

# Sustainability Report

2022 progress and long-term strategy



## Forward Looking Statements

This ESG report contains certain forward-looking statements. These statements can generally be identified by words or phrases such as “will,” “expect,” “could,” “would,” “anticipate,” “believe,” “hope,” “plan,” “continue” or the negatives of these terms, variations on them and other similar expressions. The primary forward-looking statements in this report include our ESG goals, commitments and programs; our initiatives and objectives; the scope and impact of our corporate responsibility risks; and the standards and expectations of third parties. Forward-looking statements are based largely on the company’s current expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. This report constitutes the property of Packhelp S.A. with its registered office in Warsaw. Packhelp S.A. agrees to copy it in full. Copying of the report partially requires prior consent of Packhelp S.A., unless Polish law provides otherwise.

May 2023



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# We continue to work towards making sustainable choices clear and simple.



Our organisation has been tenaciously focused on embedding improved ESG standards into our decision-making processes, and this report showcases the results of our efforts to incorporate more sustainable practices in every facet of operation thus far. We encountered our fair share of challenges throughout 2022, and thanks to the learning opportunities they presented, feel better equipped than ever to make smart strategic decisions in the face of complex and sometimes unforeseen circumstances.

As we expanded our product portfolio, for example, we faced difficulties in calculating the carbon footprint for every single product. Despite this hurdle, we pushed ahead by prioritising the carbon footprint analysis for our bestselling products, which allowed a significant percentage of our customers to receive clear carbon footprint information regarding the products they were buying. And, moving forward, we will work to increase the number of products with displayed carbon footprint to further increase the percentage of informed consumers.

We also set the ambitious goal of evaluating 100% of our suppliers, and created a comprehensive Supplier Sustainability Development process. However, we learned that focusing exclusively on assessing 100% of our suppliers was inefficient, and instead chose to evaluate suppliers with the highest material spend. This approach enabled us to assess 79% of our suppliers, representing 96% of the relevant sourcing spend.

Our long-term goals remain the same, as we continue to work towards providing comprehensive information and tools to make sustainable choices clear and simple for every customer. Our 3P (People, Planet, Purpose) framework helps to steer our holistic approach to sustainability as we work towards fulfilling our promises, step by step.

We are so grateful for your ongoing support and engagement as we pursue a better future for our organisation, stakeholders, and planet.

Wojciech Sadowski, CEO





# This is Packhelp

- About us
- Our values
- Our approach to sustainability
- Highlights 2022



# Packhelp is a packaging platform for smarter global commerce.

59%\*\*

of our packaging is made from recycled materials



26,282,403

total number of packaging items sold in 2022



157

employees at the end of 2022  
– 54% of them female\*

42 markets

sold to globally, with native support in six of them



67,000 +

happy clients worldwide (and counting)

87%\*\*

of the packaging we sold was recyclable\*



\*Data assured by Omnivue. \*\*The % share of the total number of packaging products sold in 2022, excluding sales of Packhelp Premade, which account for less than 2% of GMV.



# We offer customisable and sustainable packaging for businesses of every size

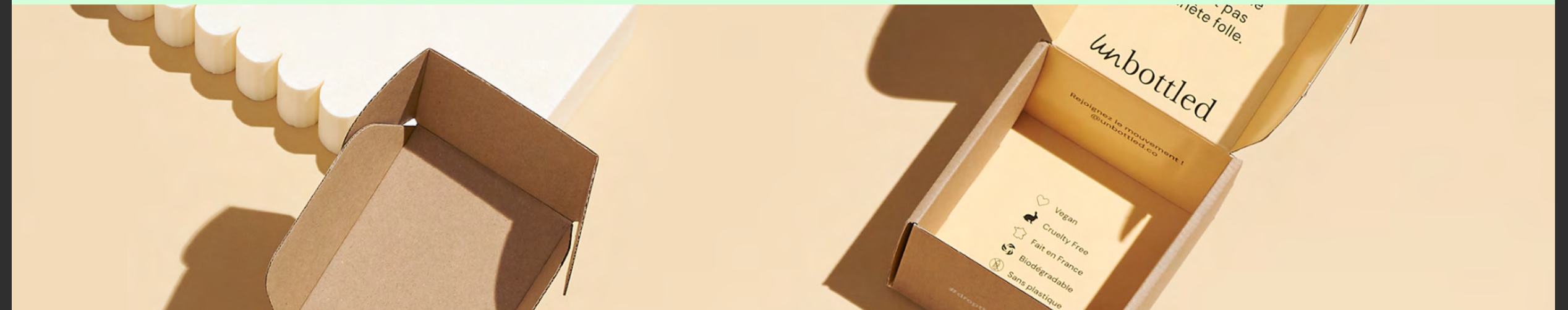
Our mission is to help companies achieve their most ambitious packaging goals. This pushes us to innovate – not merely for the sake of doing new things, but because we genuinely care about creating packaging that’s brilliant for brands and their customers, while being better for the environment, as well.

Packhelp was founded in 2015, and today operates in all major European markets with three business lines: custom packaging, stock packaging and white label software. Whether shopping a standard offer from our website or customising unique packaging with our easy online editor, we make sure the tech we offer makes it easy for our clients to create exactly what they want.

## A note on our legal status:

Packhelp is a privately-held, venture capital-backed company with headquarters in Warsaw, Poland. With legal entities in the UK and USA, we operate as three separate legal entities: Packhelp SA, Packhelp Ltd. and Packhelp Inc.

## Custom Packaging



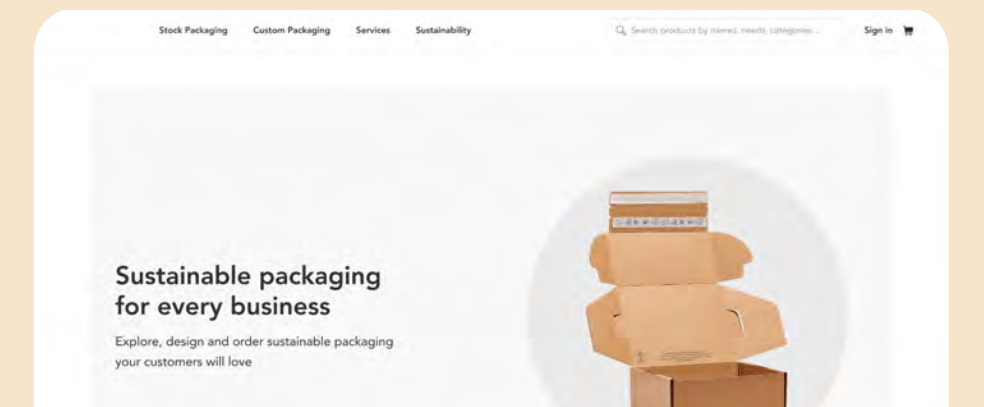
Branded packaging created with the assistance of Packhelp’s design team or using the intuitive 3D packaging online editor. Packhelp leverages their industry expertise to optimise stylish, sustainable solutions.

## Stock Packaging



Standard packaging available for online purchase in just a few clicks. Packhelp offers hundreds of products that are all made in the EU, and are delivered in a few days for convenience.

## White Label Software



An embedded packaging store that integrates with your platform to streamline packaging operations and generate additional revenue – with every process and all tech integration handled expertly by Packhelp.



