



Better Packaging Policy

SUS 7

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1. Overview

Packaging plays a vital role in protecting products and reducing food waste. Each packaging material has its own functional benefits and varying environmental impacts. While plastic packaging is a highly versatile low-cost material, we recognise that its global production from fossil fuels and its mismanagement creates plastic pollution that affects people and nature now and in the future.

We share the concerns of society about the lasting impact of plastic on our planet. That is why we are committed to innovate, test and launch better packaging solutions that are more sustainable by design and contribute to a circular economy.

2. Our Commitments

Our Better Packaging Policy (hereafter the Policy) outlines our commitment to meet the expectations of consumers, stakeholders, and Flora Food Group employees in relation to packaging, which includes Flora Food Group's aims to:

- a. Make packaging that is recyclable, reusable or compostable, supporting circular resource use and introducing better packaging solutions with less plastic.
- b. Reduce the environmental footprint and the impact on climate of our packaging, advancing the use of renewable materials, and increasing the use of recycled content in our packaging by the end of 2030.
- c. Communicate clearly and transparently with our customers and consumers, encouraging recycling and responsible treatment of our packaging after use.
- d. Continue to source our packaging from suppliers who meet our responsible sourcing policies with 100% of our virgin paper coming from suppliers who have FSC or PEFC or equivalent certification.
- e. We will collaborate with industry and government partners, and advocate for effective recycling, material recovery, composting solutions and a circular economy for our packaging formats.

Our Better Packaging Policy articulates how our company will achieve these goals.

3. Our use of packaging

Packaging is critical to ensure our products reach people in high quality condition, maintain food safety standards, can be shipped and stored safely, and stay fresh to minimise food waste. We disclose our packaging footprint and progress as part of our annual Sustainability disclosures¹. The paper and cardboard we use is sustainably sourced and is a renewable material, and allows us to use high levels of recycled content. Paper is also one of the more widely recycled packaging materials with comparatively high recycling rates.

Today, we use plastic packaging materials including polypropylene (PP), polyethylene (PE) and polyethylene terephthalate (PET) for tubs, pots, bottles, and sachets. Recycled plastic (r-PET) is included in our plastic bottles, and our tubs are a focus of ongoing lightweighting programmes to reduce plastic content per tub. Whilst generally our plastic packaging formats are made from recyclable materials, we recognise that in practice

¹ See Flora Food Group's website for more details

current recycling rates are low (around 9% globally), while around 22% of waste is mismanaged, according to the OECD².

This Policy is designed to improve the environmental footprint of our packaging through reduction, innovation, resource conservation and collaboration. It applies directly to all the primary and secondary packaging we use for our brands. This Policy applies to Flora Food Group employees, our sites, and our partners. We will work in collaboration with our packaging partners, stakeholders, governments, and NGOs to implement the following Principles.

4. Our Principles

Flora Food Group's primary objective is to innovate and design sustainable packaging with a focus on resource circularity, and towards a reduced use of plastic. In this context we have set the following Principles:

PRINCIPLE 1 – Reduce use of plastic packaging

Plastic packaging can be problematic due to the length of time it stays in the environment, and its impact on wildlife and ecosystems. With low recycling rates and minimal intrinsic value, the fastest way we can address plastic pollution is to minimise our use of plastic where possible. We will:

- a. Partner to innovate packaging solutions with less plastic;
- b. Focus first on tubs, which represent our largest volumes, and on wrappers, single serve portion packs and sachets (which are our least recycled formats). These are also the packaging formats where we have the opportunity to lead the wider industry;
- c. Make evidence-based decisions on packaging formats, supported by expert opinions and lifecycle assessment to maintain food safety and quality, and avoid increases in climate impact and food waste;
- d. Not use any of the most problematic plastics and chemicals used in the manufacture of packaging, including PVC, polystyrene, bisphenol A (BPAs), and perfluoroalkyl and polyfluoroalkyl substances (PFAS);
- e. Use plastic only where there is no safe or functional feasible alternative or an effective closed loop reuse model, and continue to optimise all packaging formats. Where we continue to use plastic we will design for circularity, increase recycled content and ensure recyclability to reduce our reliance on fossil sources; and
- f. Avoid single-use plastic and maximise the use of reusable and recyclable materials across our offices, supply chains and promotional material.

