

Solidus



Your circular packaging partner

Proudly moving forward on our heritage and vision

A circular business by design



Sustainability Report 2022



“We are experts in the field of fibre-based packaging and use our knowledge to design, produce and support our customers with the transition to more sustainable, circular packaging solutions.”

Rienk Jan van der Kooi • CEO

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Message from our CEO Rienk Jan van der Kooi

Solidus' business is circular by design. This means that we give renewable fibres in our recycling process a new life in the form of sustainable packaging materials. In our operations, we follow our circular design guidelines to reduce the impact of our packaging materials throughout their lifecycle. Making sure our products can be recycled again at scale at their end-of-life.

We are proud of our 150 year heritage and see this as a reflection of our long-standing expertise and sustainable business model. We are witnessing the impact of climate change, environmental degradation, increased regulations and customers demanding greater transparency and sustainable options. Our vision is to bring sustainable solutions to the market through the application of circular products and services. We are experts within the field of fibre-based packaging and use our expertise to further reduce our environmental impact. We are excited to continue to develop aspects of our business to build a more sustainable future and contribute to a better, healthier planet.

“We are excited to continue to develop aspects of our business to build a more sustainable business and contribute to a better, healthier planet.”

At Solidus we minimise our environmental footprint. Every day, by using 90% recycled paper, we are transforming a renewable waste stream into new packaging products. We are therefore investing in innovative technology to reduce our carbon footprint, minimise production waste and optimise our water use. At the same time we are actively engaging with our customers to find solutions that can reduce their footprint. As an example, we developed retail products that reduce over 80% of the plastic content and are fully recyclable. This was done together with partners which underscores our commitment to collaboration to achieve the best solutions and fast adoption.

We also recognise that our employees are essential to achieve our ambitious sustainability goals. Hence we promote a safe, healthy and inclusive workplace and offer a diverse range of learning and development opportunities. We also recognise the need to diversify our work environment and are exploring different procedures and initiatives to attract and retain a more inclusive workforce.

In the coming period we will further develop our sustainability targets with an ESG governance system that includes sustainability leads across the organisation. They will be responsible to developing and advancing our sustainability targets and objectives including our CSRD reporting. It's only natural for us to build on our 150 year heritage and find ways to accelerate how Solidus can contribute to a better world. Now more than ever!

Rienk Jan van der Kooi

13 September 2023



About this report

Sustainability has been central to our business for over a century. This year, we proudly present Solidus’ first Sustainability Report. This marks yet another milestone in our journey. The Solidus sustainability strategy was developed in six stages which are described below and resulted in a framework consisting of three pillars • **Care for the environment** • **Create circular value chains** • **Foster people’s well-being**. In this first report, we want to highlight our progress made thus far and describe our plans going forward, demonstrating Solidus’ commitment to contribute to lead in sustainability and circularity.



01 Current state assessment

- Project kick-off
- Business analysis
- Peer benchmark
- Initial topic list



02 Stakeholder engagement

- Stakeholder interviews
- Issue list refinement and definition validation
- Materiality assessment



03 Scoring and analysis

- Creation of topic priority matrix
- Finalisation of priority topics



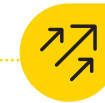
04 Strategy development

- Vision and strategy pillars development
- Selecting strategic priorities



05 Goal-setting and roadmap development

- Goals and target development
- Goal-setting validation



06 Implementation roadmap & governance

- Implementation roadmap
- Governance assessment

At Solidus we use our deep industry expertise to create a more sustainable future. Through our circular products and services, we reduce waste, precious renewable resources, and minimise the carbon footprint of our own operations and value chain. We find it important to collaborate with partners in the value chain to combat the environmental challenges society faces today. Solidus works closely with its partners, including suppliers, customers, retailers and brand owners as well as recyclers and regulatory bodies to find real solutions.

Together we are creating a more sustainable world.



90% recovered paper **+10%** virgin fibre

Our stakeholder engagement

Key to stakeholder engagement is our corporate strategy, which we use to prioritise the generation of long-term stakeholder value through the timely delivery of quality products and services that create value beyond financial performance alone. Our decisions impact our stakeholders in different ways, so it is important that we include their perspectives into our strategic decision making, and the way we manage our impacts.

At Solidus, we work hard to maintain strong and collaborative relationships with all our stakeholders. These range from our colleagues and local communities to regulators, supply partners, customers and our investor, Centerbridge. We want to create long-standing relationships with each of them, which requires constructive and frequent feedback, as well as two-way dialogue. Clear, transparent and open dialogue with stakeholders from across our business value chain is a fundamental part of our core values. We understand that a one size fits all approach is not the most appropriate way to engage our stakeholders, and tailor our approach by using a variety of mechanisms to engage with our stakeholders. We employ a wide array of strategies from customer-satisfaction surveys, internal surveys, in-person meetings and regular face-to-face discussions. Engagement occurs throughout the organisation. We have identified the key objectives and expectations through these various forms of interaction to better understand and frame our relationship with our stakeholders.

An aerial photograph of a dense forest. Most trees are dark green, but one tree in the center-right is a vibrant yellow, standing out prominently against the surrounding greenery.

Through our circular products and services, we reduce waste, protect precious renewable resources and minimise the carbon footprint of our own operations and value chain.

Our materiality assessment

In 2022, we completed our inaugural materiality assessment by engaging our key shareholders and stakeholders to determine the most important sustainability topics for our business. This involved a comprehensive desk-based review of our value chain, peers and industry trends. This review resulted in a list of sustainability topics relevant to our business. This list was then discussed with our most important stakeholders - our employees - as well as important stakeholders across our business value chain.

The perspectives of our stakeholders allowed us to prioritise and determine our most important sustainability topics. These represent both risks and opportunities that could impact our business if not carefully managed. The materiality matrix below presents our most significant topics, when analysed from internal and external perspectives. These nine material topics form the basis of the pillars of Solidus' sustainability strategy.

