low residual risk. Risk assessments are reviewed when there are any changes to a work situation, when there has been an incident or accident and at least annually to check for changes or additional hazards. E.g. actual reported and observed hazards, which were not yet taken into account in the risk assessment, can be included to re-evaluate priorities.

All employees of VPK Group are encouraged to report hazard and near miss situations to their immediate line manager who will record them on our zero accidents mobile app. This information is immediately sent to our internal incident reporting

system. This report will be emailed to the responsible person delegated to complete the action in a timely manner.

If an employee fears reprisal for reporting a given hazard, the employee can report this specific hazard via the whistleblowing procedure. Dangerous situations as detailed below with an unacceptable risk must be stopped immediately. This entails working on machines with insufficient safety devices, working at heights without permit, work on electrical devices which are not locked out, no provision of correct PPE, ... Unsafe work has to be halted immediately, workers are protected if they halt unsafe work via the rules of procedure.

Incidents and accidents are reported and analysed on a structural basis. The analysis is done via a root cause analysis to correctly identify all associated risks and possible causes. The root causes are the basis on which to act to determine corrective and preventive actions.

Occupational health services

Members of the hierarchical line are advised by dedicated safety officers who have received appropriate training, depending on the scale and complexity of their operation(s). The safety officers serve as the leading

experts in the implementation of the health and safety management system, the identification of hazards, the guiding of the risk assessments and incident investigation.

Worker participation, consultation and communication on occupational health and safety

Our operations have dedicated safety committees, which are represented by members of the hierarchy, employee representatives and the safety officer. The committee meets on a regular basis either monthly or bimonthly

and discusses the development of the yearly action plan, accidents that have happened since the last committee, possible safety improvements from the employees, and the evaluation of the safety management system.

Worker training on occupational health and safety

Each worker receives adequate training, so he or she can perform his job safely. This is supplemented with periodic generic training, evacuation practices and first aid training for dedicated employees. Specific

employees perform tasks, which entail higher risks and thus receive dedicated training. More specifically, this includes maintenance personnel, who are required to work on electrical devices, welding stations and so on.

Promotion of worker health

Our operations have external company physicians who are the first point of contact in the event of concerns regarding employee health. In a large portion of our operations, we provide hospital insurance as part of the

remuneration package. Furthermore, a healthy lifestyle is actively promoted via sports activities (internal) and access to facilities (external). Dedicated training to promote mental health and reduce stress is open to voluntary participation.

05. Social topics



Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Part of our supplier code of conduct stipulates that our suppliers have to maintain an effective health and safety management system. The safety performance data of suppliers are monitored.

Work-related injuries

Internal risk analysis has identified the following hazards with possible high-consequence injuries:

- Working on heights
- Work on electrical equipment
- Contact with moving machinery
- Workplace transport

The actions taken to make our employees work safer have clearly borne fruit. We will continue this

trend in 2022, with an emphasis on cultivating an even safer mindset among management and operators.

During the last reporting period we had high consequence injuries regarding contact with moving machinery. We will pay even more attention to the integration of safety into the introduction of contractors and interim staff, as there is still room for improvement.

Employees	2020	2021	2022	change '22 vs '21
Fatalities	0	0	0	0%
Recordable work related injuries	95	93	91	-2%
LTIR	9,7	8,8	8,7	-1%
Hours worked	9.794.270	10.461.817	10.189.706	-3%

Contractors	2020	2021	2022	change '22 vs '21
Fatalities	0	0	0	0%
Work related injuries	26	46	39	-15%

The LTIR is calculated as follows: number of accidents multiplied by one million divided by total hours worked. This give an expression of the number of accidents per million exposure hours.

The three main causes of accidents in 2022 were:

- 15% of accidents involve handling, lifting and carrying.
- 14% of accidents involve contact with sharp surfaces.
- 13% of accidents involve slip, tripped or fell on same level.

Hazardous situations and near miss incidents

	2020	2021	2022	change '22 vs '21
Reported	8.524	8.257	7.103	-14%
Closed out	4.842	7.227	6.184	-14%
% closed out	0,57	0,88	0,85	-3%

Training and education

Yearly training hours per person	2020	2021	2022	change '22 vs '21
blue collar	13	14	13	-6%
white collar	14	16	11	-29%
female	10	10	13	30%
male	13	18	13	-31%
total	13	15	13	-15%

Restatements of information: none.

Changes in reporting: none.

06.

