

Quarterly Newsletter May 2022



Introduction

Soon after finalising the content for our last e-shot back in February, the shocking news hit the headlines that a war had broken out in Ukraine. Laleham, as part of DCC, wanted to do something to show support to the people of Ukraine. DCC have made a donation to UNICEF to provide humanitarian relief on the ground in Ukraine. The money will be used to support UNICEF's work in providing life-saving support for children and their families there. DCC also set up a dedicated DCC donations page, where employees can make donations which will also go to support UNICEF's aid programme. DCC are matching employee donations, in addition to the corporate donation. DCC have not sought any PR from this

activity as it is simply the right thing to do and a way to demonstrate our Values in action.

Some of our customers have reached out to us with regards any involvement DCC have with Russia, there were very few customers and any relationships that did exist have come to an end and the same can be said for suppliers. For Laleham specifically, we do not purchase any materials from Russian sources, however, events such as these will impact on the supply chains in which we operate and we will continue to monitor and work through and mitigate risks where possible.



Packaging Legislation

On the 1st April 2022, the Plastic Packaging Tax (PPT) was introduced into the UK, this tax is designed to encourage use of recycled plastic rather than virgin plastics within plastic packaging. Any plastic packaging with less than 30% recycled material is liable for the tax & will be charged at £200 per tonne.

In readiness for the PPT Laleham assembled a project team over 12 months ago drawn from many disciplines within our business to firstly understand the requirements of the new tax & then to design & implement processes that complement our current systems to enable us to be able to understand the breakdown of our plastic packaging. This involved a massive data gathering exercise working alongside our suppliers & customers to identify the exact makeup of all our plastic packaging to enable us to identify which items were liable for this tax & equally important to identify items that are exempt, this then allowed us to update our systems with the correct information.

We have everything in place to make the first submission in July, there has been some fantastic collaboration across the Laleham disciplines, as well as valued support from our customers & suppliers. We would like to take this opportunity to thank everyone involved for their hard work & diligence.

Extended Producer Responsibility (EPR) Update

Defra has now published its summary of the consultation held in spring 2021, on updated proposals for reforming the Packaging Waste Regulations to implement principles of Extended Producer Responsibility (EPR) into the UK's packaging waste management sector.

It has now been confirmed that the implementation of EPR shall be delayed from 2023 as previously reported and will now commence as a phased introduction from 2024 onwards. The Extended Producer Responsibility scheme will become a full net cost recovery system transferring the responsibility for costs arising from harmonised household kerbside collection, street bins, recycling technology investment, and all associated marketing from local authorities to the producers of household packaging.



also be required to label packaging using the Recycle Now mark and relevant wording (recycle/do not recycle). All packaging types (except for plastic films and flexibles) will be required to be labelled as 'recycle' or 'do not recycle' by 31 March 2026. Compostable and biodegradable packaging must bear the 'do not recycle' label applied. Look out for updates and clarification regarding EPR Legislation in future e-shots.

Defra have confirmed that producers will

Industry Exhibitions

Recently, our development team attended In-Cosmetics 2022 at Porte De Ver-

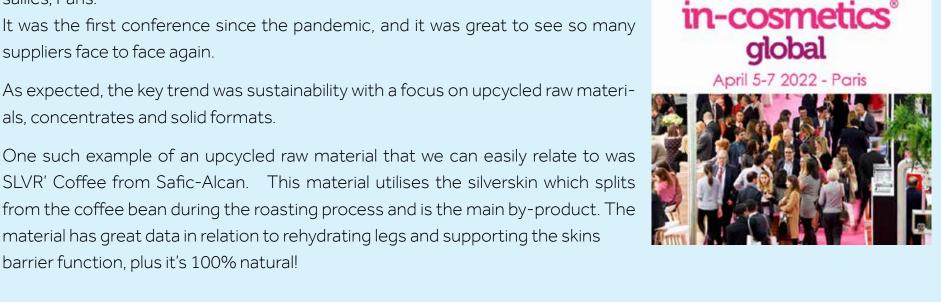
3.

sailles, Paris. It was the first conference since the pandemic, and it was great to see so many

suppliers face to face again. As expected, the key trend was sustainability with a focus on upcycled raw materi-

als. concentrates and solid formats. One such example of an upcycled raw material that we can easily relate to was

from the coffee bean during the roasting process and is the main by-product. The material has great data in relation to rehydrating legs and supporting the skins barrier function, plus it's 100% natural! Cosmoprof is back....and we were there. Laleham's Packaging



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a roaring success. Cosmoprof is one of the world's leading

Sustainability. Some interesting talks and debate took place on the subject

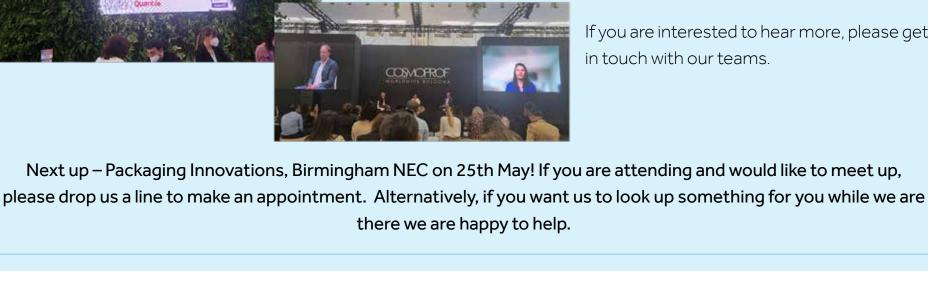
in touch with our teams.

Teams attended the 53rd Annual Conference in Bologna and it was

with leading industry experts sharing their views.

packed, the sun was shining, and the industry was out in force. Our attendance enables Laleham and of course our customers to be early to adopt the latest trends and innovation on show.

Not surprisingly, the overarching theme of the event was that of



If you are interested to hear more, please get

ECO-LOGICALWAYS



with our supply chain and technology partners. We want to make sure that sustainability is considered at all times alongside other factors like safety, cost, quality and service, when we are making decisions on what we do and how we are going to do it. There are 3 pillars within Eco-logic always that will help bring some structure to these discussions. 1. Emissions – reducing both direct and indirect carbon emissions as we head towards our aim of net zero by 2050 2. Waste – reducing waste of materials and other resources and making sure that where possible, the waste that is

produced is recycled effectively

the depletion of natural resources

Sustainable product life cycles – ensuring that we use materials that are as sustainable as possible and minimise

We want all our colleagues within Laleham to be part of these conversations and we expect many of them to be active in the site based working groups that will be focussing on this. We would also love to involve our customers in the conversation too so feel free to talk to us about anything Ecological!

