

Global Environmental Policy 2026

Planet & Product

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GENERAL COMMITMENT



deSter, a gategroup member, is a leading provider of sustainable & innovative food packaging and service ware concepts to the food service and travel industry. By combining over 40 years of industry experience with a passion for design and service trends, we deliver bespoke, customer-centric, and impactful innovations. As a global company with more than 1'000 employees spread across multiple countries and operating on all continents, we believe good business should be good for people and gentle on the environment. Therefore, throughout all our operations, sustainability is key. Our general mission is to operate in a socially, environmentally, and economically sustainable manner. This is translated into our ESG strategy where we focus on three areas: People, Planet and Product.

With People, we care for our employees, our customers, stakeholders in our supply chain and the community around us. With Planet we want to lower the stress we put on the environment to the absolute minimum. With Product we aim to develop, produce, and sell products according to the principles of the circular economy, and so reducing the impact on the environment to an absolute minimum.

Purpose of this Policy

The purpose of this Global Environmental Policy is to set forth deSter's commitment to environmental sustainability by conserving natural resources, protecting global ecosystems and the prevention of harmful environmental pollution to support health and wellbeing. We also commit to being compliant with applicable environmental rules & regulations in the different regions and countries we operate in.

This document describes our global ambitions, approaches, and targets concerning greenhouse emissions, energy consumption, waste management, water management, chemicals, pollution, responsible resource use and biodiversity, environmental impact during the use of our products, consumer health and safety, and product circularity. With changing legislation and new technologies, continuous follow up and improvement of the environmental management system is important. This policy therefore is revised yearly and updated if needed.

Applicability

This Global Environmental Policy is applicable to all employees of the deSter. This includes temporary, contracted, and agency staff working on the deSter's premises or under deSter's direction (all referred to as "employees"). Our employees are regularly informed and trained on this policy and related developments.

Practical Implementation

This policy will be revised yearly and updated if needed. Revisions could happen earlier if preferable. The Environmental Footprint Manager is responsible for the update of the policy. This general environmental policy contains different specific policies. Every separate part has an owner who is responsible for this policy and its yearly revision.

PLANET APPROACH AND TARGETS

1. MATERIAL TOPICS

The material topics in this Global Environmental Policy result from the double materiality study deSter conducted on a global level. An analysis of deSter's impact on sustainable issues and an analysis of the risks and opportunities of sustainable issues was made. These assessments were performed based on the European Sustainability Reporting Standards (ESRS) (part of CSRD) and were combined with the double materiality analysis. This analysis provided our company with the most important topics to focus on.

The [double materiality](#) concluded these material topics, related to environment and to the planet-strategy:

- IMPACT: deSter contributes to global warming via greenhouse gas emissions
- IMPACT: biodiversity is impacted by mismanaged waste of our products at the end of life
- IMPACT: pollution microplastics end up polluting organisms and food resources
- IMPACT: generation of soil pollution at our production sites
- IMPACT: waste of production locations
- IMPACT: water consumption at the production locations, needed for production processes
- IMPACT: use of chemicals of high concern in production processes (REACH chemicals, PFAS, polystyrene)
- IMPACT: pollution of air in our production locations of VOCs, NOx, and Sox
- IMPACT: biodiversity is impacted by growing and harvesting the fiber, paper, and wooden materials we purchase.
- RISK: spread of infectious diseases (separate policy)
- RISK: energy availability disruption, price increases and fossil-based energy issues

All these topics are part of our Global Environmental Policy. Reporting on progress is foreseen in the yearly Sustainability Report of deSter.

2. ENVIRONMENTAL MANAGEMENT SYSTEM Owner: Sustainability Manager

An environmental management system (EMS) per site is important to implement this policy, align actions and have a systematic follow up system. Internationally recognized is the ISO14001:2015 standard, which deSter aligns her EMS with per manufacturing site. All four sites are ISO14001 certified by the end of 2025. We will integrate the ISO14001:2026 throughout 2026.

The environmental management systems in place at the four productions plants are continuously improved, with the goal to enhance deSter's environmental performance and reduce the negative impacts. The topics listed in this policy are also part of the environmental management systems per site. All sites have a separate system to ensure local contexts and needs are covered, with a common approach worked out.

3. GREENHOUSE GAS REDUCTIONS Owner: Sustainability Manager

We are conscious that deSter's business activities generate greenhouse emissions and we are committed to reduce them both onsite and throughout our entire value chain.

To reduce our direct and indirect greenhouse gas emissions, our approach is:

- Our reduction targets are aligned to the 1.5°C warming scenario, according to the **Science Based Targets initiative**. Our scope 1, 2 and 3 emissions are calculated according to the **Greenhouse Gas (GHG) Protocol**. 2019 is our baseline year and the emissions are calculated yearly from 2019 on.
- In the coming years, we will focus on reducing the **footprint of scope 1, 2 and 3**.

- We **manufacture** resourceful and want to invest in local manufacturing locations enabling us to produce closer to our core markets, which in turn makes for a significant reduction in transportation and the related CO2 emissions.
- We review our entire **supply chain** to lower emissions during the different upstream and downstream activities and use our influence on our supply chain to create less carbon emission throughout. For current products, we engage suppliers and work together with customers, to find options to lower the carbon emissions of a product. On top, developments are ongoing of new products that are made from low carbon intensive materials.

Our GHG reduction targets are:

- **End of 2030** commitment to:
 - Reach net-zero greenhouse gas emissions in scope 1 and 2 by 2030.
 - Reduce absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, end-of-life treatment of sold products 55,00% by 2030 from a 2019 base year.
 - Lima: Develop refrigerant replacement program
- **End of 2035:** engage 80% of suppliers (defined in spend) in the supplier engagement project on carbon emissions.
- **End of 2035:** Have scope 1, 2 and 3 data, reduction targets and product carbon footprint data of the top 20 suppliers (defined in spend)
- **End of 2050** commitment to:
 - Maintain a minimum of 90% absolute scope 1 and 2 GHG emissions reductions from 2030 through 2050 from a 2019 base year.
 - Reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, end-of-life treatment of sold products 90,00% by 2050 from a 2019 base year.