Solidus' sustainability strategy

Brand purpose		We transform recycled natural resources into circular value propositions which contribute to a cleaner world with less waste				
Strategic objectives	Talent & leadership	Operational excellence	Commercial excellence	Innovation & value engineering	M&A strategy	Corporate identity
Pillars	Care for the environment		Create circular value chains		Foster people's well-being	
Commitments	Protecting our planet by making the most of every fibre, reducing our negative impacts, and maximise the positive impacts where possible.		Closing the loop by creating circular and innovative solutions for our customers through value chain collaboration.		Being an engaged employer by creating a safe, healthy and inclusive workplace that brings out the best in our employees.	
Material topics	<ul style="list-style-type: none"> • Reduce climate impact • Reduce waste • Reducing water use 		<ul style="list-style-type: none"> • Circular and innovative solutions • Product quality and safety • Sustainable sourcing 		<ul style="list-style-type: none"> • Occupational health, safety and well-being • Employee development and engagement • Diversity and inclusion 	

25x

Fibre-based packaging material can be recycled at least 25 times without losing its mechanical or structural integrity.

According to a study conducted by Graz University of Technology in Austria



Our story started in 1870

We are one of the oldest cardboard manufacturers in Europe. The foundations of Solidus can be traced back to the North of the Netherlands in the mid-19th century. At the time, the primary industry in the area was agriculture, specifically grain farming. A waste product of the grain industry is straw, which was used to make cardboard.

This all changed by the late 20th century when the raw material for producing cardboard switched from straw to recovered paper. This significantly impacted market dynamics and revolutionised the cardboard industry. The abundance of local producers suddenly became a few global players.

As a leading producer, we cover the full production process from recovered paper to a wide range of paper-based products. We produce: standard and customisable packaging, solid board, tubes and cores, edge protectors and partitions.



Our certifications

Solidus aims for the highest quality in its production processes, and holds internationally recognised certifications. Solidus is fully committed to the ISO processes, covering Environmental (ISO 14001), Product Quality (ISO 9001) and Occupational Health and Safety (ISO 45001). This includes amongst others FSSC, FSC®, PEFC and BRC.

Further information on our certifications is located on solidus.com/downloads.

Our purpose

Circularity drives us forward. Our purpose is to transform recycled natural resources into circular value propositions which contribute to a cleaner world with less waste. We are committed to integrating circularity into everything that we do, and we are keen to collaborate with our stakeholders to do the same.

In our efforts to achieve this, we have embedded our purpose into our long-standing company values of

- **Forward-thinking**
- **Caring**
- **Responsible**
- **Engaging.**

These values reflect the way in which we do business and how we interact with others in our value chain.

01 Forward-thinking

- We act as one ambitious team
- We are committed to growth
- We develop and execute innovations

02 Caring

- We care about our work's impact on the environment
- We care about the engagement and safety of our people
- We create partnerships and a win-win for everyone

03 Responsible

- We keep our promises and stay execution focused
- We are dedicated to our work and societal responsibilities
- We are result driven and perform right the first time

04 Engaging

- We communicate honestly and clearly in all situations
- We value respectful interaction with all stakeholders
- We pro-actively identify and fulfil our customers' needs



FSSC • Food Safety System Certification
FSC® • Forest Stewardship Council

PEFC • Programme for the Endorsement of Forest Certification
BRC • British Retail Consortium



A snapshot of our business

Approximately 90% of the fibres we procure are recovered paper from mainly municipalities, retail customers and recovered paper plants, whilst the other 10% procured is certified virgin fibre from sustainable managed forests. We strive to source most of our fibre near our mills, to ensure local production and minimise our logistic carbon footprint.

The manufacturing and operations part of our business consists of: solid board sheets and reels which are produced in our mills and packaging, cores, tubes, edge protectors and partitions which are produced in our converting plants.

Our mills and converters are located in the Netherlands, Spain, Belgium, UK, Germany, Poland and Portugal. With five mills, twelve converters and sales offices across Europe, we are an integrated provider of a full range of fibre-based packaging products and services.

Our headquarters is located in Oude Pekela, the Netherlands. We also have two Customer Experience Centres, located in Spain and Belgium, where Solidus engages directly with customers and partners to accelerate innovation projects.