# Our values

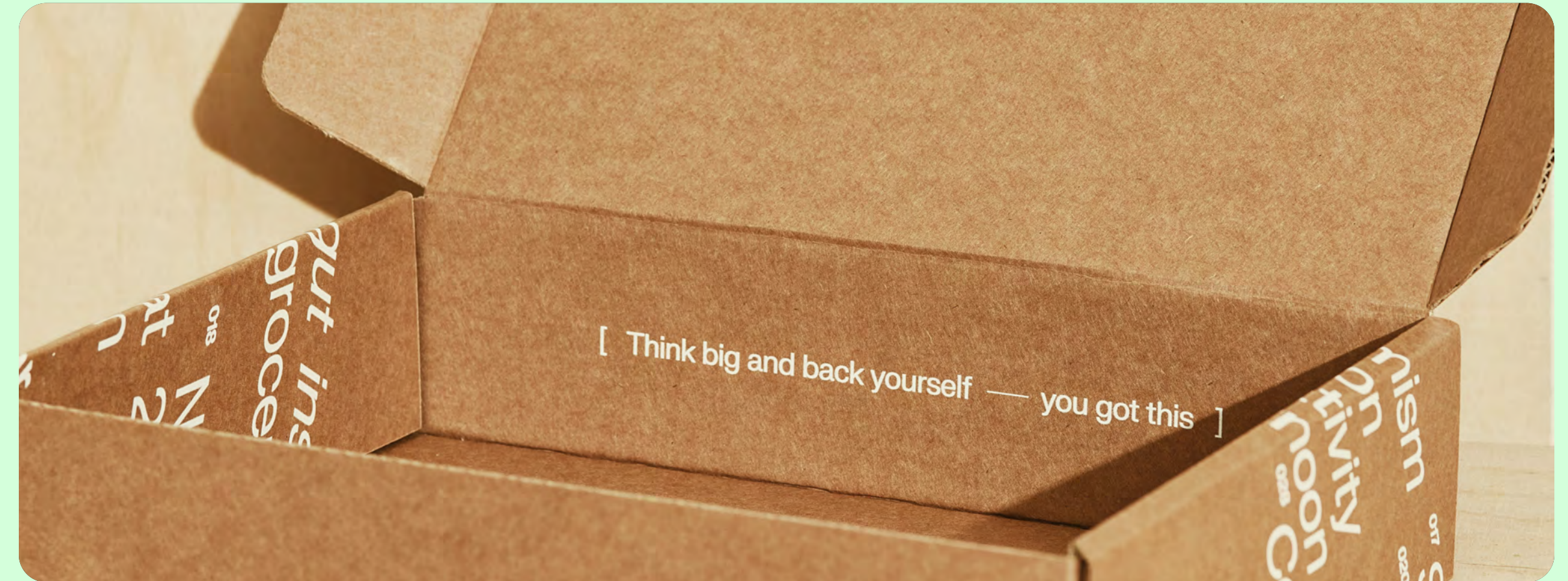
We create solutions where others may see pesky problems.

We challenge the status quo while pushing the envelope to make things possible.

We see ourselves as the enablers.

We're making it possible for:

- Small businesses to order customisable mailer boxes starting from just 30 pieces.
- Medium-sized brands to reduce the carbon footprint of their packaging by 50%, when they work with our optimisation team.
- Enterprise clients to build a beneficial relationship with their merchants.
- Suppliers to improve their own visibility and sales.



## We are fearless.

We make bold decisions when needed. We enjoy experimenting and being challenged, and pride ourselves on problem solving. We confront adversity, then evolve by reacting to it.

## We are resourceful.

We love to think outside the (mailer) box and develop new ideas and innovative ways to offer better products, better services – and a better experience.

## We are force for good.

We believe in positivity and purposeful ideas that can be adopted at scale. We're committed to sharing everything we learn along the way and operating with transparency and authenticity.

Our values are our touchstone. They act as a driving force as well as a gauge of what we stand for and how we conduct ourselves. They help us to shape a dynamic workplace in which we create cutting edge technology that transforms the way people think of packaging, while fostering an environment that enables our staff to thrive as individuals.



# Our approach to sustainability

Sustainability is at the core of our business, and plays an important part of every decision we make across the value chain. We've developed a set of guidelines that helps us to make better choices and maximise our impact, every day:

## 1 Look at the whole picture

Exemplary performance in only one area (environmental, social, or corporate governance) is not a viable solution to sustainable development. For example, a company could be 100% carbon neutral, but still neglect human rights. At Packhelp, our approach places great and equal value on all three elements of the ESG framework.

## 2 Set targets

While short-term gains can be rewarding, tangible impact requires improvements that can be carried into the long-term. This is especially true in the field of sustainability. Our approach requires that, whenever possible, the goal should be quantifiable. If not, a specific milestone must be carefully described and planned.

## 3 Focus on materiality

To achieve substantial change for the years to come, we need to focus on impactful measures that deliver valuable material benefits over time. A quick example: instead of just switching to recycled post-it notes in the office, it's more beneficial to use recycled paper in every printer.

## 4 Pick your battles

While we're keen to improve every aspect of our ESG approach, it's unlikely that we'll be able to deliver immediately on all 17 Sustainable Development Goals set forth by the UN. So, we've chosen achievable and realistic areas to improve upon so that we can create meaningful impact – without spreading our resources too thin.

## 5 Be transparent

We're always eager to talk about our achievements, but we're also happy to open up about our failures and shortcomings, too. We aim to empower our stakeholders to communicate honestly with us regarding their expectations and our progress. In a world of information overload, we value clarity and authenticity.



# Highlights 2022

We're extremely proud to have launched several exciting initiatives in 2022. Here are a few highlights that have helped us get closer to realising our sustainability strategy goals:

## Including sustainability in our business strategy

In 2022, we put sustainability at the forefront of our business strategy. We created our own long-term plan and reporting framework based on what we call The 3P's: People, Planet, and Purpose. The sustainability team was successfully integrated into our strategy guild, giving them the ability to influence and review every important business decision.

## Calculating the carbon footprint of the products we sell

We calculated the carbon and water footprint of our bestselling products so that it's easy for our customers to see the environmental impact. We based the metrics on such specifics as the location of the plant, the energy required to produce, and the route each product takes from our warehouses. We then simplified the data so that it's easily-understandable for everyone – regardless of their packaging industry or technical knowledge.

## Obtaining Made-for-Recycling certificates

To comply with increasingly stringent recycling targets required by law (for example German VerpackG) and to ensure that waste is processed into high-quality recyclates, we analysed our packaging with Interseroh. They conducted laboratory tests on our packaging materials and confirmed that 99% of the custom packaging offered in our shop complies with EU and UK recyclability standards.

## Adding FSC certification to our editor

Thanks to our internal trademark approval system and adding a special feature to the editor, our users can now get FSC® certified packaging even for smaller order quantities, starting from 30 pieces. Prior to this improvement, certification was only possible for bigger orders, because the design had to be externally approved which was time-consuming, burdensome – and expensive.

## Supplier sustainability vetting

We're aware that Packhelp's sustainability relies not only on our actions, but on those of our Partners, too. In 2022, we assessed 45 out of 57 suppliers (representing 96% of the relevant sourcing spend) and shared feedback with them that illustrated how they perform as compared to our other suppliers. For underperforming suppliers, we provided a tailor-made action plan to help them optimise their operational sustainability.