4. ENERGY CONSUMPTION

Owner: Sustainability Manager

Regarding energy, fossil-based energy is a material topic for deSter. We aim to minimize our energy consumption, lower our fuel consumption, and increase energy efficiency in our operations.

Our approach to lower our energy use, related emissions and be less dependent on fossil fuels:

- Increase energy efficiency in our operations.
- Focus on electrification.
- Switch to green electricity.

Our energy consumption targets:

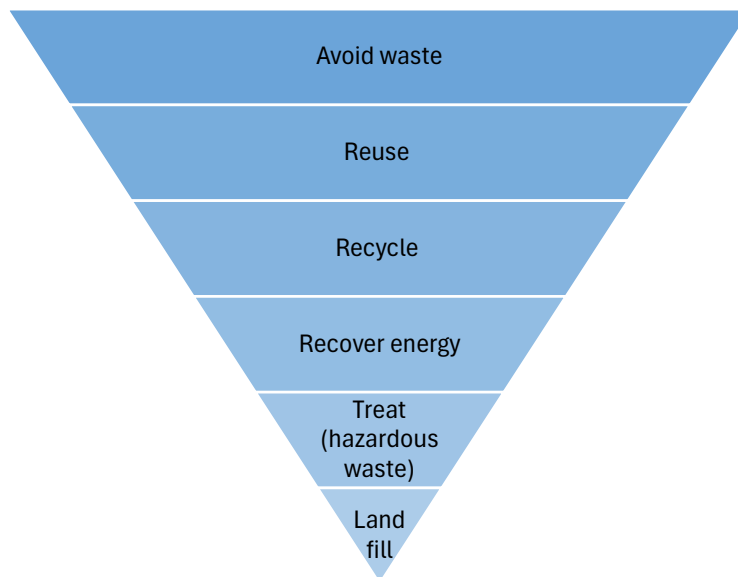
- **End of 2026:** manufacturing location specific targets
 - Hoogstraten: Foresee a of solar panel installation with a capacity 0,6 MWp.
 - Prachinburi: Fully operational solar panel installation with a capacity 2.3 MW. Follow up on production and consumption of this installation.
 - Lima: 10% reduction of electricity compared to 2025, relative to the production output by weight.
 - Barcelona: 5% electricity reduction in the plastic manufacturing lines, compared to 2025, relative to the production output by weight.
- **End of 2030:**
 - 100% of our electricity comes from renewable sources (own production or sourced).
 - Be Net Zero Carbon in the energy we use (scope 1 and 2), which means we lower 2030 our fuel and electricity use, choose green alternatives, and offset any remaining GHG emissions.

- Hoogstraten: 5% reduction of electricity compared to 2025, relative to the production output by weight.
- Prachinburi: 5% reduction of electricity compared to 2025, relative to the production output by weight

5. WASTE MANAGEMENT

Owner: Sustainability Manager

This waste management policy focuses on the waste management of our facilities; the waste created by the products we sell is covered in our Product Circularity Policy (p. 17-19). deSter’s internal waste management approach is based on the **waste hierarchy** of The European Union’s Waste Framework Directive (1975/442/EEC) (see graph 1).



Graph 1: waste management hierarchy

We focus on the waste from our manufacturing locations. Based on this framework, our approach consists of:

- The waste we produce in our facilities must be minimized and should be reused and recycled as much as possible.
- The amount of waste that remains, should be incinerated with energy recovery, and should thus not end up as landfill.
- We adhere to local legal requirements and only use landfill if the local legislation states it must.
- Hazardous waste must be avoided in the first place, but the remaining should be collected and treated properly.

We strive to sort out our waste as much as possible and create different streams that can be collected separately, so these clean streams are handled in the most appropriate way by the waste treatment facility.

Our waste management targets:

- **End of 2026:**
 - Lima: Reduce absolute materials waste with 25%. Increase reuse of materials with 30% (repairable parts).
 - Barcelona: 5% reduction of waste category “Water containing TNT residues” at the paper cup plant, compared to 2025, relative to the weight of printed paper blanks.
- **End of 2030:**

- Net Zero waste to landfill across our internal operations: All our operational waste may not be landfilled, unless stipulated by national or international regulations, and must be reused, recycled, or recovered.
- 80% of operational waste is recycled.
- Manufacturing location specific targets
 - Hoogstraten: 40% residual waste reduction (by weight) compared to 2019, relative to the production output by weight.
 - Prachinburi: 10% waste reduction (by weight) compared to 2019, relative to the production output by weight. Only hazardous waste categorized by the Thai DIW and PH should go to landfill
 - Lima: 10% reduction of waste (by weight), compared to 2021, relative to the production output by weight. No waste goes to landfill.
- **End of 2050:** Net Zero Waste in all our own operations.

6. WATER MANAGEMENT

Owner: HSE Manager

Via the Aqueduct Water Risk Atlas of the World Resource Institute, the water stress of the production sites of deSter were checked. The sites in Hoogstraten (Belgium) and Lima (USA) are both in low water-stressed areas (in the baseline and 2050 scenarios). The plant in Prachinburi (Thailand) is in a high water-stress area. Water consumption therefore is material for the Prachinburi (Thailand) plant. Also, the site in Hoogstraten (Belgium) is in scope due to high cost related to water use. The site in Lima (USA) is not in scope.

deSter commits to sustainable water management of the water we use in all locations. Our approach is:

- Minimize water use through water efficiency initiatives and internal closed loop approaches.
- Our freshwater usage should be minimized and replaced with rainwater if possible.
- Not releasing any contaminated wastewater in the environment.
- Water efficiency is taken up in the procurement decisions when buying new equipment and machines.
- For the implementation of new production lines that need water, preferably have a closed loop system for water usage.

