PACKAGING POLICY



Bolton's mission is to create value for today and for the future, through responsible actions targeted at protecting the environment, supporting the communities we work with, growing with our people, and caring for our consumers by providing every day high-quality, innovative and sustainable products.

Working in the fast-moving consumer goods industry we are conscious of the important role that packaging plays in the modern way of life and, at the same time, of the responsibility we have to help preserve and protect the planet's resources. That's why we are committed to shift, as much as we can, from a traditional linear model to a more circular economy of packaging, where products and materials stay in the economic loop for as long as possible.

This updated version of our Policy reflects the progress we have made and sets out our journey in supporting the global transition to a circular economy of packaging thanks also to the constructive dialogue we have undertaken with WWF Italy.

This Policy aims at contributing to the *United Nations Sustainable Development Goals* and Consumption", Goal 14 "Life below water" and Goal 15 "Life on land") and is inspired by the principles of a circular economy, in line with the *EU Circular Economy Action Plan*.

This Policy and our commitment related to our packaging will follow and align to the development and update on negotiations from the UNEP work on the UN Global Plastic Treaty.

This document has been prepared with the support of WWF Italy, providing us with its expertise as part of our partnership on sustainable packaging.





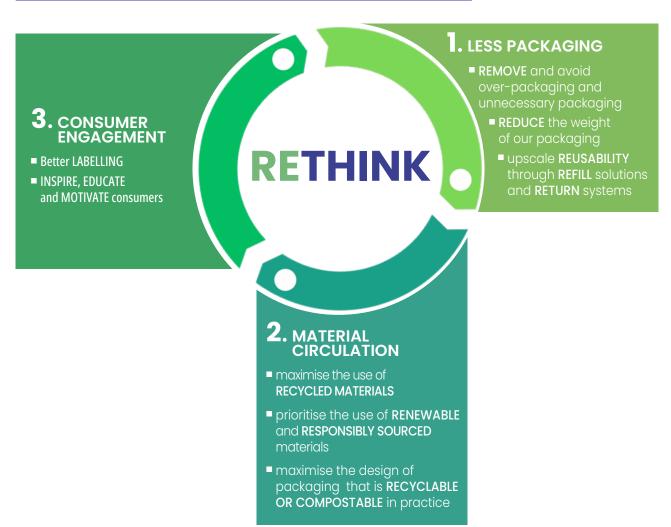
OUR APPROACH AND GUIDING PRINCIPLES

We are committed to follow an approach that starts with the overarching aim to rethink and redesign our packaging (and products when needed) in line with the principles of a circular economy through innovation and taking inspiration from market best practices. Our approach starts by giving priority to the use of less packaging and materials, then increasing material circulation and engaging consumers in recycling, composting or, if applicable, reusing our packaging.

This approach will be applied to all our packaging starting with those with the highest sale volumes.

We are also committed to proactively engage with our key internal and external stakeholders, both upstream and downstream to make this approach work, because we are aware of the need to have the whole packaging value chain working in the same direction and with the same approach to maximize results.

BOLTON STRATEGY FOR PACKAGING CIRCULARITY





1. LESS PACKAGING

We are aware that the Planet's resources are limited and that we need to protect them. At the base of all our packaging design is our effort to reduce the materials used.

■ REMOVE

- Remove and avoid over-packaging and unnecessary packaging, especially when used only for aesthetic reasons.
- Remove and/or replace in our packaging and in any of our packaging components, problematic chemicals that pose a significant risk to human health or the environment.

■ REDUCE

Reduce the weight of our packaging through innovation and taking inspiration from market best practices.

■ REUSE

Ensure packaging is designed, produced and commercialized to allow its reuse (either by the consumer or business), through refill and return systems, to reduce packaging production.

2. MATERIAL CIRCULATION

We want to play our part in the transition towards a more circular packaging economy by maximizing the possibility that the materials we use for our packaging are kept in the value chain for longer.

■ RECYCLED MATERIALS

Design our packaging to maximize the use of recycled materials.

■ RENEWABLE MATERIALS

Prioritize the use of renewable and responsibly sourced materials within our packaging, to increase the circularity of the packaging itself.

■ RECYCLABILITY and COMPOSTABILITY

- Maximize the design of mono-material packaging that is recyclable or compostable in practice, avoiding the use of composite packaging, and materials that cannot be easily separated;
- Remove and/or replace problematic chemicals that may compromise recyclability of the entire packaging and its components, either by themselves or through interaction with other factors.