5

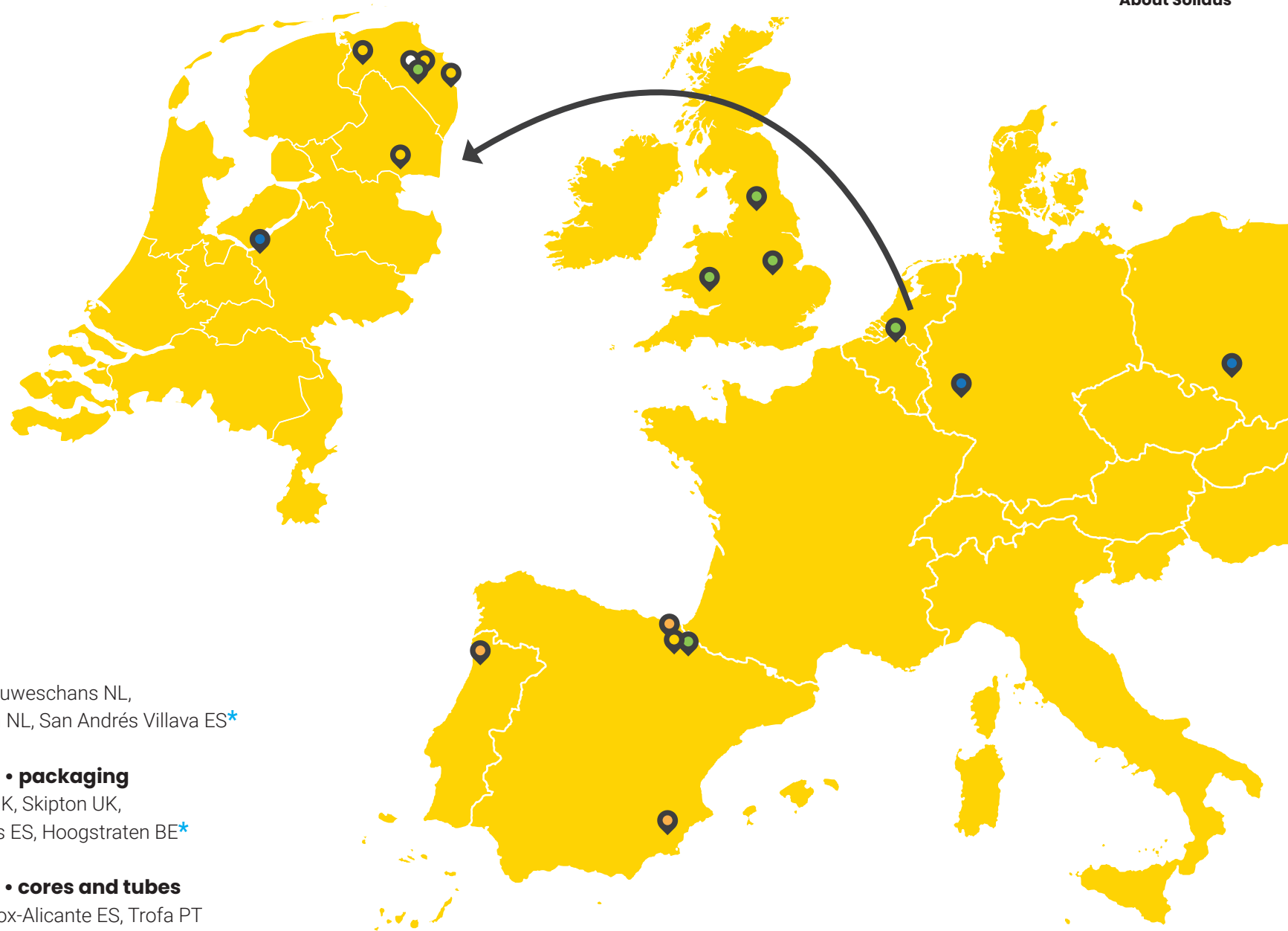
board mills

12

product converters

1475

employees



Head office
Oude Pekela NL

5 board mills
Oude Pekela NL, Bad Nieuweschans NL,
Hoogkerk NL, Coevorden NL, San Andrés Villava ES*

6 product converters • packaging
Oude Pekela NL, Corby UK, Skipton UK,
Crumlin UK, Ibiricu-Egüés ES, Hoogstraten BE*

3 product converters • cores and tubes
Berrobi-Guipúzcoa ES, Cox-Alicante ES, Trofa PT

3 product converters • partitions
Nijkerk NL, Kastellaun DE, Gliwice PL

* Customer Experience Centres

Solidus

Circular economy is at the heart of our business and value chain

We integrate our fibre-based packaging expertise across all aspects of our business, creating value and contributing to a more sustainable world. The value cycle starts with recovered paper from which we produce fibre-based packaging.