Our water management targets:

- **End of 2026:**
 - Hoogstraten: investigate and assess the possibility to increase the rainwater harvesting capacity. Installation of end-of-pipe water treatment and get all heavy metals within the legal thresholds.
 - Prachinburi: Installation of wastewater treatment system on site.
 - Barcelona: 5% reduction of water waste stream “Water containing TNT residues” at the paper cup plant, compared to 2025, relative to the weight of printed paper blanks.
- **End of 2030:**
 - Hoogstraten: Reduce groundwater consumption by 10%, compared to 2025 water usage and relative to the production output by weight
 - Prachinburi: construction of a rainwater reservoir of 500m³.

7. CHEMICALS

Owner: HSE Manager

deSter commits to limit the impact on the environment and human health of its chemicals used throughout its own operations. Our approach consists of:

- To lower the use of chemicals, limit the use of harmful substances by strict screening the type of chemicals used, phase out certain chemicals or replace chemicals with a less or non-harmful

alternative and apply the appropriate waste management principles (ref 3. Waste management policy) at the end of its life. We keep an up-to-date quality dataset of all chemicals (such as lubricants and cleaning agents). All materials we buy to make our products, need to hold a safety data sheets (SDS) and must be aligned with the food safety regulations. These documents are screened by the quality department to guarantee compliance.

- All materials we source and use in Europe, need to comply with the REACH requirements.
- All our products come with specification sheets (spec Sheets) and a Declaration of Compliance.

Our chemical policy targets are:

- Continuous targets in all sites:
 - We strive to choose the least harmful products for our production processes. We follow local legal requirements concerning chemicals and harmful products. Harmful substances are switched if possible.
 - Chemicals are always labeled clearly.
 - Chemicals are stored separately in protective areas to prevent the potential exposure to employees and the environment.
 - “Protective practices and equipment” are available and in common use to minimize the potential injury for any employee in case of exposure to hazardous chemicals.
 - Chemical waste is always sorted out and treated by an external accredited waste treater.

Our chemical-related targets:

- **End of 2026:** Hoogstraten: Set up a new system to account and track chemicals.
- **End of 2030:** Hoogstraten: Replace all CMR chemicals (substances classified as carcinogenic, mutagenic, or toxic for reproduction) used with alternatives that are non-CMR.

8. POLLUTION

Owner: HSE manager

As a company, we need to be aware of the pollution we create. We want to reduce the pollution caused during the production process and decrease pollution coming from the end-of-life treatment of our products. Not all types of pollution are material to deSter. The focus is defined in the double materiality analyses. Material pollution related to manufacturing itself is soil and air. On product level, waste of the products and single-use plastics are material topics.

Manufacturing pollution

The pollution we cause during the **manufacturing** process should be contained.

deSter Hoogstraten (Belgium) and Barcelona (Spain) are committed to Operation Clean Sweep, striving towards the goal of zero pellet loss at our productions site. By following the principles and guidelines of this international program, the plastic pollution caused by the production process is to be minimized and no pellets should end up in nature. We follow these in all 4 sites. The principles of OCS are:

- Improve our worksite(s) set-up to prevent and address spills.
- Create and publish internal procedures to achieve “zero pellet loss” goals.
- Provide employee training and accountability for spill prevention, containment, clean-up, and disposal.
- Audit our performance regularly.
- Comply with all applicable local and national regulations governing pellet containment.
- Encourage our partners (contractors, transporters, etc.) to pursue the same objectives.

Our manufacturing anti-pollution approach:

- Air pollution: By lowering our CO2 footprint and process emissions, use less fossil-based energy, reduce the amount of waste and work on achieving net zero waste as soon as possible.
- Soil and air pollution: in the manufacturing location of Hoogstraten, a risk analysis including visual exposure of dust is carried out every time a new manufacturing line is introduced or put into operation. From that risk assessment, we can take needed measures to contain dust and particles pollution in our manufacturing process. We want to extend this risk analysis procedure to all manufacturing locations of deSter.
- Soil pollution: We have a specific procedure in place in case of local pollution emergencies (like oil spills) in all three production sites.
- Soil pollution: continuous follow up and sanitizing of the local oil leakage in a particular part of the soil in HGS, until it is all clear. This leakage appeared several years ago and has been monitored closely. The sanitizing plan has been worked out with an external expert firm and is discussed and reported upon with local authorities regularly.

Our manufacturing anti-pollution targets:

- Air pollution
 - See GHG targets 2025, 2030 and 2050 (p. 6-7)
 - Yearly: monitor VOC (volatile organic compounds) emissions related to plastic production every year and report on them. Keep them within legal thresholds.
 - 2030 Hoogstraten
 - Reduce NOx emissions by 50%, compared to 2019 and relative to the degree days per year.
 - Reduce the Sox emissions by 50%, compared to 2019 and relative to the relative to the degree days per year.
- Soil pollution
 - See waste targets 2025, 2030 and 2050 (p 8)
 - Hoogstraten (Belgium): Follow up on two oil leakages in soil at site with external experts. Sanitizing continues until it is clear. Afterwards, continuous monitoring will be in place.
 - **End of 2030:** Implement the procedure of a risk analysis of a new machine or a new manufacturing line according to the approach followed in Hoogstraten (Belgium), to the other manufacturing locations.

Product pollution

Also important is to consider the potential pollution **caused by the products** we manufacture. This is explained in the PRODUCT part of the environmental policy (p. 13-19). The entire lifecycle of the products is considered. The biggest reduction in (litter, land, and sea) pollution can be achieved by focusing on our product circularity goals. Furthermore, we comply with European Union directives and legislations on single-use plastics and packaging and packaging waste, and we comply with the REACH requirements.

Plastic pollution prevention – local communities

Next to our own operations and the products we sell, we want to avoid the impact of plastic pollution in general, around the globe. To do so, we want to reach out to the **local communities** (like schools, organizations...) surrounding the sites where we operate, to work on preventive (education, technologies...) and waste collection actions that reduce plastic pollution and improve the lives of local communities facing social and health impacts from plastic pollution.

