

■ Packaging Policy

Enactment: Jun. 2022

Policy Purpose

We need to be aware that the environmental pollution problem of packaging materials is getting severe as the quality of life improves and life patterns change with industrial development; thus, we need to take on sincere activities to enhance the safety and health of our customers and pass on the earth we inherited to future generations.

Considering the characteristics of our industry that makes daily products used and thrown away every day, such as household goods, cosmetics, and beverages, LG H&H promotes the eco-friendly packaging policy as follows to pass on a healthy earth to future generations and continuously strives to introduce efficient measures to develop environment-conscious containers in the product development stage.

In particular, earlier this year, LG H&H declared that it would reduce carbon emissions by 45% by 2030 and achieve carbon neutrality by 2050. As part of these efforts,

LG H&H plans to actively expand the development of low-carbon packages with the concepts of 1) Reduce, 2) Recycle, and 3) Reuse in product development, packaging, and distribution stages by developing eco-friendly packaging solutions.

Operational goals and plans

We aim to reduce carbon emissions and waste by minimizing plastic use.

To achieve this, we have selected the 3Rs (Reduce, Recycle, Reuse).

Reduce

01

- We plan to use more than 5% of eco-friendly materials by conducting R&D on eco-friendly materials by 2025 and reduce the current plastic consumption by 10% by 2025 through streamlining packaging specifications.

- 1 R&D of eco-friendly material**
 We will reduce the use of petroleum-based plastics by reviewing the diversification of biomaterials such as plant-derived materials. We will also increase the ease of recycling by developing paper coating fabric technology that can be used as a substitute for plastic and developing biodegradable materials.
- 2 Reduction of plastic usage**
 We will constantly review on decreasing packaging shape/size for each major product by developing optimized structures and materials.

Recycle

02

- We plan to use more than 5% of PCR (recycled plastic) materials by 2025. We will also expand the use of PCR materials by reviewing if the price of recycled plastics is adequate and if the materials are applicable to each product. Furthermore, we will improve recyclability by developing subsidiary materials such as a single-material structured recyclable plastic pump.

Reuse

03

- We will do our best to reduce plastic use by increasing the recyclability of cosmetics and household items. Moreover, we will expand the application of recyclable packaging of each product by expanding/reviewing various refill products and developing/checking hard-to-recycle plastic pumps to replaceable alternatives and a new structure of recyclable pumps.

Green Packaging Strategy

We will implement a mid-to-long-term packaging policy to pass down the inherited 'borrowed earth' to future generations through collaboration and development activities with local communities and research institutes while improving customer safety and health and reducing environmental impact.

- 1 We will specify tasks such as designing/establishing an eco-friendly future supply chain and reusable packaging material supply system and promoting eco-friendliness in the transportation/distribution process. We will expand sustainable products by activating green packaging.
- 2 We will use certified packaging materials for their eco-friendliness, manufacturing methods, designs, functions, etc. Furthermore, we will actively support and nurture the growth of partner companies that manufacture them.

Operation of Green Product Deliberation Council

The Green Product Deliberation Council manages packaging policy and comprises packaging research, design, purchasing, and product planning divisions. The council continues to discover ideas and implement them through green packaging proposals, green level issue proposals, and deliberations to fulfill its responsibility and role as an eco-friendly and nature-friendly company. The council shares legislative and amended policies to actively respond to rapidly changing packaging policies and conducts preemptive response activities to actively apply them to the company's products.