PRINCIPLE 2 – Reduce the climate impact of our packaging and use more renewable and recycled materials.

A shift in packaging formats and the replacement of plastic could, if not managed carefully, have other unintended consequences on the environment and the climate. Packaging accounts for approximately 7% of our total climate footprint³ and between 1% and 10% of the climate footprint of our products⁴. We aim to reduce the climate impact of our

² Summary: [link](#) to the OECD website

³ Data from Climate Transition plan - [link](#)

⁴ Based on LCA findings conducted for Plant Butter in 2022.

packaging and contribute to conserving resources by reducing our use of non-renewable materials and increasing recycled content.

We will:

- a. Reduce the climate impact of our total packaging footprint in line with our commitment to science-based climate targets;
- b. Use life cycle assessment to understand the environmental impacts of packaging and inform our packaging choices;
- c. Communicate the climate impacts of packaging formats to help encourage lower impact packaging choices;
- d. Increase the proportion of packaging material from renewable sources, including alternative non-food source materials; and
- e. Incentivise recycling supply chains by increasing the use of recycled content in our packaging by 2030.

PRINCIPLE 3 – Our packaging can be reused, recycled, or composted

By 2030, our packaging formats will be either reusable (and supported by an effective reuse model), recyclable, or certified as compostable.

We will:

- a. Use industry standards and supplier declarations to determine recyclability and composability, use external experts to test and certify recyclability and composability for packaging innovations, and eliminate materials that impede recycling or composting processes;
- b. Label our packaging clearly to identify the material and preferred disposal route to inform and guide consumers on reusing, recycling, or composting; and
- c. Research and trial scalable reuse models that eliminate the need for single use disposable packaging.

PRINCIPLE 4 – Source our packaging materials responsibly

Our mandatory sourcing policies articulate our expectations of our suppliers with respect to ensuring no deforestation, ethical business practices, environmental standards, labour standards, and respect for human rights. Our policies apply to all our packaging suppliers.

We will:

- a. Continue to source 100% of our virgin paper from suppliers who meet the FSC or PEFC standards and ensure traceable to country of origin and mill⁵; and
- b. Ensure our packaging suppliers meet our Responsible Sourcing Policy and Business Partner Code of Conduct⁶.

PRINCIPLE 5 – Advocate and partner to enable effective recycling, reuse, and composting systems, recirculating resources, and avoiding waste and plastic pollution.

⁵ For further information please see our policy on Responsibly Sourcing Pulp and Paper. [Link](#)

⁶ Select Business Partner Code of Conduct - [Link](#)

- a. We recognise the need to improve recycling and material recovery rates and envisage a system where packaging materials are not wasted but recovered, reused, recycled and composted. We will work with governments, industry, and the waste sector to advocate for effective recycling, material recovery and composting systems;
- b. We participate in cross sector collaborations that address plastic pollution, increase recycling and composting collections, address food waste and food contaminated packaging, and enable a shift to a circular economy; and
- c. We support effective, efficient, and well governed extended producer responsibility schemes.

5. Indicators and Implementation Action Plan

To ensure that our Principles on better packaging are met, we have put in place a set of indicators to track our progress.

- Reduction in the climate impact of packaging;
- Proportion of recycled material used;
- Proportion of sustainably sourced packaging materials (FSC, PEFC or equivalent certified); and
- Proportion of recyclable, reusable or compostable packaging.

The baseline year for all indicators will be 2020. We will monitor our performance in relation to our Policy and will publicly report on our progress.

6. Governance

Flora Food Group's Head of Packaging and Artwork is responsible for implementing our Better Packaging Policy.

The Compliance Committee includes representatives of Flora Food Group's Board and Executive Committee is involved in the approval process for our Better Packaging Policy. The Compliance Committee is accountable for Flora Food Group's policy framework.

7. Related Documents

- Responsible Sourcing Policy
- Human Rights Policy
- Grievance Tracker (Commodities)
- Business Partner Code of Conduct

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