9. BIODIVERSITY

Owner: Sustainability Manager

Biodiversity represents the total variety of all life on earth. The more biodiversity on earth, the more secure all life is. Biodiversity is currently under huge pressure. deSter wants to contribute to the international goal of nature positive by 2030. To do so, the focus is put on the topics that have been identified as material in the double materiality assessment of deSter.

Foremost important for deSter is the **impact of land use and land use change due to the raw materials** that we buy in. Mostly related to the fiber, paper, and wood materials we purchase. Our biodiversity policy therefore focusses on this impact.

Also, global warming (p. 6-7) and pollution (p. 10-12) are material matters to us. Both are a driver of biodiversity loss. Working on the greenhouse gas emissions of all three scopes and putting targets on the pollution we cause (for example: VOCs, PFAS), related to biodiversity too.

Finally, we take a **holistic** approach. Measures taken on one topic should not cause harm to another related issue and preferably should be beneficial for multiple environmental issues at once.

Our biodiversity are integrated into other targets:

Targets of biodiversity are all related to other topics in this policy.

- Targets on greenhouse gas emissions (p. 4-5)
- Pollution (p. 8-9)
- Responsible resource use (p. 11-13), focus on FSC targets.

PRODUCT APPROACH AND TARGETS

10. MATERIAL TOPICS

At deSter, we develop, produce, and trade food packing products. It is very important to consider the environmental aspects during the entire lifecycle of our products. This policy describes environmental approaches from resource use for product production, product design, consumer use all the way through to end of life.

The material topics in this Global Environmental Policy result from the double materiality study deSter conducted on a global level. An analysis of deSter's impact on sustainable issues and an analysis of the risks and opportunities of sustainable issues was made. These assessments were performed based on the ESRS guidelines and were combined into the so-called double materiality analysis This analysis provided our company with the most important topics to focus on.

The [double materiality](#) concluded these material topics, related to environment, and focused on product:

- IMPACT: products become waste at the end of life
- IMPACT: production of single-use plastics
- IMPACT: the raw materials and products we procure, have an impact
- IMPACT: biodiversity is impacted, and pollution is caused by mismanaged waste of our products at the end of life
- IMPACT: pollution microplastics end up polluting organisms and food resources
- IMPACT: use of chemicals of high concern downstream (PFAS)
- RISK: personal safety of consumers and end-users (related to our products)
- RISK: increased cost of sustainable raw materials
- OPPORTUNITY: revenue streams from new business models / products / markets

All these topics are part of this Global Environmental Policy.

To create deSter products, some materials need to be extracted directly from nature. We want to actively work on ensuring that the materials we need for manufacturing our products are sourced with a limited impact on biodiversity, climate change, and society.

We look at the impact of how they are extracted, created, transported and their environmental impact during production. The materials we use are selected in line with our product circularity goals, considering end-of-life (see Product Circularity Policy).

Our general commitment

For each type of resource, we:

- Strive to limit the use of new resources (see the “Product circularity” and “Reducing impact through design” sections for more details)
- Aim to minimize material waste during production (see the “Waste management” section in the Planet chapter)
- Use recyclable or compostable materials to support our zero-waste goals
- Where possible, choose recycled or renewable materials with traceable supply chains verified by third parties such as the Forest Stewardship Council (FSC) or ISCC PLUS
- Strictly avoid the illegal extraction of resources, such as illegal forestry
- Evaluate the associated greenhouse gas emissions in our decision-making process
- Consider how far raw materials travel to reach our factories
- Ensure all materials comply with statutory environmental and safety requirements under European or national laws
- Commit to ethically produced goods through our sustainable procurement process, which includes auditing suppliers on social and environmental practices and following UN and ILO principles

We have defined specific approaches for the **two material groups we use most frequently**:

- **Plastics:** Primarily used in recyclable and reusable packaging solutions
- **Fiber-based materials:** Derived from wood or plant sources, used in paper, for use in cardboard, and packaging

While **aluminum** is not among our most used materials, we aim to phase it out by 2035 in alignment with our broader scope 3 emission goals.

Using plastics responsibly

Our approach

We are committed to using plastic responsibly, in line with our goals for circular products and sustainable resources. Our strategy focuses on:

- Decoupling plastic production from fossil fuels. Where financially viable and environmentally beneficial, we use renewable, responsibly sourced alternatives to oil-based plastics
- Using plastics that support circularity – mainly for reusable packaging and only if they can be recycled, not for single-use
- Phasing out polystyrene (PS) which is hard to recycle and emits harmful volatile organic compounds (VOCs)
- Prioritizing recycled materials when possible, depending on local regulations and customer needs
- Using materials with the lowest carbon footprint across their full lifecycle – from sourcing and production to transport, use, and end-of-life treatment
- All plastic use follows strict regulations, including the EU SUPD, EU PPWR, and other relevant safety and environmental standards

Our responsible plastic use targets:

By end of 2028:

- 85% reduction of sold polystyrene weight, compared to 2019.

By the end of 2030:

- Target to phase out of sold polystyrene weight, achieving at least a 95% reduction versus 2019

Annually

- Keep increasing the use of bio-based plastics, certified by ISCC PLUS or equivalent standards

Using fiber and paper responsibly

Sourcing paper-based materials poses risks like deforestation and biodiversity loss. Our responsible sourcing approach helps mitigate these impacts. We apply targeted strategies across all fiber-based materials and products – summarized here collectively as “fibers” – depending on their application.