## Rethinking our eco properties

We also updated our eco properties - the tags we use to describe the sustainability qualities of each packaging product we sell. In the spirit of full transparency, we include the advantages (and disadvantages) of each type of packaging based on their specific eco properties, so our customers can make fully-informed choices.

## Providing frameworks for employee development

Talent Box and Leadership Box were released as company-wide “toolboxes” to facilitate Performance Reviews as well as boost employee leadership and hard skills. Talent Box is geared to all employees, while Leadership Box targets managers. Our commitment to helping our employees grow by offering various initiatives resulted in over 250 individual or group training sessions, which totals more than 3,000 workshop hours.

## Creating Packhelp owners out of every employee

We are proud to offer PackStock (our Employee Stock Options Plan) for every employee. It was important for us to give our employees a share in the success of the company they help to build and develop. We are one of few companies in Poland that has introduced ESOP to their employees, and possibly the only one that provides financial benefits to its employees with two simple requirements: working at Packhelp and contributing to its growth.

## Launching reusable packaging

The last quarter of 2022 saw us introduce reusable packaging. We've established two partnerships to test this new solution: the first, with Plenti, offers access to the latest electronics on demand, while our partnership with Pickpack, a courier and technology company, saw us provide reusable packaging that can be used for over 80 orders, and is fully recyclable after retirement.







## How We Report

- The 3P's framework



# How We Report

This is the second year that Packhelp has published a Progress Report. We see it as a valuable tool that provides a comprehensive look at the status of the initiatives identified in our sustainability strategy.

It helps us to understand whether or not we're making progress towards becoming a more sustainable company and meeting the expectations of our stakeholders.

## A note on this report:

We report in reference to the Global Reporting Initiative (GRI) standard. All the data and information contained within this report refer to the period dated 1-1-2022 through 31-12-2022. It includes the three legal entities that Packhelp operates: Packhelp SA, Packhelp Ltd., and Packhelp Inc. Certain information marked in text are externally assured by Omnivue in line with International Auditing Standards (ISAE 3000), applicable laws and regulations, and the Code of Ethics of the Institute of Chartered Accountants of England and Wales.

In case of any questions, please feel free to contact [sustainability@packhelp.com](mailto:sustainability@packhelp.com).

## Our approach to stakeholder engagement

We engage our stakeholders to align our business strategy with the expectations of our various stakeholder groups. By including external bodies in conversations about future plans, we can better include environmental, social and governance factors into our decision making process.

Stakeholder engagement also helps keep us accountable as we report material topics in our progress reports and build a long-lasting relationship with them.

To identify our key stakeholders, we organised an internal "Stakeholder Mapping" workshop. During this meeting, employees from different departments identified different types of stakeholders and assessed their importance to the process. In 2022, we also organised two virtual stakeholder engagement sessions in the form of a stakeholder dialogue panel. We invited our key clients, suppliers, investors etc., and adhered to three industry standards: AA1000APS (Principles Standard), AA1000SES (Stakeholder Engagement Standard) and AA1000AS (Assurance Standard).

Both of these panels were led by an external moderator that oversaw the meetings in order to facilitate the discussion. We are very grateful to every stakeholder who participated in these meetings, as their input helped us – and continues to help us – to build a comprehensive strategy that's inclusive of diverse needs.



# The 3P's framework

This report is based on a framework we call The 3P's: People, Planet, and Purpose. It recognises our biggest sustainability hurdles and helps determine where we (and our stakeholders) think Packhelp can have the greatest impact. Here's how we came up with it:

- 1. Internal stakeholder mapping**  
We held an internal workshop with representatives from different company departments to identify key external stakeholders such as customers, investors, partners, and NGO's.
- 2. Talks with stakeholder**  
We held two sessions with Packhelp's stakeholders (facilitated by an external company according to standards AA1000APS, AA1000SES, AA1000AS), during which we discussed their expectations and the particular issues important to them.
- 3. Building our materiality matrix**  
It's less complicated than it sounds! Taking the input from our stakeholders into consideration, we identified the most important areas for Packhelp's sustainable development.

- 4. Aligning our areas of focus**  
We aligned each area with our respective Sustainable Development Goals to ensure we're contributing to a global agenda.
- 5. KPI's and long-term plans**  
We specified our goals and the metrics to quantify our approach and help make our actions and results more transparent. To understand how much we needed to improve upon and what our current impact was, we ran an ESGgen audit.



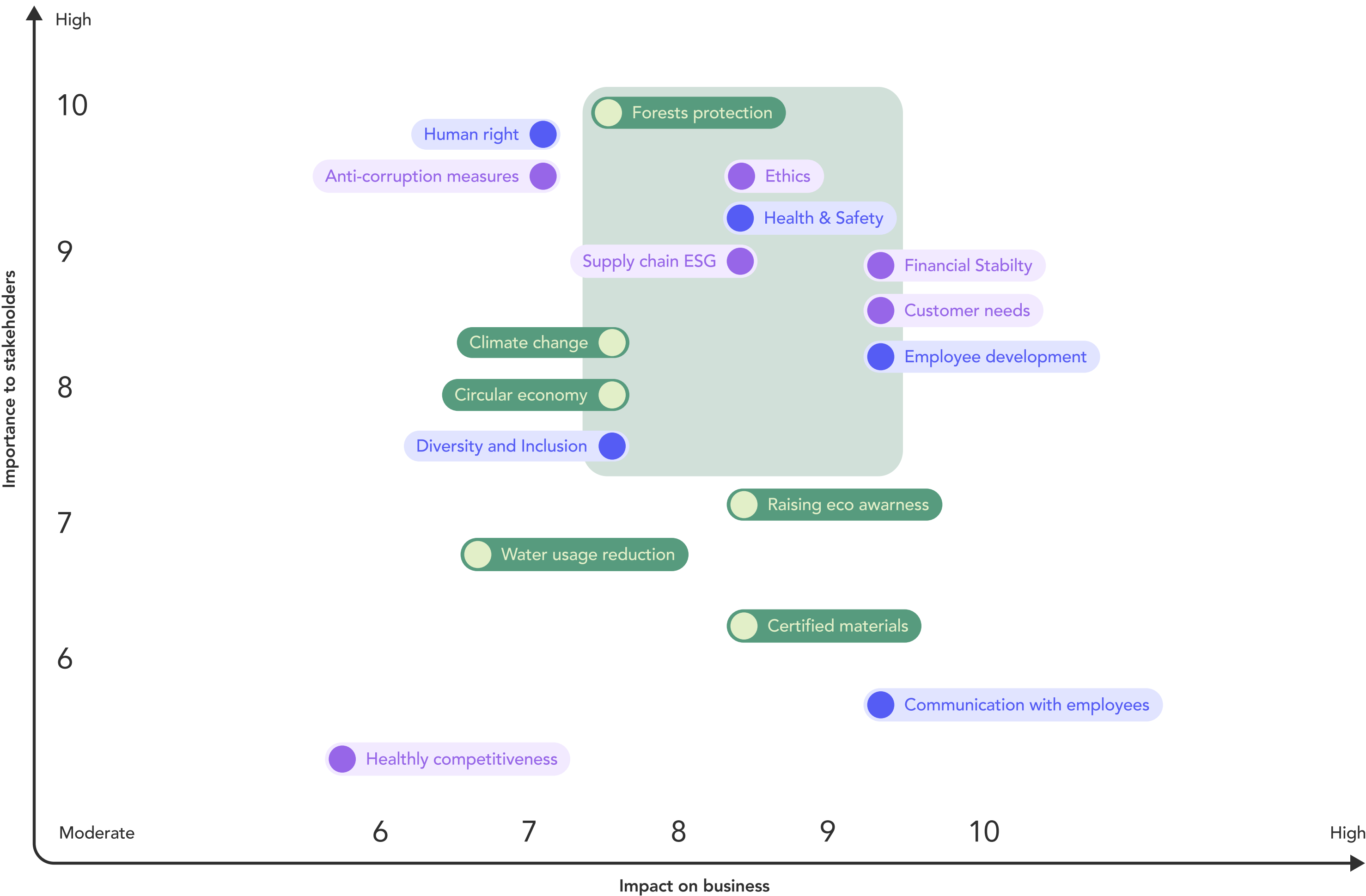
Legend

● People

● Planet

● Purpose

Materiality matrix



In a nutshell:

Each area of focus we identified was categorised into one of our 3P's:

- **People:** Create an equitable workplace where our employees can thrive.
- **Planet:** Grow within environmental limits by implementing circular and low-carbon products and services.
- **Purpose:** Deliver for our stakeholders while driving change and setting new standards for sustainability across the industry.

What is a materiality matrix?

Sounds complicated, right? But it's simply a visual representation of the most important sustainability issues identified by organisations and stakeholders. The topics you see highlighted in the graph represent the areas of focus we picked out during our talks with stakeholders.





## Our Progress in 2022

- People
- Planet
- Purpose



# People

Dedicated and passionate people stand behind our packaging, and one of our biggest priorities is to build the best possible workplace for all of them.



# Why does it matter to us?

## Key focus areas & SDGs prospect

### Safety and health

**3** GOOD HEALTH AND WELL-BEING



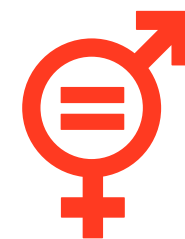
**8** DECENT WORK AND ECONOMIC GROWTH



Working in a fast-growing startup often requires above-average motivation and energy. This is why health – both physical and mental – is so important to us at Packhelp.

### Diversity and inclusion

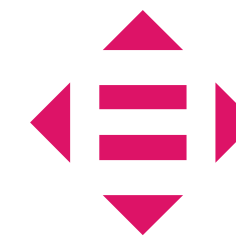
**5** GENDER EQUALITY



**8** DECENT WORK AND ECONOMIC GROWTH



**10** REDUCED INEQUALITIES



Packhelp aims to disrupt the status quo and this is only possible thanks to our diverse and inclusive workplace.

### Employee development

**4** QUALITY EDUCATION



**8** DECENT WORK AND ECONOMIC GROWTH



We employ a lot of young people with big ambitions. In order to improve our employee retention, we must invest more in the development of our team members.



# Employee satisfaction, wellbeing and safety in focus

Key focus area: Safety and Health

## Employee satisfaction

### Long-term plan

Ensure our employees are happy and fulfilled.

### 2022 progress

- 724 hours used for employee volunteering as a part of the “Better Future” initiative – cleaning forests, organising fundraisers, and supporting NGOs.
- 4 eNPS surveys conducted and used to further shape HR initiatives.
- Organised several integration events, e.g. company-wide offsite in Mazury in Q2 '22, and strategy offsite for management in Q4 '23.
- Additional allowance to cover part of the cost for commuting to the office or the energy used while working from home.
- Introduced PackStock (our Employee Stock Options Plan) for every employee.

### KPI

Average Employee Net Promoter Score (eNPS) in 2022

**24.5**

## Wellbeing and safety

Provide a healthy workplace to all our employees.

- Provided access to Mindgram, a mental health and wellbeing platform where employees have access to webinars and consultations with psychologists.
- Massages available one day a week at the office.
- Private healthcare system and sports cards used by more than 60% of employees.
- Two regulations implemented to adjust occupational health and safety at Packhelp:
  - Occupational health and safety rules while working remotely (home office)
  - OHS information for contractors and self-employed persons providing services for Packhelp SA.

N/A\*

\*wellbeing self-assessment will be added to quarterly eNPS surveys in 2023

Working in such a fast-paced environment requires a regular overseeing of employee motivation and the general atmosphere at work. This year, we focused on systemising and improving our HR initiatives based on eNPS, and increasing participation in the programs and benefits we introduced before.



# Contributing to the welfare of communities with Tech To The Rescue

by Arkadiusz Wasilonek

Packhelp joined Tech To The Rescue in February of 2022 as a founding partner to promote the potential of technology to foster positive social impact. Our substantial contribution played a pivotal role in establishing TTTR as an organisation, taking it from a Europe-centric NGO to a global entity that boasts over 1,200 technology partners from over 60 countries.

Packhelp's biggest role to date was participating in the #TechForUkraine campaign during which the Potrzeby-UA website was developed within the first week of the Russian aggression on Ukraine. The website provided immediate assistance to individuals displaced from Ukraine, attracting over 60,000 unique visitors within a short period of time. Packhelp employees were able to get involved thanks to an additional 8 hours of paid leave provided by Better Future Day that allowed them to participate in social activities – including the development of the Potrzeby-UA website.

By supporting global humanitarian efforts and contributing to the welfare of communities, Packhelp is indirectly fostering a more stable and peaceful world. In the long run, we believe this is crucial for socially responsible and sustainable company development.



Project team: Mikołaj Olszański, Michał Kukła, Andrzej Winecki, Tomasz Cierpicki, Bartosz Stoiński, Marcin Cierpicki, Paweł Michalski, Michał Szyćko, Mariola Kasznicka, Patryk Kabaj, Piotr Podgajny, Artur Podgórzak and many others.



# Encouraging employees to pursue professional growth

Key focus area: Employee Development

Over the years, we have employed many outstanding and ambitious individuals. It's crucial for us to provide them with feedback and growth opportunities (both professional and personal). Last year, we introduced Talent Box, a framework for career development, as well as different upskilling programs such as Leadership Box.

## Performance Assessment

### Long-term plan

Provide effective employee feedback.

### 2022 progress

- Introduction of Talent Box – a development program for all employees at Packhelp with a schedule of bi-annual performance reviews.
- Development of internal feedback applications with 360 assessment form.
- Presented timeline and general expectations towards specific seniority levels.
- Mapped employees skills in dedicated skill and responsibility grids.

### KPI

% of employees who received regular performance reviews during the reporting period

**100%**

## Development

Create an environment where people grow and develop.

- Introduction of Leadership Box – a leadership development program for managers.
- Various individual and group workshops and training sessions organised across the company e.g. Design Discovery Workshop, Agile Foundation, Negotiation Skills, Building ABM campaigns, and many more.
- Implemented Self Development Plans - to set and coordinate development of needed or desired skills for employees.

Hours of training per employee

**26.14**



# Developing employee potential with talent box

by Alicja Zwierzyńska

Talent Box is a comprehensive set of HR guidelines and tools introduced at Packhelp to manage and develop our employees while addressing their individual needs. We planted the seeds for this initiative in 2019 when we introduced a few different elements of Talent Box, such as regular Performance Reviews, an open feedback culture, and skill grids.

However, these elements were treated separately, and employees expressed that they didn't quite get the reasoning behind them, so we decided to unify the tools our employees were familiar with across the entire organization, and create one framework.