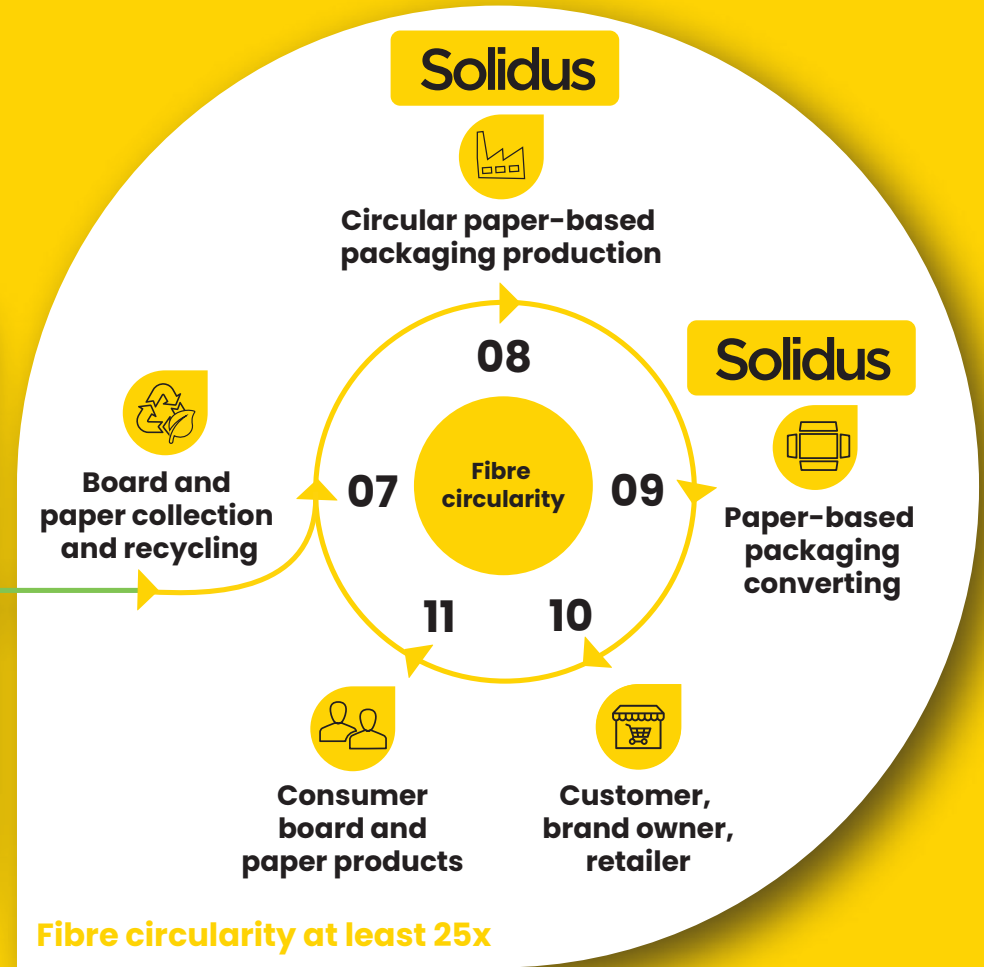
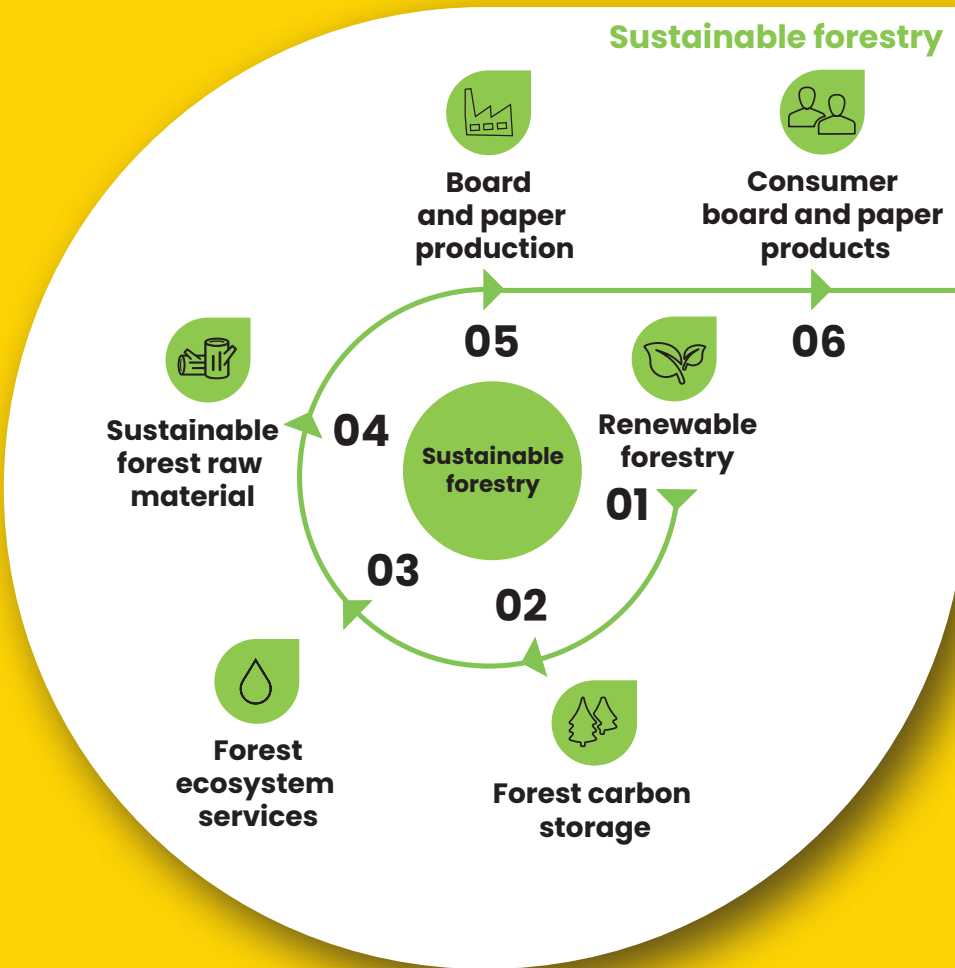
This board is converted, either at one of the Solidus converters or at one of our customers, into an end product. Brand owners and their packers fill the packaging with their products, which will then reach the consumers via retail and other distributions channels. Used packaging and other paper and board products are collected after use and the fibres are recovered as part of the standard paper recycling process. Where needed, we assist our customers with the recycling of products to support a higher degree of end-of-life collection rate. In the EU, fibre-based packaging has the highest recycling rate namely 82%, which makes paper the material with the highest recycling rate, well ahead of plastic, metals and glass.

82% recycling rate in Europe

Most of our fibre-based packaging products are PEFC and FSC® certified. By using PEFC and FSC® certified products, we can assure our clients and end users that the products we make are produced in accordance with responsible and sustainable forest management.

In March 2022 together with Trees for All Solidus held a tree planting day, in Schoonoord the Netherlands, with the purpose to support local biodiversity and capture CO₂.

Solidus circular value proposition





“At Solidus we are committed to making a positive impact on our planet by recycling fibres to circular packaging materials.”

Jesse Rep • Head of Sustainability

Solidus acting on global challenges

2x
more natural
resources needed

only
7.2%
of the world is circular

The global challenge

- Between 2023 and 2060 we will have an additional +2Bn people on earth.
- In order to support this population growth we need 2x more natural resources.

Where are we now

- Only 7.2% of the global economy is circular.
- By reducing virgin raw materials a -39% emission reduction is achievable.

Solidus role

- Solidus recovers paper and board and supports renewable fibre circularity, reducing the dependency on virgin fibres.
- Our fibres are PEFC and FSC® certified from responsible and sustainable managed forests.

Solidus next steps

Developing innovations and partnership that support the replacement of non-renewable materials in our board and support circularity.

Further reduce carbon emissions of our raw materials sourced by supplier collaboration.

01



Raw material sourcing

>50%

of emissions are related to
materials management

The global challenge

- Over 50% of emissions are related to materials management activities.
- Material use per capita will increase by 36% by 2060.

Where are we now

- Material use is to be decoupled from economic growth.
- Technological developments starting to improve recycling of materials, creating less dependency on virgin materials.

Solidus role

- The renewable fibres we use in our board production can be recycled at least 25x.
- We decarbonise our mills, investing in solar energy, replace natural gas with biogas and generate energy from process waste waters.

Solidus next steps

With ongoing decarbonisation investments some of our mills are getting closer to being fossil free (Scope 1 and 2).

Further optimising our transport modes and switching to low emission transport is an area of further exploration.

02



Production & logistics

1/3

of food produced
is wasted

60%

more food production
to feed the world in 2050

The global challenge

- 1/3 of food produced is wasted or lost.
- **To feed the world population by 2050, 60% more food production is required.**

Where are we now

- Food packaging plays a key role in reducing food waste and loss.
- Legislation will increasingly support the use of innovative and more sustainable packaging.
- **Packaging materials need rethinking, developing more fit-for-purpose and lightweight packaging that support food and nutrition preservation.**



Solidus role

- We invested €11M in sustainable retail packaging under the name Futurline. Creating fit-for-purpose innovative and sustainable packaging solutions.
- Our MAP 'Modified Atmosphere Packaging' trays use at least 80% less plastic, are 90% made with recycled board and are fully recyclable after use. MAP trays run on existing packaging machines facilitating the transition from plastic to fibre-based packaging.
- Skin packaging offers a solution for meat and poultry that meets consumer demand for ready-to-eat products, the deep vacuum technology improves the product shelf life and reduces the need for protective packaging fillers.