Our approach

The type of paper, fiber and cardboard used for our products can be broken down in the following categories based on the pulp they are made from:

| Category | Sourcing priority | Subcategory | Quality | | Environmental impact |
|----------------|-------------------|------------------|---------|---|-------------------------------|
| Recycled fiber | 1 | / | Medium | Less white, moisture sensitive, cannot be used for food contact | Low (no new fibers harvested) |
| Virgin Fiber | 2 | By-product fiber | Medium | Less strong, often needs to be mixed with longer virgin fibers | Medium |
| | 3 | Mechanical Fiber | High | Whiter, more moisture resistant, can be used for food contact | High |
| | 4 | Chemical Fiber | Highest | | Highest |

For non-food contact products:

Recycled fibers are our standard material for non-food contact items such as cartons, tray mats, napkins and drawers. We use virgin fibers only when absolutely necessary for functional or quality reasons. As recycled materials are not suitable for direct food contact, we have established separate targets for food- and non-food-contact products.

For food contact products requiring virgin fiber

When virgin fiber is necessary for food-safe applications – such as bowls, plates, casseroles, lids, and cutlery, which represent the largest portion of our portfolio – we prioritize:

- Waste-derived fibers: Where possible, we use fibers derived from agricultural by-products or waste streams (e.g., bagasse) and aim to scale up their usage over time. Due to technical limitations in some applications, we have not set a specific target for this category.
- Certified sustainable sources: When waste-derived fibers are not possible, we aim to source virgin fibers that are FSC- or PEFC-certified, ensuring they come from responsibly managed forests with strict protections for biodiversity.
- Responsible sourcing: When certification is not feasible, we prioritize EU sourcing under the European Timber Regulation (EUTR) or verify equivalent standards for non-EU suppliers, requiring safeguards against illegal logging where needed. In preparation for the upcoming EUDR, we have strengthened risk assessments, traceability, and due-diligence systems, including integration with

the EU TRACES NT platform. While EUDR applies only to EU markets, we continue using FSC or PEFC certifications globally to ensure responsible sourcing and review our approach regularly to stay aligned with evolving regulations

Preparing for the European Deforestation Regulation (EUDR)

The upcoming EUDR will replace the EUTR and require stricter checks to ensure products placed on the EU market are not linked to deforestation. deSter has been preparing for the EUDR requirements by strengthening its risk assessments, traceability systems, and documentation processes, as well as integrating a risk analysis and mitigation tool with the EU Due Diligence platform, TRACES NT.

These enhancements establish a solid foundation for fulfilling EUDR due-diligence obligations and for continuously improving the integrity of our supply-chain data.

While EUDR goes beyond standard certifications like FSC or PEFC, it applies only to EU markets. Given our global presence, we will continue using FSC or PEFC certifications to ensure responsible sourcing of virgin fiber. We also review our sourcing approach annually to stay ahead of evolving regulations and fiber technologies.

Our targets

By the end of 2026:

- Food contact products: At least 45% FSC- or PEFC-certified virgin fiber (exclusive bagasse)
- Non-food contact products: keep it to at least 25% recycled fiber content (excluding bagasse)

By the end of 2030:

- Food contact products: 80% of paper, wood and fiber sourced from sustainably managed forests
- Non-food contact products: 40% recycled fiber content

Comfort items and amenity kits

Specific to our **comfort items and amenity kits**, we strive to offer kits with the lowest impact on the environment as possible:

- We focus on designing products that can be reused long after a flight or recovered if unused.
- We also prioritize recycled and renewable materials, responsible sourcing, and carbon footprint reduction.
- The amenity bags are made from rPET, nylon, hemp, bamboo, or organic cotton
- For the contents – such as toothbrushes, eye masks, socks, combs, razors, and skincare tubes – we prioritize materials like wheat straw, bamboo, and rPET.
- All paper packaging is recycled or FSC/ PEFC certified.

12. ENVIRONMENTAL IMPACT FROM USE OF PRODUCTS

Owner: Category Directors

The products we sell have an impact on the environment during their use. We want to limit this impact by taking the environmental strains of our products into account when developing them. Most of our products are designed in-house and we follow the latest technological developments to have safe, functional, durable, and ergonomically well-designed products. They should help to save weight and space, and make work processes simpler, smoother, and faster.

Our approach to limit the environmental impact from use of products:

- We strive to find the perfect balance between the **functionality** of a product and being as **lightweight** as possible. Lightweight products need less material, create less emissions during their transportation, while the functionality and quality of the products ensures a long lifetime and a good end-consumer experience.

- For our **reusable items**, we look for the most **durable option** by optimizing the design and select the right material to have a maximum amount of uses out of one item. Therefore, we analyze the lifecycle of launched products wherever we can to further improve them.
- We optimize the **stacking height** of our products to limit secondary packaging and to lower the transport volume.
- **No release of harmful substances** to the environment or the consumer during use of the product. We ensure that products meet all statutory safety requirements under European or national law (see further detail on health and safety of our products in 8. Consumer Health and Safety Policy).
- Our products are developed to protect their valuable content (food, beverages, cosmetics...) and by making sure they do this well, we strive to **limit waste** of food, beverages, cosmetics, ...

These approaches are embedded in our product development approach for many years. To guarantee this, we work together with everyone involved such as caterers, crews, restaurant owners, product experts, engineers, our manufacturing, and supply chain. In this way, we can ensure that our designs are optimized right down to the finest detail before they go into production.

13. CONSUMER HEALTH AND SAFETY

Owner: Legal Department

Our aim is to actively promote responsibility and concern for the safety of our consumers, our staff, and the general public, and more specifically to:

- Only place products on the market which are safe and thus ensure that products meet all statutory safety requirements under European or national law.
- Inform consumers of any risks associated with the products we supply.
- Continually assess products, packaging, labelling, ingredients, adverse events, and complaints to ensure the health and safety of consumers, staff, and the general public.
- Apply consistent consumer safety standards for company operations and products across all regions.
- Make sure any product present on the market can be traced, so it can be removed in case of any risks to the consumers, staff, and the general public.
- We follow the guidelines of Good Manufacturing Practice (GMP) (described in the Regulation (EU) No 2023/2006) in all our manufacturing locations, by working according to the BRCGS norms for packaging materials and food safety.