In mid-2022, Talent Box was released company-wide to positive feedback from both leaders and employees. The initiative provides a unified approach to managing personal development at Packhelp, and we are adding new elements to it often.





# Creating an organization where employees feel they belong

Key focus area: Diversity and Inclusion

We believe diversity makes us a stronger company and helps to create a more inclusive workplace. Over the past year, we've worked towards measuring how inclusive our workplace is, and introduced new diversity strategies into our hiring process.

## Diverse Teams

### Long-term plan

Build a diverse workplace.

### 2022 progress

- Increased the percentage of women in the executive committee from 12 to 19% in 2022\*
- Decreased the pay gap by 16% over a year.
- Implemented recruitment parties in the hiring process (requiring the same amount of women for recruitment meetings in high-level roles)

### KPI

% of female employees in the company

54%\*

\*assured by Omnivue

## Inclusive Teams

Develop an inclusive culture.

- Conducted the first survey about inclusion at Packhelp.
- Organised a one-day event with experts in different areas (financial advisory, psychology, dermatology, physiotherapy) focused on improving employees' self-confidence and self-acceptance, called "Appreciate Me".
- Ran two workshops during Pride Month about unconscious bias in communication and decision-making.

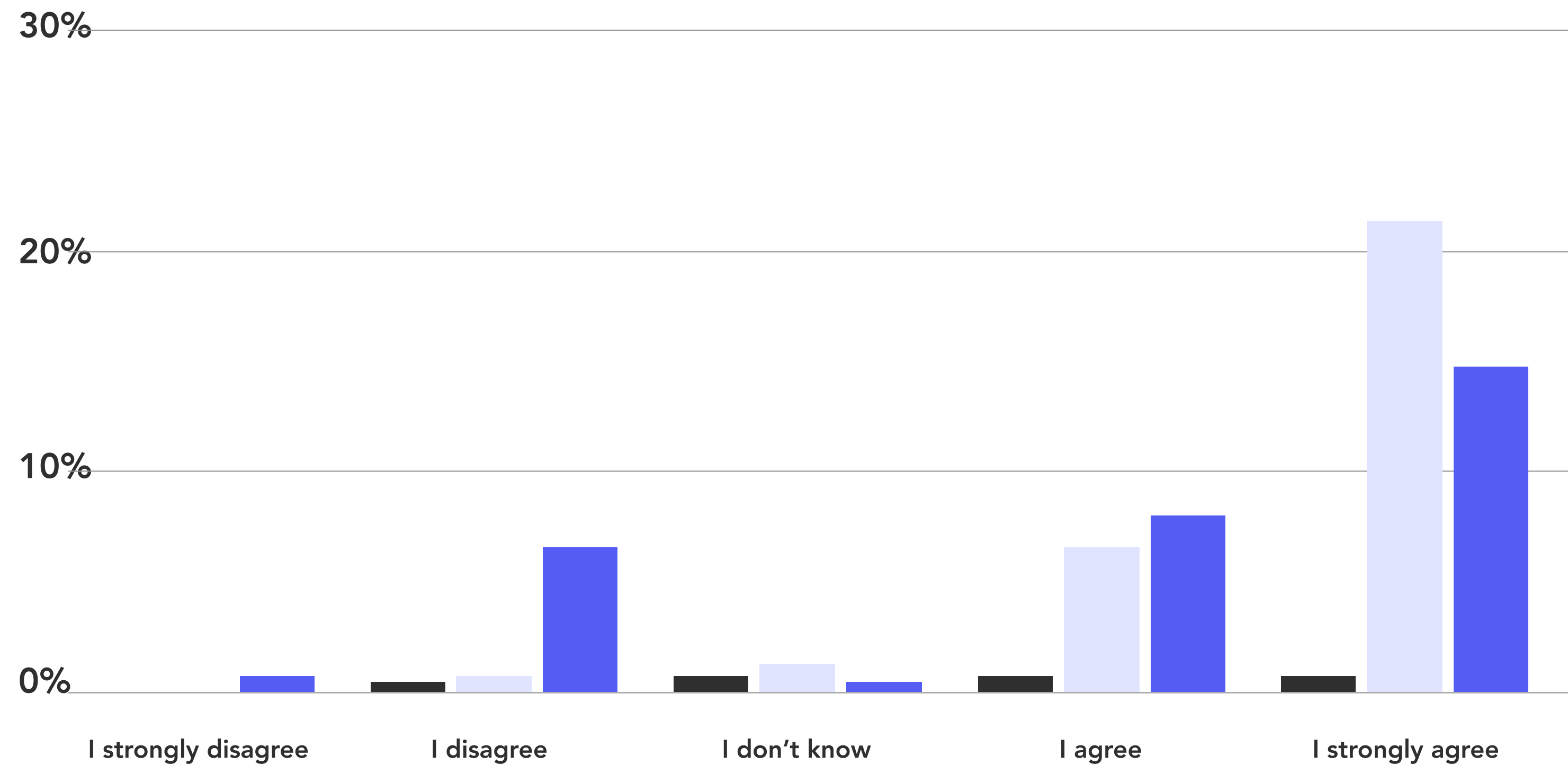
"I can be myself at work" self-assessment metric  
(on a scale to 5)

4.25



Legend ☐ I don't want to disclose ☐ male ☐ female

## People are treated equally at Packhelp, regardless of gender.



### Procedure for counteracting harassment and discrimination

In 2020, Packhelp implemented a procedure for counteracting harassment and discrimination in order to reduce workplace conflicts. Discrimination is defined as unequal treatment relating to employment conditions, promotions, or access to training based on personal characteristics. In 2022, only one potential incident was reported to the official committee for counteracting harassment. After a thorough investigation it was dismissed and the committee did not confirm harassment or discrimination in this case.

### "I can be myself at work" metric

To assess if employees feel they can be their authentic selves at Packhelp, they are asked to rate their agreement with the statement "I can be myself at work". The metric can be compared annually to see how the company culture is changing, but further research is needed to understand why some employees do not feel confident being themselves at work.

# Planet

We are well aware that packaging creates a huge impact on the planet. But we also know that we will never stop using it. So, instead of dwelling on the problem, we're actively taking part in the solution.



# Why does it matter to us?

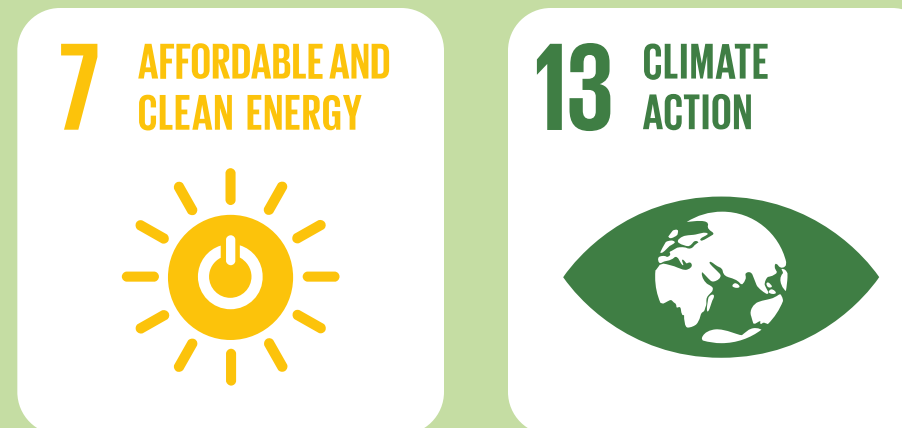
Key focus areas & SDGs prospect

## Forest protection



With a majority of our portfolio being paper-based products, we want to protect the resources that are inevitable for their production.