Solidus next steps

Our growth model is centred on initiatives that are driven by promoting a circular and sustainable economy.

We increasingly focus on innovations that deliver several benefits for our customers through packaging waste reduction, reduced CO₂ footprint, recycling of the paper fibres as well as optimal product protection, and matched or extended shelf-lives.

03



**Sustainable
consumption**

> 20%

increased EU packaging waste
over the last 10 years

46%

expected increase
plastic packaging waste

The global challenge

- EU Packaging waste increased by more than 20% over the last 10 years, and will increase by another 19% until 2030, if no action is taken.
- 46% increase for plastic packaging waste is expected by 2030.

Where are we now

- **There is more and more packaging waste and it is growing faster than our economy or population. This packaging waste has a big impact on the environment.**
- EU regulation will focus on making packaging recyclable in an economically viable way by 2030, decreasing the use of virgin materials in packaging and putting the sector on track to climate neutrality by 2050.

Solidus role

- Over 90% of our fibre raw material is recycled paper, we give these renewable fibres a new life in the form of our packaging materials.
- We contribute proactively to the circular bioeconomy by recycling fibres into circular packaging solutions that bring value to society.
- Solidus is a member in 4Evergreen which is a cross-industry alliance with the goal to reach a 90% recycling rate for fibre-based packaging by 2030.



4evergreen

Solidus next steps

We will strengthen our circular packaging design criteria to further support packaging materials to be recycled at scale at their end-of-life.

Consequently minimising the need for virgin fibre materials, reducing waste and impact on nature and climate.

We will strengthen fibre circularity collaboration in our value chain in the form of new business models. Like our cooperation with Lidl in Spain where we collect the packaging from their supermarkets and recycle them back to new packaging material for the supermarket chain.

04



Fibre circularity

Sustainability strategy pillar

Care for the environment

Solidus

Sustainability strategy pillar

Care for the environment

At Solidus we are committed to make a positive impact on our planet by recycling fibres to valuable packaging materials. This means reducing our carbon, waste and water footprint across our operations and value chain. We strive to reduce our environmental footprint and go beyond regulatory requirements. Our commitment to the environment is comprised of a series of initiatives to cover short, medium and long-term goals and targets. Collectively, these goals fall into three categories which have been identified as areas where Solidus can make a significant contribution to **Reduce climate impact • Reducing water use • Reduce waste.**



Our material goals and commitments



Further reducing our climate impact

We are committed to reducing our climate impact and reach net zero emissions for our Scope 1 and 2 by 2050.



Further reducing our water use

We are committed to further improve the quality of our waste water discharge after treatment and reducing water use in our product processes.



Further improving the management of our materials, residuals and waste in our operations

We are committed to reduce our waste year-on-year and valorise it where possible.



Material goal and commitment

Further reducing our climate impact

A large part of Solidus' carbon footprint is attributed to the energy consumption required to produce fibre-based packaging. Solidus recognises that not acting on climate change would mean a continuation of worsening climate conditions. To reduce our carbon footprint, we invest in ways to increase efficiency, reduce consumption and shift to cleaner forms of energy. We have highlighted a few examples of what we have accomplished thus far.

01

Improving energy efficiency across all locations

Solidus has invested large amounts on energy saving initiatives and technologies at the mills and our converting operations. Examples include saving 250,000 m³ natural gas by replacing shrink film with stretch wrap foil for our pallets, and installing several heat exchangers to extract the energy from our waste water effluent.

Transport plays a major part in our business and we're focused on working with transport partners that run the latest technologies to reduce the impact of that vital part of the supply chain. We actively seek partners that not only maintain fleets of the latest most efficient vehicles but also employ the latest technology in routing and fleet management to ensure the most efficient journey planning possible. In the UK over 95% over our company vehicles are electric,

with a ban on diesel vehicles having been in place for a number of years. Some of the power for the EV's is produced on site by our solar panel arrays, the use of which is planned to be spread to all UK sites in the near future.

02

Shifting towards renewable energy initiatives

Most of our converting facilities in Germany, Spain and the UK are powered by solar panels to reduce reliance on the grid and shift to cleaner forms of energy. For our German operations the solar energy generated is around 40% higher than what need to run our operations. In 2021, we installed another 7,000 solar panels at our Oude Pekela facility in the Netherlands.

Solidus

7,000

solar panels at
Oude Pekela mill

1M

m³ bio gas produced
at Bad Nieuweschans mill

360,000

m³ bio gas produced
at Coevorden mill

250,000

m³ natural gas saved

Another example is using biogas in the steam boilers of our Bad Nieuweschans mill, producing 1 million m³ of biogas, offsetting the need for natural gas consumption. We have repeated this at our Coevorden mill, producing 360,000 m³ biogas.

03

Forming partnerships to collectively reduce our footprint

Whilst we invest huge amounts of resources in finding adequate solutions at our own facilities, oftentimes the solution comes through teamwork and forming symbiotic relationships with other businesses.

Many of Solidus' facilities are located near other business facilities, offering great opportunities to share resources between businesses and find ways in which to reduce material inputs and waste streams together. In the last two years, we partnered with a wood-drying facility near our facility in Coevorden, helping them scale up their biomass installation so that we can use their energy for our board production. This will reduce our gas consumption by 7.5 million m³ per year, allowing fossil free production of heat.

“Oftentimes the solution comes through teamwork and forming symbiotic relationships with other businesses.”

David Green • Operations Excellence Director



Material goal and commitment

Further reducing our water use

Water is front of mind for Solidus: we are acutely aware of the importance of water as a natural resource. Water is also connected to many surrounding ecosystems, so we see it as our duty to return water to the best possible quality. This will reduce our reliance on freshwater intake, and simultaneously reduce our energy consumption through wastewater-to-energy saving initiatives.





