

30/03/2023



# Packaging policy

## LOTUS BAKERIES' VISION OF PACKAGING

1. We only want to offer our consumers products of the highest product quality and with a superior taste experience.
2. That is why we must protect our products: packaging allows us to combat food waste and guarantee food safety.
3. We aim to make our packaging as sustainable as possible and are committed to reducing our packaging carbon footprint.

**In this context, Lotus Bakeries has formulated a packaging strategy that focuses on the reduction of packaging, using innovative design and investment in circularity.**

## Our commitment

Our commitment Lotus Bakeries is committed to designing all its packaging for all its brands to be technically recyclable by 2025. The purpose of our packaging is to protect the product and guarantee food safety. Both en route to the retailer and from the shop shelf to the consumer's pantry, up to the time of consumption. To guarantee the taste experience and product quality, we must package our product to create a barrier against external influences. High-quality packaging also ensures that Lotus Bakeries' products have a longer shelf life and therefore helps prevent food waste, an issue as equally concerning as packaging waste. It is estimated that 1/3rd of food products produced globally is lost through food waste, mainly at the point of sale and once it reaches the consumer. At the same time Lotus Bakeries recognises the problems relating to the use of packaging, including marine pollution, carbon emissions and the use of non-renewable resources. Lotus Bakeries shares this concern and is keen to accept its responsibility in making the transition from the current linear economy, where packaging is produced, used and thrown away, to a circular economy, in which materials are kept in circulation.

## Reduce what we use

The ideal packaging contains as little packaging material as possible, without loss of flavour or freshness. In 2022, Lotus Bakeries continued its efforts to innovate its packaging, with the goal of using as little material as possible. In so doing we pay the utmost attention to ensuring a superior taste experience for the consumer while minimising food waste. There is a delicate balance between using as little material as possible for the environment and yet enough material to be able to fully protect our products.

In 2022, Lotus Bakeries was able to realise a number of projects to further limit the packaging weight it brings to the market. Through various reductions, across the entire product portfolio, a total of approximately 1,757 tonnes of packaging was saved in 2022 compared to 2021 in the different material types and packaging categories. Less material also means less weight and volume, which in turn has a positive effect on reducing container transport and the related CO2 emissions.

### **Reduction in thickness and size of plastic packaging**

In 2022, we also continued to look for ways to minimise the packaging weight placed on the market. For example, Lotus Bakeries succeeded in making the Lotus® Biscoff® 2-piece packaging even thinner in 2022, without compromising on quality. After extensive research, a suitable method was found to implement a similar reduction on the larger packages as well. The rollout for this is scheduled for 2023. The bundle packaging around the Lotus® Biscoff® chocolate was also made even thinner in 2022. In 2022, Lotus Bakeries was able to make the nākd bar wrappers sit even tighter around the bars. Such a measure also ensures that less packaging material is required per bar. The BEAR wrappers were also changed to recyclable material in 2022, which significantly reduces the amount of packaging brought onto the market

### **Thinning of cardboard packaging**

Besides plastic, Lotus Bakeries also tries to use as little cardboard as possible. Where possible, recycled paper fibres are used. In 2021, thinner materials were already being used for the cardboard packaging of the Lotus® Biscoff® 300-piece box. Based on that success, the cardboard packaging containing the Lotus® Biscoff® 250gx10 was also optimised in 2022. This cardboard also now contains thinner materials, which means it weighs less and a larger number of boxes can be put on a transport pallet. As a result, significantly fewer tonnes of cardboard are placed on the market every year and 31 less trucks are needed to transport the cardboard to the factory, which has a positive impact on both CO2 emissions and water consumption.

### **Reduction of glass per jar**

After extensive research, Lotus Bakeries succeeded in using thinner materials for the glass jars of Lotus® Biscoff® spread in 2022, without compromising on taste and freshness. This optimised packaging has a positive impact on CO2 emissions and energy consumption thanks to its lighter weight.

## Design for tomorrow

All packaging recyclable by 2025 The recyclability of packaging starts with its design. We constantly explore sustainable and innovative packaging materials to increase the recyclability of our packaging and at the same time support the recycling process. We use objective eco-design guidelines to make our packaging recyclable, including CEFLEX and RecyClass.

The technical recyclability rate is calculated as follows: the ratio of the total weight of the technically recyclable packaging is compared to the total weight of packaging of all our brands that we bring to the market as per the end of 2022.

This takes into account consumer packaging, distribution packaging as well as transport packaging. This technical recyclability rate is determined per packaging component on the basis of state-of-the-art design guidelines for recyclability (Ceflex, Recyclclass). The weight of each packaging component is taken into account.

All efforts that contribute to reducing the packaging weight we bring to market affect this percentage. This also includes reducing the weight of glass, a recyclable packaging.

Therefore, the technical recyclability rate has remained stable at 97%, despite the fact that a switch was made for a number of additional products from non-recyclable packaging to recyclable packaging. The significant reduction in the weight of the Lotus® Biscoff® spread glass jar explains this stable percentage.

### **Recyclable BEAR wrappers**

A significant achievement for 2022 is related to the brand BEAR from the Lotus™ Natural Foods product portfolio. The BEAR wrappers were changed from a non-recyclable packaging to a recyclable material.

### **Projects to close the gap to 100% recyclability**

In 2022, a Close-the-GAP-action plan was drawn up to close the gap and achieve the 100% technical recyclability of all product packaging in the Lotus® Biscoff® range, the Lotus™ Natural Foods range, and for the Local Heroes. This action plan identifies all the steps to be taken to achieve the set objective by 2025.

## Aim for circularity

Since we design with recyclability in mind, we believe it is vitally important to evolve into a circular economy.

### **Use of recycled material**

We contribute to this by using recycled content wherever possible, without losing sight of the requirements of quality and functionality.

We always strive for what is technically the maximum possible:

- For glass, we use 58% recycled material, the maximum achievable without visual side effects.
- For cardboard packaging this is 80%.

### **Circular economy partnerships**

Lotus Bakeries also supports various collection and recycling systems, including Ceflex, The Flexible Plastic Fund. Lotus Bakeries contributes to 'Extended Producer Responsibility' systems in various European countries.

### **Raising awareness among our consumers; together we are reducing the plastic waste mountain**

Lotus Bakeries has informed consumers more explicitly about its packaging recyclability since 2021. This is done by means of a custom icon that reads 'recycle me', combined with the slogan 'Let's care for our planet together'. That is how Lotus Bakeries wants to create even more awareness and encourage consumers to sort the packaging correctly so that it can actually be recycled. This icon will appear on every recyclable packaging, in the countries where that packaging can effectively be recycled. This 'recycle me' icon is an initiative undertaken by Lotus Bakeries and is not related to any official government authority or certification body.