3. CONSUMER ENGAGEMENT

Consumers have an important role to play in the circular economy of packaging. Using the power of our brands, we want to equip more people with knowledge and tools to close the loop and help eliminate waste in line with the work already being taken forward to promote a repair culture.

■ LABELLING

Improve information on materials used, recycled content and how to dispose of our packaging through harmonized and clear labels on pack and through our brands' websites.

■ INSPIRE

Motivate consumers to recycle or to repair objects, with the aim to engage them in closing the loop, tackle throwaway culture, and increase overall recycling rates.

GLOSSARY

- <u>Circular Economy</u>: a systems solution framework that tackles global challenges like climate change, biodiversity loss, waste, and pollution, recognizing and capturing the value of resources (including wastes), with the least impact on the environment, climate and society. It is based on three principles, driven by design: eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature.
- <u>Composite Packaging</u>: packaging made of two or more layers of different materials which cannot be separated by hand and form a single integral unit, consisting of an inner receptacle and an outer enclosure, that it is filled, stored, transported and emptied as such.
- <u>Compostable</u>: consisting largely of biodegradable organic matter. Packaging is compostable if it is in compliance with relevant international compostability standards (such as ENI3432:2002 for industrial composting, ISOI8606:2018 and ENI7088:2021 for recovery through organic recycling) and if its successful post-consumer collection, sorting, and composting is proven to work in practice and at scale.
- <u>Compostable Plastic</u>: a subset of biodegradable plastics that can be made from biological resources or fossil raw materials and are designed to break down under controlled environmental conditions. Industrially compostable plastics are designed to biodegrade in the conditions of an industrial composting plant or an industrial anaerobic digestion plant with a subsequent composting step. Home compostable plastics are designed to biodegrade in the conditions of a well-managed home composter at lower temperatures than in industrial composting plants.
- <u>Problematic chemicals</u>: any chemical element/material in the natural state or obtained by any manufacturing process that show intrinsically hazardous properties: persistent, bio-accumulative and toxic; carcinogenic, mutagenic, and toxic for reproduction; endocrine disruptors; or equivalent concern, not just those that have been regulated or nationally restricted, and that directly or indirectly cause or can pose a threat to the environment or to human health, either by themselves or through interaction with other factors at any point in their life cycle, on the basis of its chemical and physical properties.
- <u>Primary Packaging</u>: packaging conceived so as to constitute a sales unit to the final user or consumer at the point of purchase.
- Recyclable: packaging component is recyclable if its successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale by any recovery operation by which waste materials are reprocessed into products, materials, or substances whether for the original or other purposes.



- Recycled Material: is defined as waste recycled after use, including:
- (i) material from post-consumer waste, collected via official collection schemes;
- (ii) material from outside existing collection streams, such as maritime litter, beach litter, etc.;
- (iii) "post-industrial recycled" material, i.e., material from post-industrial sources.
- <u>Renewable Materials</u>: materials that are continually replenished at a rate equal to or greater than the rate of depletion and that can replace finite and fossil-based materials.
- Responsibly Sourced (materials): materials certified to have been produced without negative impacts on people and the planet along the entire supply chain, which is fully traceable from origin to the store shelf, pushing for the use of certified and renewable materials (e.g., FSC certified paper).
- Reusable: packaging which has been conceived, designed and placed on the market to accomplish and proves its ability to accomplish within its lifecycle multiple trips or rotations in a system for reuse by being refilled or reused for the same purpose for which it was conceived.
- Secondary Packaging: packaging or grouped packaging conceived so as to constitute at the point of purchase a grouping of a certain number of sales units whether the latter is sold as such to the final user or consumer or whether it serves only as a means to replenish the shelves at the point of sale; it can be removed from the product without affecting its characteristics;
- <u>Tertiary Packaging</u>: packaging conceived so as to facilitate handling and transport of a number of sales units or grouped packaging in order to prevent physical handling and transport damage. Transport packaging does not include road, rail, ship and air containers.
- Unnecessary Pack: unnecessary packaging include any packaging items, components, or materials that can be eliminated entirely without compromising the consumer's access to the product, inability to meet health or safety regulations, or causing undesirable environmental outcomes.





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