Solidus is investing in various technologies to treat the wastewater and reuse the water used at its facilities.

01

Treating our industrial wastewater in San Andrés

In San Andrés, we implemented a new biocidal treatment for our industrial wastewater. This treatment controls the release of microorganisms that degrade starch into smaller organic molecules that otherwise contaminate water. This method has meant a reduction in COD 'Chemical Oxygen Demand' and starch intake, improving the quality of our industrial water.

“The new biocidal treatment supports Solidus to significantly improve their process water quality and reduce impact on the local water body.”

Ignacio Aramendía • Partner Managing Director, Projectos Navarra

02

Investing in water treatment plants at the Dutch mills

Solidus is investing in various technologies to treat the wastewater and reuse the water used at its facilities. In a recent example, Solidus invested €5.6 million to reduce COD emissions at Bad Nieuweschans and Coevorden by installing anaerobic reactors. We have already realised an efficient removal of 85% of COD, and on top of that, have seen a clear OPEX reduction by saving on discharging wastewater and energy procurement costs. By using biogas instead of natural gas, and simultaneously treating our wastewater, we were able to reduce our environmental CO₂ footprint.

€5.6M

invested to reduce COD emissions

-85%

removal of COD



Material goal and commitment

Further improving the management of our materials, residuals and waste in our operations

The nature of our business model means that we recycle recovered paper, which predominantly originates from households and retailers. The challenge is that the paper does not come in pure paper form and includes contaminants and other materials such as plastic and metal, which cannot be used in the production of fibre-based packaging. We are committed to increase the circularity of our waste streams year-on-year and valorise it where possible.

370,000

tonnes recovered paper per year

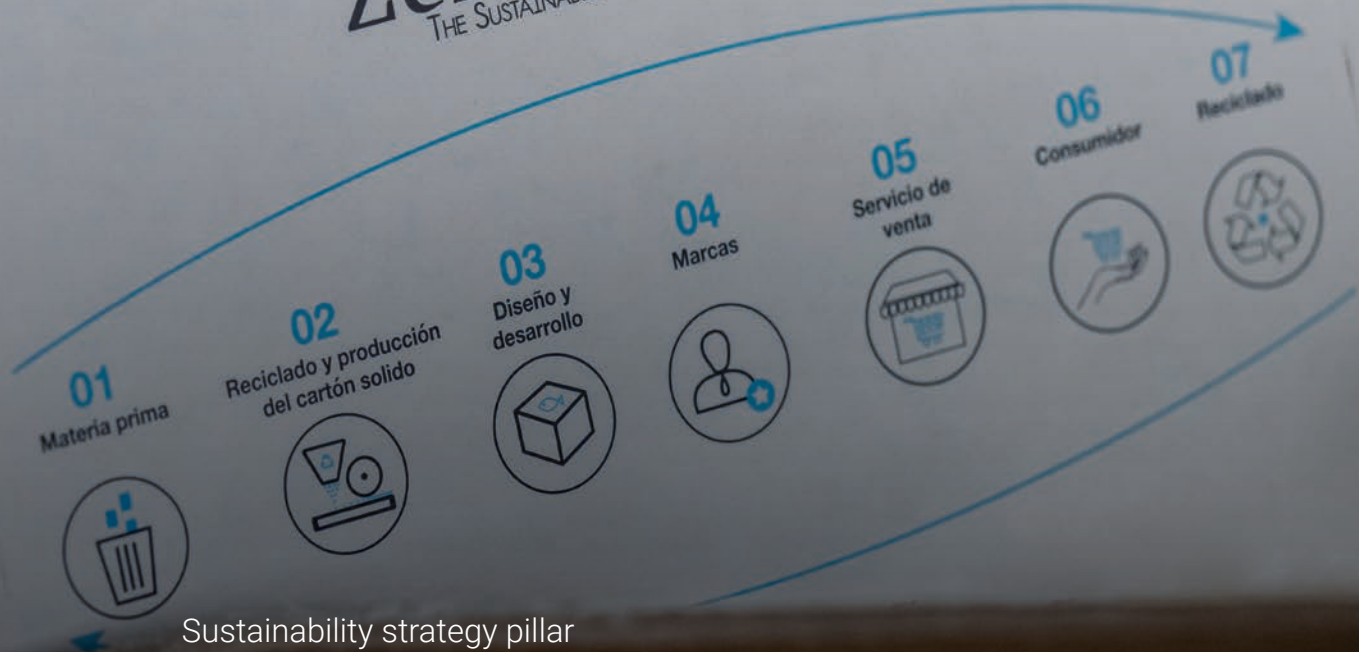
410,000

tonnes solid board produced per year

We are committed to increase the circularity of our waste streams year-on-year and valorise it where possible.

Zero Plastics

THE SUSTAINABLE PACKAGING SOLUTION



Sustainability strategy pillar

Create circular value chains

Solidus

Sustainability strategy pillar

Create circular value chains

At Solidus, we are committed to closing the material loop to prevent wasting valuable resources. We aspire to create circular and innovative solutions for our customers through value chain collaboration and at the same time contribute to a more sustainable world.

We are continuously striving to satisfy our clients' needs through circular solutions. This means meeting regulatory requirements, ensuring product functionality and quality, whilst keeping an eye on end of life impact of our products. Solidus' products are circular by design and we are actively exploring with our customers how we can optimise closing the material loop.

This means gaining better insight of the end-to-end supply chain, engaging with all stakeholders in the value chain. Investing in new products, innovations and technologies to further improve the recyclability of our products.



Our material goals and commitments



Developing circular and innovative solutions

We are committed to working closely with our customers and value chain to develop products and solutions that improve the recovery rate of the fibres in our products at end-of-life.



Ensuring product quality and safety

Solidus will not compromise on the quality and safety of its products and will meet or exceed all regulatory standards in the markets it operates.



Sustainable sourcing

We are collaborating with our suppliers to continuously seek out the most sustainable materials and solutions to reduce the environmental footprint for our customers.