## Climate Change



We are a tech company building software, however, most of our revenue comes from selling packaging. This means that we have a supply chain that generates substantial amounts of carbon footprint.

## Circular economy



The packaging industry should be at the heart of the circular revolution. A majority of packaging is still single use and there remains much to be developed in the field of recycling.

# Protect the Earth's lungs

Key Focus Area: Forest Protection

We continue to popularise and democratise access to packaging made from certified wood. In 2022, we adapted our technology and trained our team to offer FSC certification for even the smallest possible orders of 30 pieces.

## Protect the Ecosystem

### Long-term plan

Offer paper-based products made from certified wood.

### 2022 progress

- Obtained further FSC certification:
  - Internal Trademark Approval System
  - Multisite certifications for Packhelp Ltd. and Packhelp Inc.
- Enabled FSC certification within our Online Editor – even for our smallest orders of 30 pieces.
- Successfully completed an annual audit and retained the FSC Chain of Custody certification

### KPI

% of paper-based products made from certified wood sold

**8%**

## Ecosystem Restoration

Become tree neutral: plant at least one tree per order.

- 4786 trees planted with One Tree Planted, with no extra initiatives in 2022 to promote our partnership.
- Organised a company-wide trip to a Polish forest to learn about forest fire protection initiatives

Number of trees divided by total number of orders (tree per order)

**~0.2**

## Limit Use of Virgin Resources

Promote the use of recycled materials.

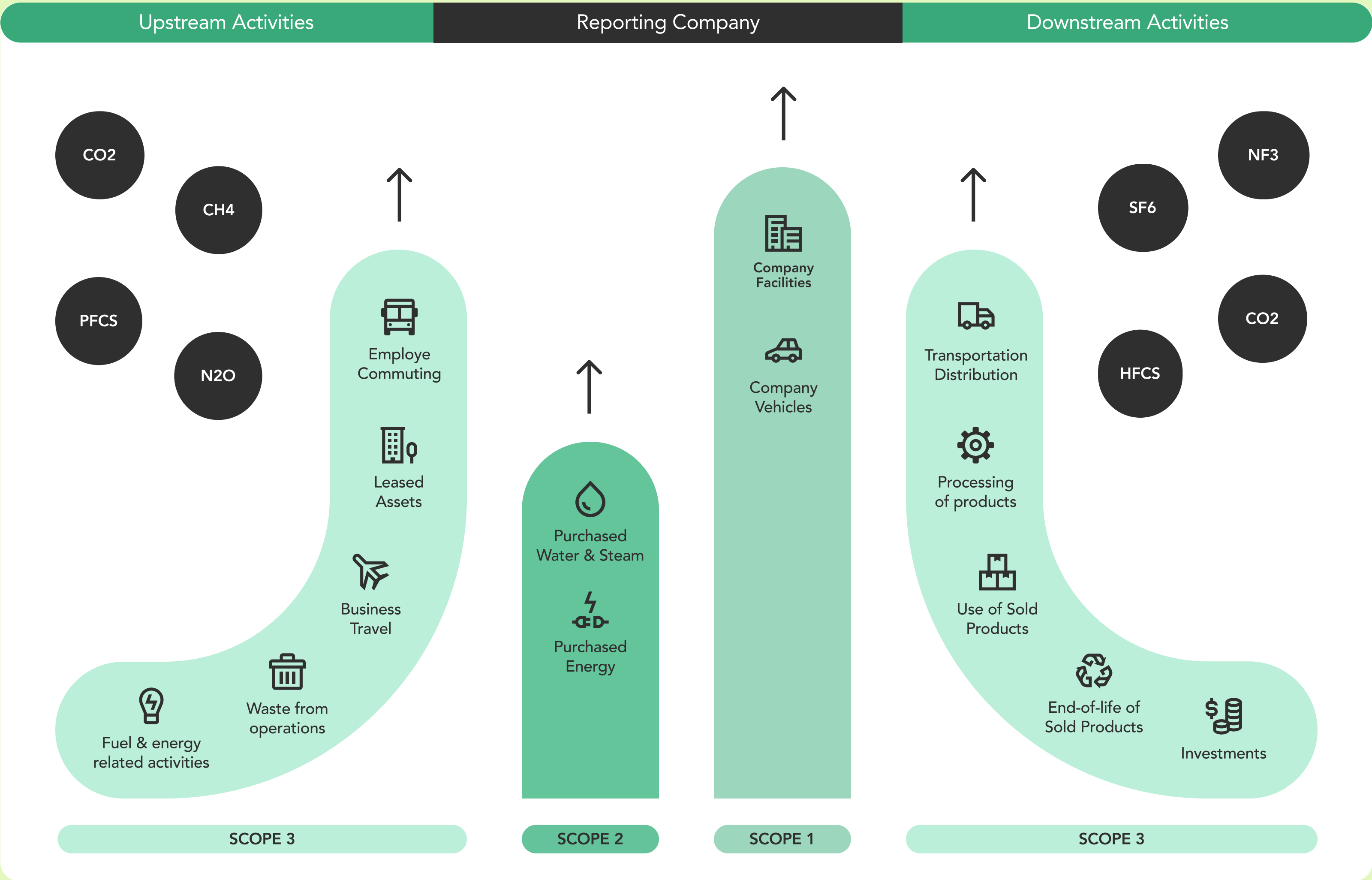
- Improved our data systems, so that we can track recycled content in all paper-based products we sell.

% of products sold that contained at least 60% recycled content

**59%**



# Carbon Footprint explained



## Packhelp's emissions over time

Below you can find an overview on Packhelp's Scope 1, Scope 2 and Scope 3 emissions. The reported emissions for the Scope 3 category include some estimates.

	2020	2021	2022
SCOPE 1	0	0	0
SCOPE 2	38546	47819	83886
SCOPE 3	4542034	7747471	3678152

Restatement of information from previous year

Prior year numbers have been restated to reflect a calculation error, more precise activity inputs and emission factors.

# Packhelp's carbon footprint

## 97,8%

of Packhelp's 2022 emissions are in Scope 3

Our carbon footprint calculation is in line with GHG protocol and was conducted by Certified Public Accountants according to the International Accounting Standards (ISAE 3000). The emission factors used to calculate our emissions are published by Defra.

Usually, Scope 3 emissions make around 90% of total emissions. Packhelp has higher share of Scope 3 due to its operating model – a marketplace.

2022: 508,644 kg  
2021: 3,206,252 kg

CO2e from goods transported

2022: 25,371 kg  
2021: 37,491 kg

CO2e from waste generated  
in operations

2022: 93,224 kg  
2021: 137,758 kg

CO2e from home working

2022: 67,007 kg  
2021: 103,450 kg

CO2e from downstream  
sold goods

2022: 27,991 kg  
2021: 41,363 kg

CO2e from employee commuting

2022: 2,92, 033 kg  
2021: 4,194,817 kg

CO2e from upstream purchasing

2022: 34,883 kg  
2021: 2,340 kg

CO2e from business travel

2022: 3,678,152 kg  
2021: 7,747,471 kg

Total sum of CO2e from Scope 3



# Becoming carbon neutral

Key Focus Area: Climate Change

In 2022, we improved our data quality for corporate carbon footprint calculation and found a partner for offsetting remaining emissions that currently are unavoidable.