We encourage **our employees** to speak up and report about any Consumer Health and Safety concerns. They can do this by:

- Speaking with their immediate supervisor or Human Resources representative
- Contacting a member of deSter General Counsel and/or gategroup's Legal team
- Contacting the Speak Up Line (gategroup's confidential independent whistleblower service)

In case an **end-user** of our products might experience any concerns or non-compliance, they can speak up to the distributor of our products who in return reports the concern or non-compliance to deSter (deSter is not selling products directly to end-users). Any complaint is taken seriously and is supported by a strict Quality Complaint Process. We investigate thoroughly, fairly, confidentially, and take action as necessary and appropriate.

An important part of customer health and safety for deSter is the use of PFAS. **PFAS** (Polyfluoroalkyl substances) are chemicals used in some of our fiber-based packaging as they deliver excellent moist, grease and stain resistant properties. However, PFAS do not occur naturally in the environment and are extremely persistent and therefore accumulate in the environment. PFAS can also pose health risks. Furthermore, in the future stricter regulations are expected to phase out PFAS from packaging products.

Although the level those chemicals are present in our packaging products is compliant with the EU food approval legislation and REACH requirements, given the potential impact on the environment and health, we want to take a proactive approach in phasing them out.

Our consumer health and safety targets:

- **Annually:** Maintain a consumer complaint rate below 0.20 per 1,000 production hours
- **Annually:** Achieve at least a BRCGS A rating at all production sites
- **By August 2026:** Ensure all fiber-based products are PFAS-free

14. PRODUCT CIRCULARITY

Owner: Director Product & Client Strategy

Our approach

We strive to reduce the environmental impact of our products, including at the end-of-life stage. Waste management remains a challenge in both our travel and foodservice markets, making it essential for us to support the transition from a linear to a circular economy.

Our product circularity approach applies to everything we sell, with a primary focus on food packaging and serving concepts – categories that make up the majority of our portfolio and have the greatest environmental impact.

Our vision is guided by the Circular Economy, the New Plastics Economy movement (launched by the Ellen MacArthur Foundation in 2016), the waste hierarchy framework, and various EU regulations, such as the Single-Use Plastics Directive (SUPD) and the Packaging and Packaging Waste Regulation (PPWR). This approach aims to **keep products and materials in the economy – and out of the environment** – by preventing waste from the start.

OUR PRODUCT CIRCULARITY HIERARCHY



Achieving zero waste

To achieve zero waste, we focus on four pillars, as depicted in our product circularity hierarchy:

- **Eliminate and reduce:** In collaboration with our customers, we assess each product's necessity and identify opportunities to reduce or eliminate items where possible. We also strive to minimize the number and types of materials used in each product.
- **Reuse and closed-loop recycle:** We prioritize replacing single-use items with reusable alternatives made from recycled or renewable materials. Wherever possible, we design our products for circular systems that enable them to be collected, recycled and transformed into new items at our own facilities. We also support the development of innovative reuse systems.
- **Single-use home compostable:** In cases where reusable products are not yet feasible, we offer alternatives to single-use plastics that can be recycled or composted at home. With home composting, used products can break down naturally and enrich the soil without requiring industrial composting.
- **Single-use plastic recycling:** In some cases, such as when extended shelf life is critical, single-use plastic packaging remains necessary. In these instances, we ensure that all materials are recyclable, preferably made from recycled (rPET) or renewable sources. We advise customers on proper waste management practices to prevent products from entering the environment and promote closed-loop recycling wherever possible.

Phasing out unnecessary single-use plastics

We are committed to working closely with our customers to phase out unnecessary single-use plastics – items for which sustainable alternatives exist and where recycling is not guaranteed.

We are focusing on phasing out:

- Single-use plastic cutlery:
 - Complete phase-out in the EU
 - In other markets, only offered as a transitional solution toward more sustainable alternatives
- Single-use plastic cups:
 - Complete phase-out in the EU unless made from PET
 - In other markets, only offered as part of a bundled product offering
- Other single-use plastic items:
 - We collaborate with our customers to align on our product circularity hierarchy and identify phase-out opportunities

Reducing carbon footprints through our products

Product circularity actions – such using fewer materials, opting for renewable inputs, switching to reusable items, enabling closed-loop recycling, and optimizing transport through local production – all contribute to lowering the environmental impact of our products.

We are committed to further supporting our customers in reducing their carbon footprint through our products.

Our product circularity targets

Since 2020

- Exclusively introduced products that are either reusable, compostable, or recyclable

By end of 2026

- Keep products that are either reusable, compostable or recyclable on at least 95% of total packaging portfolio
- 20% of revenue of reusable and compostable packaging compared to total packaging revenue

- 85% decline of polystyrene sold weight, compared to 2019

By end 2030

- 100% of product either be reusable, compostable or recyclable, continuously work with customers
- Target to phase out polystyrene weight (sold) across all product lines, achieving at least a 95% reduction versus 2019

By the end of 2040:

- 100% of products to be zero-waste, with every product sold having a confirmed circular solution for end-of-life treatment

Annually

- Support customers in reducing their carbon footprint through more sustainable product choices
- Phase out unnecessary single-use plastics by replacing them with reusable or compostable alternatives

Overview Of General Targets

2026:

- Ensure all fiber-based products are PFAS-free
- Food contact products: At least 45% FSC- or PEFC-certified virgin fiber (exclusive bagasse)
- Non-food contact products: keep it to at least 25% recycled fiber content (excluding bagasse)
- Keep products that are either reusable, compostable or recyclable of at least 95%
- 20% of revenue of reusable and compostable packaging compared to total packaging revenue

2028:

- 85% decline of polystyrene sold weight, compared to 2019

2030:

- Reach net-zero greenhouse gas emissions in scope 1 and 2 by 2030.
- Reduce absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, end-of-life treatment of sold products 55,00% by 2030 from a 2019 base year.
- 100% of our electricity comes from renewable sources (own production or sourced).
- Be Net Zero Carbon in the energy we use (scope 1 and 2), which means we lower 2030 our fuel and electricity use, choose green alternatives, and offset any remaining GHG emissions.
- Net Zero waste to landfill across our internal operations: All our operational waste may not be landfilled, unless stipulated by national or international regulations, and must be reused, recycled, or recovered.
- 80% of operational waste is recycled.
- Implement the procedure of a risk analysis of a new machine or a new manufacturing line according to the approach followed in Hoogstraten (Belgium), to the other manufacturing locations.
- 95% reduction of sold polystyrene, compared to 2019
- Fully phase out products made from PS
- Food contact products: 80% of paper, wood and fiber sourced from sustainably managed forests
- Non-food contact products: 40% recycled fiber content
- 100% of product either be reusable, compostable or recyclable, continuously work with customers
- Phase out of Polystyrene (PS) across all product lines

2035:

- End of 2035: engage 80% of suppliers (defined in spend) in the supplier engagement project on carbon emissions.
- End of 2035: Have scope 1, 2 and 3 data, reduction targets and product carbon footprint data of the top 20 suppliers (defined in spend)
- 2040:
- 100% of products to be zero-waste, with every product sold having a confirmed circular solution for end-of-life treatment

2050:

- Maintain a minimum of 90% absolute scope 1 and 2 GHG emissions reductions from 2030 through 2050 from a 2019 base year.
- Reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, end-of-life treatment of sold products 90,00% by 2050 from a 2019 base year.
- Net Zero Waste in all our own operations

Yearly:

- Monitor VOC (volatile organic compounds) emissions related to plastic production every year and report on them. Keep within legal thresholds.
- Keep increasing the use of bio-based plastics, certified by ISCC PLUS or equivalent standards
- Maintain a consumer complaint rate below 0.20 per 1,000 production hours
- Achieve at least a BRCGS A rating at all production sites
- Support customers in reducing their carbon footprint through more sustainable product choices
- Phase out unnecessary single-use plastics by replacing them with reusable or compostable alternatives

Overview Of Location Specific Targets

Hoogstraten, Belgium

- 2026: Foresee a of solar panel installation with a capacity 0,6 MWp.
- 2026: Investigate and assess the possibility to increase the rainwater harvesting capacity. Installation of end-of-pipe water treatment and get all heavy metals within the legal thresholds.
- 2026: Set up a new system to account and track chemicals.
- 2030: 5% reduction of electricity compared to 2025, relative to the production output by weight.
- 2030: 40% residual waste reduction (by weight) compared to 2019, relative to the production output by weight.
- 2030: Reduce groundwater consumption by 10%, compared to 2025 water usage and relative to the production output by weight
- 2030: Replace all CMR chemicals (substances classified as carcinogenic, mutagenic, or toxic for reproduction) used with alternatives that are non-CMR.
- 2030: Reduce NOx emissions by 50%, compared to 2019 and relative to the degree days per year.
- 2030: Reduce the Sox emissions by 50%, compared to 2019 and relative to the relative to the degree days per year.
- Yearly: follow up on oil leakage in soil at site. Sanitizing continues until it is clear. After, continuous monitoring will be in place.

Prachinburi, Thailand

- 2026: Fully operational solar panel installation with a capacity 2.3 MW. Follow up on production and consumption of this installation.
- 2026: Installation of wastewater treatment system on site.
- 2026:
- 2030: 5% reduction of electricity compared to 2025, relative to the production output by weight
- 2030: 10% waste reduction (in weight) compared to 2019, relative to the production output by weight. Only hazardous waste categorized by the Thai DIW and PH should go to landfill.
- 2030: Construction of a rainwater reservoir of 500m³.
- 2030: Implement the procedure of a risk analysis of a new machine or a new line followed in Hoogstraten.

Lima, Ohio, USA

- 2026: 10% reduction of electricity compared to 2025, relative to the production output by weight.
- 2026: Reduce absolute materials waste with 25%. Increase reuse of materials with 30% (repairable parts).
- 2030: 10% reduction of waste, compared to 2021, relative to the production output by weight. No waste goes to landfill.
- 2030: Implement the procedure of a risk analysis of a new machine or a new line followed in Hoogstraten
- 2030: Develop refrigerant replacement program

Barcelona, Spain

- 2026: 5% electricity reduction in the plastic manufacturing lines, compared to 2025, relative to the production output by weight.
- 2026: 5% reduction of waste category “Water containing TNT residues” at the paper cup plant, compared to 2025, relative to the weight of printed paper blanks

Remediation and Reporting

Considering we all play an important role in supporting deSter’s policies we encourage our staff to speak up about concerns and to report any unethical or inappropriate behavior, and violations of our policies.

deSter takes every report seriously. We investigate thoroughly, fairly, and confidentially, and take action as necessary and appropriate. We protect those who communicate honest concerns from discrimination or retaliation.

Acknowledgement: deSter's Commitment

deSter Leadership Team:

- Van de Perre, Stef: President & MD deSter
- Berti, Thomas: Chief Commercial Officer Travel
- Czapalay, Diana: Global Head Business Development
- Van Doninck, Marc: Vice President Manufacturing
- Macabies, Arnaud: Managing Director Nupik
- Beranger, Remi: Vice President Procurement, Supply Chain & Customer Service
- Clauss, Friederike: Vice President SCM EMS & Digitalization
- Alavo, Yves: Vice President Amenities
- Diana Czapalay, Vice President of Business Development
- Von Oertzen, Florian: Regional Vice President Europe & Marketing
- Dubelloy, Philippe: Vice President Foodservice
- Kempeneers, Danny: Regional General Counsel
- Seyen, Andy: Vice President Business Support
- Veys, Sylvie: Head of Human Resources
- Jong, Jurgen: Head of Finance

Definitions and Abbreviations

deSter manufacturing locations:

- Hoogstraten, Belgium = HGS
- Prachinburi, Thailand = PRB
- Lima, Ohio, USA = LIM
- Barcelona, Spain = BCN (Nupik by deSter)

deSter offices:

- Frankfurt, Germany
- Amsterdam, Netherlands
- Atlanta, Georgia, USA
- Bangkok, Thailand
- Chicago, Illinois, USA
- Dubai, United Arab Emirates
- Hong Kong, S.A.R. of the PRC
- Shanghai, PRC

Facilities refer in this document to both manufacturing locations and offices of deSter.