Material goal and commitment

Developing circular and innovative solutions

Collaboration with internal and external stakeholders is also key in advancing Solidus’ circular business model. Examples of critical stakeholders include customers, technology companies, recyclers, brand owners, retailers, consumers and regulators. By forming closer relationships we better understand both the needs and challenges of our industry. At Solidus we believe that meaningful circular solutions can only be achieved in collaboration with stakeholders who share the same ambition for a more circular economy.



“The Solidus experience centres demonstrate the features and benefits of fibre-based packaging, but also serve as a place of discovery, accelerating value creation for customers.”

Simon Roda • Chief Commercial Officer

01

Solidus Experience Centres

In 2022, Solidus introduced two Solidus Experience Centres, one in Belgium and one in Spain. The centres demonstrate the features and benefits of fibre-based packaging, but also serve as a place of discovery, accelerating value creation for customers. They provide an opportunity for close collaboration with customers and partners, to test and demonstrate new board and packaging technologies. Through tight engagement, we want to form closer relationships with our stakeholders, collaborating towards a more circular future.

02

Working with retailers to close the loop

In order to realise Solidus’ vision of a more circular world with no waste, we are working to set up partnerships with retail customers to allow for the reuse and recycling of our products, therefore closing the loop whilst simultaneously gaining better control over our supply chain.



03 Launching Futurline sustainable packaging for retail and food service

The recently published PPWR 'EU Packaging and Packaging Waste Regulation' aims to decrease the need for virgin materials and phase out unnecessary packaging. In response to this, as well as to the growing need from consumers for packaging that is both convenient and sustainable, Solidus has developed and commercialised Futurline, a range of packaging products for retail and foodservice. These new products reduce plastic content, on average, by at least 80%, have a significantly lower CO₂ footprint and are fully recyclable. Made from solid board the solution is circular by design resulting in a significant reduction of packaging waste.

These products therefore provide circular alternatives to incumbent retail packaging which is still dominated by plastics, of which today only a very small part can be recycled and used again for food packaging. As a consequence, regulators have introduced a steep tax increase on plastic waste, forcing our customers to look for alternative solutions which can reduce their carbon footprint all while introducing fully recyclable packaging solutions. With Futurline, consumers can now enjoy both convenience and sustainable packaging, while at the same time brand owners can exploit the excellent solid board printing features to customise and differentiate their products based on seasonality or consumer preference.

Futurline®



Material goal and commitment

Ensuring product quality and safety

Solidus is a quality-driven organisation. We hold ourselves to high standards and pride ourselves in providing quality products and services that meet the regulations and standards of our end-markets. This means its products and production processes are consistently audited and tested.

01

Standardising food compliance

FOCOS 'Food Contact Software' initiative

Demonstrating compliance with legislation on FCM 'Food Contact Material' is complex. In order to make this process more effective we started the FOCOS initiative, a platform to ensure compliance with food contact legislation. This enables us to systematically verify, control, and manage all input materials and ensure end products are compliant with relevant legislation. This application also allows for direct, digital communication with suppliers, which further simplifies the process of communication. The first step was to roll out the implementation of the software for products in our Dutch mills and automatically generate DOCs 'Declarations Of Conformity' to showcase our products meet legal standards on health and safety. The software will be rolled out to Solidus locations in 2023.

Solidus

02

Solidus Quality Centre

In 2018, Solidus officially opened its Quality Centre in Oude Pekela to carry out standardised product measurements and ensure product quality and integrity. By forming a central quality team, the Quality Centre acts as a knowledge hub to combine our packaging and solid board expertise. Product measurements are completed on both basic material (solid board) as well as final packaging to ensure all customers get the best quality across all our offerings.

The Quality Centre works according to the latest standards within the industry. The product measurements are efficiently executed in accordance with the lean philosophy. This allows us to share best practices among the Solidus group.

“Quality is central to our processes and decision making, with our Quality Centre we continue to serve our customers with high value packaging materials.”

Robert Schilstra • Quality Centre Technician





Material goal and commitment

Sustainable sourcing

Solidus' suppliers are essential in delivering high quality products and services and are playing a big part in realising our company's sustainability ambitions. We are partnering with our suppliers to continuously seek out the most sustainable materials and solutions to reduce the environmental footprint for our customers.

“We are dedicated to set up partnerships with stakeholders across the entire retail value chain to improve the reuse and recycling of our products.”

Arthur Boxman • Chief Growth Officer



01

Implementing programs to improve communication with our suppliers

In the last year, Solidus has become involved in different programs to improve the communication channels with our suppliers and consequently gain better oversight and control over the quality of our products. Recently, Solidus has become a candidate member of the Pulp and Paper Value Chain Information System (PP VIS), which initiated a harmonised questionnaire and digital platform to exchange compliance information between paper manufacturers and their suppliers. We will use this questionnaire to feed into FOCOS.

02

Our supplier Code of Conduct

Given suppliers are an essential part to the business footprint, it is crucial they share our company's values and commitment to responsible business conduct. Suppliers are expected to act with integrity and fairness, observe applicable laws and behave in a manner consistent with our Code of Conduct. Suppliers that do not act in line with Solidus' values and commitments are considered a risk. We have developed a Supplier Code of Conduct in line with international labour and environmental standards and will ask suppliers to comply with this code. The Supplier Code of Conduct sets out requirements for socially, environmentally and economically responsible conduct and all customers and business partners are expected to speak up if they have concerns regarding a possible infringement to the laws of the code.

“We are an engaged employer by creating a safe, healthy and inclusive workplace that brings out the best in our employees.”

Erik van Mierlo • Chief HR Officer

Sustainability strategy pillar

Foster people's well-being

Sustainability strategy pillar

Foster people's well-being

People are central to Solidus' operations. We strive to foster an environment that puts the safety and well-being of our employees first. As we grow, we also recognise the need to foster people development and attract a diverse set of talent. To showcase these values to stakeholders, we are working towards setting quantitative and qualitative targets to measure improvement year-on-year.



Our material goals and commitments



Enabling a healthy and safe workplace

Our ambition is to continue our efforts to achieve zero harm, by maintaining a safety-leadership-driven culture, rolling out a behavioural safety programme to all employees in 2023, and reduce our Loss Time Accidents (LTA) rate and over time to become the leader in the paper and board industry.