	Business Decarbonisation		High-Quality Carbon Offsetting
Long-term plan	Reduce CO2 emissions by 50% by 2030 while factoring in revenue growth (at least a 7.6% reduction every year).		Use only verified carbon offsetting entities to offset our emissions.
2022 progress	<ul style="list-style-type: none"><li>• We refined our calculation methods and double-checked our results with two external carbon footprint calculation providers.</li><li>• We improved the quality of our data quality regarding goods transportation and material weights to further enable more precise carbon footprint calculation.</li><li>• The majority of reductions were in Scope 3, whereas in Scope 2 we saw a small increase in emissions due to a bigger office with increased electricity usage.</li></ul>		<ul style="list-style-type: none"><li>• Purchased our first carbon offsetting certificates during the Earth Day campaign in 2023. We used the Gold Standard Foundation marketplace to purchase verified carbon credits (order number #GSM16380).</li></ul>
KPI	<div><div>% of reduction in scope 1, 2 and 3, factoring in revenue growth</div><div>*assured by Omnivue</div><div>13,7%*</div></div>		<div><div>% of carbon offsetting achieved with Gold Standard certification</div><div>100%</div></div>

We want to close the loop by making circular packaging the market standard. That's why we are prioritising adding recyclable and compostable packaging to our product range, as well as developing our own reusable packaging that can withstand 50+ deliveries.

Develop new products and services that support the transition to a circular economy.

The infographic is divided into two main horizontal sections. The top section, titled 'Circular Services', has a green header and a white background. It contains a blue bar with the text 'Develop new products and services that support the transition to a circular economy.' followed by a list of two bullet points: 'Pilot reusable packaging with Plenti and Pickpack.' and 'Further R&D of our reusable packaging.' The bottom section, titled '% of products sold that are reusable', has a green header and a white background. It features a large green bar with the text '8%' in white. To the left of this bar, the text '% of products sold that are reusable' is displayed in a smaller font.

## Circular Services

Develop new products and services that support the transition to a circular economy.

- Pilot reusable packaging with Plenti and Pickpack.
- Further R&D of our reusable packaging.

## % of products sold that are reusable

8%



# Introducing recycled poly mailers into our standard offer

by Agnieszka Zych

In 2022, Packhelp introduced foil packaging that performs better throughout the entire product lifecycle, while expertly serving customer needs: the recycled poly mailer.

While we already offered several alternatives to virgin poly mailers (such as bio-poly mailers), we knew they weren't the ideal solution due to their uncertain biodegradability which depended on the country in which they were disposed of. We wanted to create packaging that would address these challenges – and a poly mailer made of recyclate was born. The product we introduced is Blue Angel certified, made from 80% recycled material, and is 100% recyclable.

It allows us to close the loop, significantly reducing the consumption of raw materials in the future, and are proud to report that our customers have fully embraced it, with recycled poly mailers becoming the preferred poly mailer option in just five short months.



Project team: Agnieszka Zych, Anna Włodarczyk, Adam Fabirkiewicz, Zuzanna Mazurek, Jakub Turniak, Elżbiet Anitowska, Katarzyna Drabczyk, Maciej Andrzejak, Iwona Pytlowska, Patrycja Brzeskot, Agata Wiśniewska, Michał Kukła, Łukasz Dębski, Anita Wójcik, Michalina Ferencz, Aleksandra Rauhut, Kamila Koźmiałka, Michał Szyćko, Paweł Zuń, Mikołaj Olszański.

# A leap for reusable packaging

by Adam Fabirkiewicz

We began working on our own reusable packaging in 2021, and in 2022 were ready to launch and test it.

It was important for us to add reusable packaging solutions to our product portfolio, as they are less impactful on the environment, and support a circular economy. But that's not all! These products can be more cost-effective for businesses in the long run and more convenient for consumers, as they're durable and easier to use than single-use packaging.

In 2022, we put our reusable packaging to the test, which allowed us to further improve it. For our pilot series, we implemented reusable packaging with several companies (e.g. Plenti and Propaganda24), and can now say that our packaging is able to withstand 50+ cycles (both sent and returned) and can be recycled up to 7 times without losing quality! This means that a single package can be reused over 300 times.





# Purpose

We operate as a platform that connects suppliers and brands — and we see it as an opportunity to extend our impact.

We envision Packhelp's role as bringing cross-industry alignment and promoting transparency in the industry.

# Why does it matter to us?

Key focus areas & SDGs prospect

## Forest protection



Financial stability is at the heart of a rapidly growing company such as Packhelp. To be able to fulfil our obligations towards our stakeholders we need to build a sustainable business model.

## Customers Needs



To create an impactful business, we investigate what our customers need. By offering sustainable packaging we extend purpose to our customers who can, in turn, provide their customers with great unboxing experiences.

## Supply Chain ESG



We are a tech company that sells physical products. The majority of our carbon footprint is in the packaging we sell. We extend our responsibility to our supply chain and we build crossindustry sustainability awareness.

## Governance



As a scale-up we believe that transparency is the key. We are building our organisation on trust and openness.



# Achieve a sustainable business model

Key Focus Area: Financial Stability

	Impact Business Model
Long-term plan	Embed sustainability into our business model in order to thrive in the long-term
2022 progress	<ul style="list-style-type: none"><li>Created our own method of assessment (Eco Score) which allows us to identify the most sustainable products within our portfolio (Eco Choice products). It also allows us to spot products that will need to be replaced with more sustainable alternatives in the future.</li><li>Implemented our Eco Choice strategy, which aims to increase the percentage of Eco Choice product sales.</li><li>Established our 3P Committee which consists of the VP of HR, VP of Sustainability, and Chief Strategy Officer. The role of this body is to make sure we reach set goals and realise our sustainability strategy.</li></ul>
KPI	<div><div>% of revenue derived from sustainable services and products (Eco Choice)</div><div>44%</div></div>

This year, we launched our range of customisable Eco Choice products, as well as introduced several stock products made entirely from certified materials. We also established an internal 3P Committee to help govern our decisions as we work to achieve more sustainable growth within environmentally-responsible boundaries.

Sustainable Products
Fully commit to improving the sustainability properties of every product
<ul style="list-style-type: none"><li>Introduced several products to the product portfolio made entirely from certified materials, and featuring certificates such as OK Compost Industrial and FSC.</li><li>Established a methodology to identify Eco Choice products within our product range. The number of Eco Choice products constitutes the main KPI for our progress for this section.</li></ul>
<div><div>Number of new Eco Choice products added to our portfolio: Recycled Poly Mailer and Recyclable Paper Doypack</div><div>2 new</div></div>

# Provide packaging for all

Key Focus Area: Addressing Our Customer Needs

We believe that the packaging products we offer should set an example. It's up to us to educate and empower our customers to make better decisions by providing transparent information about the eco qualities of our products, improving price visibility, and launching new service hubs that grant smaller brands access so they may benefit from them, too.

## Zero Greenwashing Sustainability

### Long-term plan

Be transparent about each product's sustainability

### 2022 progress

- Disclosed information about each product's carbon footprint on selected product pages of our bestselling products.