Certificates

▶ [GO TO THE ONLINE CERTIFICATE OVERVIEW](#)



Division	Plant name	ISO9001	ISO14001	OHSAS18001/ISO45001	ISO50001	FSC	C2C	BRCGS	ISO22000
Cores and tubes	Belgium	✓	✓						✓
Cores and tubes	Foshan	✓	✓	✓					
Cores and tubes	Hangzhou	✓	✓	✓					
Cores and tubes	Beihai	✓	✓	✓					
Cores and tubes	Vyskov	✓	✓						
Cores and tubes	Krefeld	✓	✓						
Cores and tubes	Leiza	✓							
Cores and tubes	Tolosana	✓							
Cores and tubes	Imatra	✓	✓						✓
Cores and tubes	Liljendal								
Cores and tubes	Loviisa	✓	✓						
Cores and tubes	Leers	✓	✓			✓			
Cores and tubes	Differdange	✓							
Cores and tubes	Nijkerk	✓	✓			✓			
Cores and tubes	Wierden	✓	✓			✓		A+	✓
Cores and tubes	Sosnowiec								
Cores and tubes	Swiecie								
Cores and tubes	Salonta	✓				✓			
Cores and tubes	Bäckefors	✓	✓						
Cores and tubes	Mohed	✓	✓						
Cores and tubes	Bursa	✓	✓						
Cores and tubes	Corlu								
Cores and tubes	Wigan	✓							

Division	Plant name	ISO9001	ISO14001	OHSAS18001/ISO45001	ISO50001	FSC	C2C	BRCGS	ISO22000
Corrugated packaging	Courcelles					✓			
Corrugated packaging	Erembodegem					✓		A	
Corrugated packaging	Oudegem					✓		A	
Corrugated packaging	Randers					✓		A+	
Corrugated packaging	Andelle	✓				✓			
Corrugated packaging	Distribution					✓			
Corrugated packaging	Groisy								
Corrugated packaging	Les Echets					✓			
Corrugated packaging	Lisieux	✓				✓			
Corrugated packaging	Lille	✓				✓			
Corrugated packaging	Longjumeau	✓				✓			
Corrugated packaging	Roye	✓				✓			
Corrugated packaging	Saint-Quentin	✓	✓			✓		A	
Corrugated packaging	Tourcoing								
Corrugated packaging	Viallon					✓			
Corrugated packaging	Viallon CDSJM					✓			
Corrugated packaging	Raamsdonksveer	✓	✓			✓	✓		✓
Corrugated packaging	Limerick	✓				✓		AA	
Corrugated packaging	Borgenhaugen_Display								
Corrugated packaging	Halden	✓	✓			✓		A	
Corrugated packaging	Sykkylven	✓				✓			
Corrugated packaging	Salonta	✓	✓			✓		AA	
Corrugated packaging	Bäckefors	✓	✓			✓			

Division	Plant name	ISO9001	ISO14001	OHSAS18001/ISO45001	ISO50001	FSC	C2C	BRCGS	ISO22000
Corrugated packaging	Banbury	✓				✓		AA	
Corrugated packaging	Desborough		✓			✓		AA	
Corrugated packaging	East Kilbride	✓				✓		AA+	
Corrugated packaging	Leeds	✓				✓		AA	
Corrugated packaging	Selby		✓			✓		AA	
Corrugated packaging	Wellington		✓			✓		AA	
Corrugated packaging	Norrköping	✓	✓			✓		A	
Corrugated packaging and sheets	Brzeg	✓	✓			✓		AA	
Corrugated packaging and sheets	Radomsko	✓	✓			✓		AA+	
Corrugated sheets	Corrboard Scunthorpe					✓			
Corrugated sheets	Leinefelde				✓	✓			
Corrugated sheets	Września					✓			
Paper (Corrugated packaging)	Blue Paper	✓	✓	✓	✓	✓			
Paper (Corrugated packaging)	Oudegem	✓	✓	✓	✓	✓	✓		
Paper (Cores and tubes)	Pori	✓	✓	✓		✓			
Paper (Cores and tubes)	Corex Board Atlantic	✓	✓	✓		✓			
Paper (Solid board)	Loenen	✓	✓			✓		B	
Solid board packaging	Meer					✓		AA	
Solid board packaging	Oudegem					✓		A	
Solid board packaging	Loenen					✓		B	

07.

GRI index

GRI Content Index

GRI 102 GENERAL DISCLOSURES

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GRI 102 GENERAL DISCLOSURES

GRI Standard	Reference	Omission
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3. Ethics and integrity

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4. Governance

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5. Stakeholder engagement

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6. Reporting practice

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MATERIAL TOPICS

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1. Environmental

Materials

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301-1	Materials used by weight or volume	p.90	

Energy

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MATERIAL TOPICS

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Water

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Sustainable and circular

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MATERIAL TOPICS

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2. Social

Occupational health and safety

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Training and education

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Employee wellbeing

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-	Employee engagement survey	p.39

Ethics and transparency

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Customer health and safety

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