Empowering our people

We continue to offer a diverse range of learning and development opportunities for all our employees across the organisation.



Building a diverse and inclusive culture

We continue to establish procedures and a workplace environment that attracts and retains a diverse and inclusive workforce.



Material goal and commitment

Enabling a healthy and safe workplace

The health and safety of Solidus employees is of the highest importance to us. The company has a clear Safety, Health and Environment policy in place, outlining the principles and rules regarding safety and behaviour across our facilities.

We also have an extensive Health and Safety manual outlining each of the hazards and risks at our facilities and ways in which to manage these and prevent injury. Prior to starting employment, each employee and contractor is required to read the relevant policies and sign a declaration. Moreover, our Stop-Think-Go assessment allows employees to assess a risk prior to starting any work.

To ensure employees stay up to date with each of our policies and guidelines, we provide regular Safety, Health Environment (SHE) training. We have an obligatory 100% safety training target, which we meet year-on-year and we are rolling out Behavioural Safety Programmes across the company.

52%

**reduction in Average Severity Ratio
between 2021 and 2022**



01

Implementing programmes to improve communication

Whilst Solidus' policies and trainings are extensive, to prevent injury and accidents in the long term, we need to embed health and safety into our culture and daily routines. This means consistent involvement and presence from leadership to demonstrate the importance of acting responsibly and in line with our policies. Solidus therefore rolled out Safety Leadership Workshops training for all management, followed by shopfloor training of managers. Across the company, six Safety Leadership Workshops were completed with line management in 2021, to be implemented in Germany and the UK. These aim to improve SHE performance by means of collaboratively working together towards a common vision on a desired state of safety.

02

Weekly safety observation tours

In line with these workshops, Solidus introduced Weekly Safety Observation Tours to stimulate safety awareness and reinforce senior management shopfloor presence and commitment to safety excellence. This initiative involves daily safety tours by the Plant Manager and an employee at random, as well as weekly safety tours with the Plant Manager and senior leadership. Thanks to both these trainings and safety tours, we saw a 52% reduction in Average Severity Ratio between 2021 and 2022.



Material goal and commitment

Empowering our people

We are committed to maintaining a people first mindset and to building a corporate culture that allows our people to develop and grow. We provide training and learning opportunities across the organisation, and seek to encourage our employees to reach their full potential.

01

Health and safety race

Part of empowering our people means active engagement and collaboration with our wider stakeholders and local communities. For example in Spain, we organised a health and safety race, inviting people from companies all over the region to participate. This allowed us to create a team spirit and stimulate engagement between employees, stakeholders, and the communities in which we operate. This was a great opportunity to highlight the importance of health and safety at our facilities, whilst promoting our processes, products, and most importantly, our highly talented workforce.

Furthermore, the organising of the race was a teambuilding exercise in itself, engaging our people to work collaboratively towards the smooth running of the event, whilst maintaining and operating the plant. The greatest takeaway of the event was that employees left feeling recognised, motivated and valued.



Material goal and commitment

Building a diverse and inclusive culture

We recognise the opportunity to further promote the diversity that exists across our workplace. We continue to build a more inclusive workplace and attract a diverse range of talent. As part of this, we are committing to the EU Platform of Diversity Charters, demonstrating our commitment to addressing discrimination in the workplace and maintaining an inclusive work environment.

01 Spain Equality Plan

In Spain, we launched a 2020-2023 Equality Plan, to promote equal opportunities for all employees, specifically focused on gender equality. The plan includes ongoing action plans incorporated and monitored by the Equality Plan Committee formed by management and workers' representatives. The development of this plan was supported by external consultants, to help us implement the right topics in a systematic manner.



"You can feel Solidus is an inclusive company, once you join you are part of a strong heritage, some of my colleagues have several generations working for Solidus."

Pilar Díaz Florez • Production Operator



What is next on our journey?

Sustainability has been central to our business for over a century. We recognise that as a society, we face pressing global challenges such as climate change and resource scarcity, which affect economies, the environment and societal well-being. We acknowledge these challenges and simultaneously understand that our products can provide solutions in areas such as the efficient use of renewable materials, circular value chains and low-carbon packaging materials that prevent or reduce food waste. Our board materials are circular alternatives for packaging materials based on fossil fuels and other non-renewables.

We continue to contribute to a better world. In the coming period we will focus our efforts on our CSRD reporting, EU waste directive and our sustainability targets and roadmaps together with an ESG governance system that includes sustainability leads across the organisation. We will work with our suppliers to find ways to further reduce the environmental footprint from the raw materials we source. We will share our overall progress, targets set and roadmaps in our Sustainability Report 2023.

These developments will allow us to create packaging materials with considerably lower environmental footprints. We will also continue to close renewable fibre loops and give our fibres a new life in the form of our board materials. This is central to our business and supports the EU Circular Economy Action Plan, paving the way for a circular and more competitive Europe.

Throughout our journey we recognize that no company can solve the global challenges in isolation. We have our 150 year heritage on which we build further and need the right partners with a similar ambition and drive. We believe that by collaboration, system change is achievable. We are very excited to continue our journey and invite our partners to join the circular bioeconomy of fibre-based packaging.

Jesse Rep • Head of Sustainability



Food



Flowers & Plants



Construction



Chemical



Health & Beauty



Appliances & Furniture



Stationery



Multimedia & Entertainment



Advertisement & Promotion



Books



Beverage



Textile, Paper & Plastic



Puzzles & Board Games



Others

About this report

The disclosures of this report align with our most recent reporting period. Unless otherwise stated, this follows the financial year ending 31 December 2022. The information presented in this report covers all our direct business operations and, in some cases, our extended value chain. The report focuses on our most material issues, determined through our materiality assessment conducted in 2022.

Solidus has reported the information cited in this report for the period 1-1-2022 till 31-12-2022 with reference to the GRI Standards. The GRI content index is published separately and can be found on [solidus.com](https://www.solidus.com)

For any questions about our sustainability, contact info@solidus.com





Solidus

Your circular packaging partner

Solidus