### KPI

% of product configuration selected by users that have Carbon Footprint calculation

30%

## Seamless Experience

Enable great customer experience.

- Launched three new surveys to improve data collection regarding customer satisfaction (Sales Experience, After-Sales Experience, Delivery & Product).
- Provided full price visibility by implementing instant pricing for 12 products in high MOQ's.
- Reduced order time for high volume orders by 50%
- Calculated and presented CO2 emission information for 30% of our product configurations.

Trustpilot rating

4.3/5

## Accessible Services

Help customers regardless of size or skills.

- Launched a new category of products with low minimum order quantities, competitive pricing and quick lead times.
- Launched a service hub offering design and consulting services for order.
- Added recycled poly mailers and F201 products to our online editor and began collecting orders for doypacks.
- Created over 100 design templates for customers with smaller teams and limited design skills.
- Improved the self-service customer journey thanks to automated production workflows.

Percentage of self-service orders below 3.5k EUR

22%



# Build and maintain a healthy supply chain

Key Focus Area: Supply Chain ESG

Our efforts towards traceability, supply chain mapping, and transparency go beyond just sustainability. They help us to better respond to the most important risks and opportunities in an ever-changing packaging business industry.

	Supplier Sustainability Development
Long-term plan	Assess and improve our suppliers' sustainability.
2022 progress	<ul style="list-style-type: none"><li>Implemented a formal process of Supplier Sustainability Development for suppliers with an annual spend exceeding €10,000 EUR.</li><li>Benchmarked suppliers based on their ESG approach.</li></ul>
KPI	<div>Percentage of ESG-screened suppliers who spend above 10k euro (represents 96% of the relevant sourcing spend)</div> <div>79%</div>

Code of Conduct
Assess and improve our suppliers' sustainability.
<ul style="list-style-type: none"><li>Established a Code of Conduct for our suppliers. The document can be found <a href="#">here</a>. Each supplier we work with was asked to sign the Code of Conduct and comply with our requirements.</li></ul>
<div>Percentage of suppliers who signed our Code of Conduct with an annual spend above 10k Euro</div> <div>77%</div>

# Building a resilient supply chain

by Maciej Zajac

Resilience and agility are the new priorities for a successful, sustainable supply chain and Packhelp is working towards these qualities with several initiatives that we have developed over the last few years.

First, we developed Packhelp Pro – an internal platform to manage supplier workflow. By collecting production data, it allows us to quickly and more efficiently order distribution depending on indicators such as lead time, price, location, performance, or sustainability requirements. Packhelp Pro helps us to improve communication with suppliers and – thanks to the introduction of PSS (a standardised language to describe all products in our packaging portfolio) – we have now unified specifications across different locations. Today, every one of our production partners is onboarded with Packhelp Pro and works with us through the platform.

We've also invested in automating our estimation process. Thanks to our software, we can now provide instant quotes and prepare dielines and nesting for custom products with orders of up to 5,000 pieces without needing to contact our suppliers. In the last year alone, 98% of all custom product orders (below 5000 pieces) were estimated using this software, drastically simplifying the process for our clients and our production partners.

Over the past two years, we've also introduced Supplier Sustainability Assessments – a process that allows us to vet our suppliers and provide them with improvement plans if they are underperforming.

You can read more about it in the next article.

Last but not least, we are building a diversified and risk-free supply network, and regularly optimising it across three critical aspects: price, lead time and sustainability. We're adding more local suppliers to our network, and working to produce orders with suppliers that are located closer to our clients, allowing us to cut down the emissions from logistics operations. In 2022, we've added 31 suppliers to our database.

These initiatives are an exciting part of how we're contributing to building a more sustainable packaging portfolio with the support of our suppliers.



# Getting Ahead with the Supplier Sustainability Development Program

by Anna Włodarczyk

We initiated the Supplier Sustainability Development Program in 2022 to assess the sustainability, maturity, and awareness of our suppliers. This program consists of three main areas of activity: Supplier Sustainability Assessments, Benchmarking, and Supplier Development Plans.

Supplier Sustainability Assessments will be conducted annually, and each supplier with an annual spend exceeding €10,000 will be invited to participate. In 2022, we assessed 45 of 57 suppliers (representing 96% of the relevant sourcing spend) and shared feedback with them that illustrated how they perform as compared to our other suppliers. For underperforming suppliers, we provided a tailor-made action plan to help them optimise their operational sustainability.

This initiative contributes to building a more sustainable packaging portfolio by ensuring that suppliers share Packhelp's values, and operate in a responsible and sustainable manner. After all, we can only say our packaging is sustainable if it's manufactured in a responsible manner by every supplier.





# Encourage a transparent business

Key focus area: Ethics

It is important for us to always act ethically, transparently, and responsibly in all parts of the business from collaborating with suppliers to meeting with customers. Through systematic internal governance and following ever-changing regulations in the packaging industry we are able to run business with the greatest possible consideration for people and the planet.

## Governance

### Long-term plan

To always act ethically, even if it's not easy.

### 2022 progress

- Monthly board updates to inform employees of company performance and upcoming decisions.
- Establishment of Employee Representation with the main purpose to consult with employees of the company on procedures and regulations.

### KPI

Number of interventions from regulatory bodies that have necessitated reformative action

\*assured by Omnivue

0\*

## Compliance

To comply with laws and regulations applicable to our company.

- Registered in EPR (Extended Producer Responsibility) schemes in respective countries.

Number of interventions from tax authorities that have resulted in further taxes being demanded/paid

\*assured by Omnivue

0\*



# Notes and GRI Index

This report was created in accordance to the Global Reporting Initiative (GRI) standard. You can find full GRI Index [here](#).

## A note on Packhelp's corporate governance structure:

Packhelp's corporate governance structure encompasses the board of directors with our CEO, the executive management team, and employee organization. At the end of 2022, the Board of Directors was comprised of five non-executive members and three C-Suite executives, who are also co-founders of the company (the CEO, CSCO and CRO). Every member of our Board of Directors comes from a different professional background, and together offer a wealth of knowledge and experience in entrepreneurship, technology, innovation, and more.

While our Board of Directors represents four nationalities, we are aware of a lack of gender diversity, partially due to the fact that the company was founded by a group of male friends. However, we anticipate welcoming female leadership to our Board of Directors at the soonest possible opportunity.

During the financial year, Packhelp holds four regular board meetings, and regular monthly board meetings, with extra board meetings held when and if the need arises.

## A note on the delegation of responsibility for managing impact:

Responsible for managing our impact is our VP of Sustainability, who was appointed by the CEO at the beginning of 2022. Zuzanna leads a sustainability team responsible for: our long-term sustainability strategy, sustainability reporting, and supply chain ESG and sustainability product information.

Our VP of Sustainability reports directly to Artur Stańczuk, the Chief Strategy Officer. In 2022, sustainability impacts were discussed once during the board meeting, and there were quarterly SteerCo meetings held with other c-level executives in attendance.

The Board of Directors is responsible for reviewing the reported information, including the sustainability strategy and material topics. The process in 2022 was based on the approval of a presentation regarding the long term sustainability strategy, which was created by the VP of Sustainability in tandem with the CSO and CEO.

# Earth deserves every day.

If you have any questions contact us at  
[sustainability@packhelp.com](mailto:sustainability@packhelp.com)

For more frequent updates follow quarterly sustainability  
summaries on our [blog](#).