Corporate Sustainable Reporting Directive = CSRD = new European legislation that requires large companies and listen SMEs to publish regular reports their environmental and social impact activities.

European Sustainability Reporting Standards = ESRS = Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS). The standards were developed by the EFRAG, an independent body bringing together various stakeholders. There are different ESRS standards, ESRS E1 – E5 are related to environmental matters, discussed in this policy.

Environmental – Social – Governance = ESG = the framework deSter uses to integrate sustainability into our organization’s strategy. The goal is to expand our objectives and manage risks related to social and environmental topics. Our ESG framework consists of three focus areas: people (taking care of our employees, customers, suppliers, and communities surrounding us), planet (strive for Net Zero Carbon and reduce waste) and product (focus on circular economy and responsible resource use).

Net Zero Carbon = reduce carbon emissions as much as possible and offset any lasting carbon emissions in projects that take this amount of greenhouse gasses out the atmosphere. So, net zero is reached when the amount of carbon emissions is at a minimum level and no more is added than the amount taken away.

GHG Green House Gas protocol = GHG protocol = a partnership between World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) that establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.¹

Science Based Targets initiative = SBTi = global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. The initiative is a collaboration between CDP (Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and is one of the We Mean Business Coalition commitments.²

Scope 1 emissions = direct GHG emissions from operations that are owned or controlled by deSter, like fuel combustion and the use of refrigerants on site.³

Scope 2 emissions = indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by deSter.³

Scope 3 emissions = all indirect GHG emissions (not included in scope 2) that occur in the value chain of the deSter, including both upstream and downstream emissions.³

Net Zero Waste = reduce, reuse, recycle, compost, or recover solid waste streams (except for hazardous and medical waste) to convert them to valuable resources with zero solid waste sent to landfills or burning and with no releases to land, water, or air that threaten the environment or human health.

REACH = Regulation for Registration, Evaluation, Authorization and Restriction of Chemicals.⁴

Organic composting = the resources return to soil as nutrition for something new. With organic composting we focus on home composting and specifically do not focus on industrial composting or the use of industrial compostable materials. **Recycling** = material is recovered and used again.

Closed loop recycling = a specific way of recycling, where a product at its end of life is grinded and the material is put into a newly produced, similar item, and so reusing the material from that original item to create a new, similar item.

Forest Stewardship Council = FSC = The Forest Stewardship Council sets standards for responsible forest management. It is a voluntary program that uses the power of the marketplace to protect forests for future generations. Their standards include protection of water quality, prevent loss of natural forest, prohibit harvest of rare old-growth forest, and prohibit highly hazardous chemicals.⁵

Program for Endorsement of Forest Certification Schemes = PEFC = an international, non-profit, non-governmental organization which promotes sustainable forest management through independent third-party certification. Forest certification provides a mechanism to promote the sustainable management of our forests and ensures that forest-based products reaching the marketplace have been sourced from sustainably managed forests.⁶

¹ [About Us | Greenhouse Gas Protocol \(ghgprotocol.org\)](#)

² [About Us - Science Based Targets \(sciencebasedtargets.org/\)](#)

³ [Corporate Value Chain \(Scope 3\) Standard | Greenhouse Gas Protocol \(ghgprotocol.org\)](#)

⁴ [REACH — Regulation for Registration, Evaluation, Authorisation and Restriction of Chemicals | Safety and health at work EU-OSHA \(europa.eu\)](#)

⁵ [Home \(fsc.org\)](#)

⁶ [PEFC - Programme for the Endorsement of Forest Certification](#)

VOC = volatile chemical compounds = compounds that have a high vapor pressure and low water solubility.

They are emitted as gases from certain solids or liquids. VOCs include a variety of chemicals, some of which may have short- and long-term adverse health effects.⁷

Sox = sulfur oxides = group of molecules made up out of sulfur and oxide. They are pollutants that contribute to the formation of, as well as particulate pollution.⁸

Nox = nitrogen oxides = gases made of nitrogen and oxygen atoms. They contribute to the problem of air pollution, playing roles in the formation of both smog and acid rain.⁹

Nature positive = term used to describe a world where nature – species and ecosystems - is being restored and is regenerating rather than declining.

ISCC PLUS = ISCC PLUS certification is a voluntary scheme that is applicable for the bioeconomy and circular economy for different materials, such as chemicals, plastics, packaging, and renewable feedstock derived from a process using renewable energy sources¹⁰. Certification under the ISCC standard assures a fully transparent and deforestation-free supply chain and the protection of land with high biodiversity value and high carbon stock. The ISCC standard complies with human, labor, and land rights, as well as good management practices. The ISCC PLUS for plastics is based upon mass balances of renewable or recycled resources in products. This is verified and traced across the entire value chain.

Operation Clean Sweep = OCS = international program that prevents the loss of plastic granules (pellets, flakes and powders) during handling by various entities in the plastics value chain. The organization focuses on preventing plastic pellets from entering waterways and harming wildlife and ecosystems. The goal is to achieve zero pellet loss by handling and disposing of pellets correctly during the industrial processes.

⁷ [What are volatile organic compounds \(VOCs\)? | US EPA](#)

⁸ [Sulfur Oxides | Center for Science Education \(ucar.edu\)](#)

⁹ [Nitrogen Oxides | Center for Science Education \(ucar.edu\)](#)

¹⁰ [ISCC PLUS – ISCC System \(iscc-system.org\)](#)