

Gualapack

SUSTAINABILITY
REPORT
2023

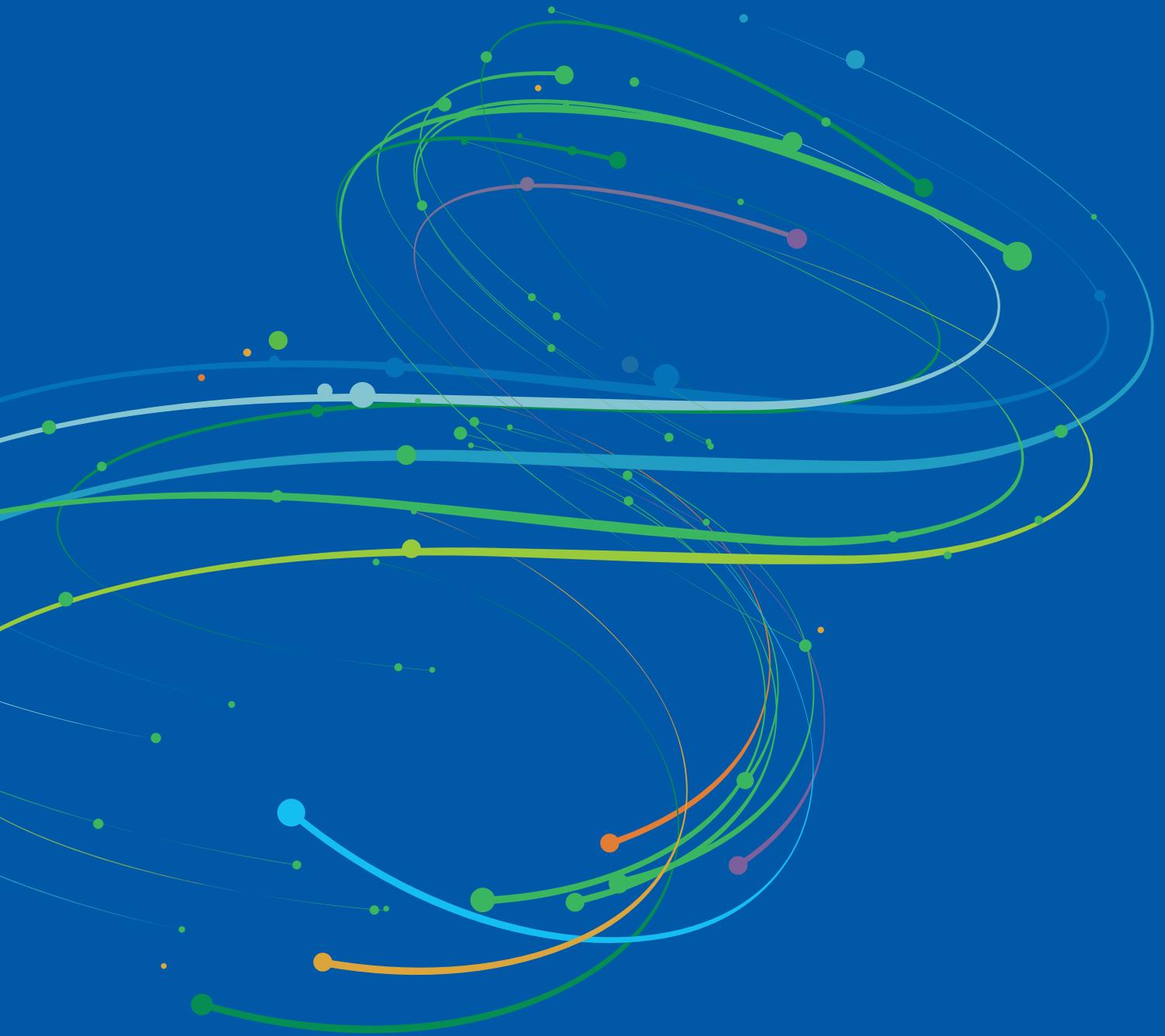


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THE VISION OF THE PRESIDENT AND CEO

Report 2023

Reflecting on 2023, we cannot ignore how, once again, we find ourselves commenting on dramatic geopolitical and humanitarian crises that had serious repercussions on the territories and people involved, and on our values.

At an operational level, the year was characterised by a reduction in the inflation recorded in 2022 for raw materials and energy. However, in many areas, the final prices of some product categories were subject to strong increases, with potentially significant impacts on end consumers' purchasing power and indirect consequences that will have to be monitored over time.

In this context - one in which we have grown accustomed to navigating between difficulties and uncertainties - our Group was able to continue to achieve important objectives, also with regard to sustainability performance, thanks to the capabilities of our people and to the solid foundations we have built over the years in terms of product portfolio, organisation and skills.

This Report dedicates entire chapters to delving deeper into the various issues, but I would like to highlight here some numbers that stand out, among the results we were able to achieve during the year:

- ~20% of sales from sustainable products, up 47% compared to 2022, with further room for improvement in the years to come: a result stemming from the success of our Pouch5® recyclable pouches and LamiNEXT, proving the value of a product portfolio increasingly oriented towards circularity;
- ~76,500 hours of training for the workforce, to continue to focus on skill development and to underline our utmost attention for environment, health and safety issues;
- ~€1M donated to charitable initiatives around the world to support the communities and territories where we are directly present with our production sites.

Going back to the external context, and with particular regard to the packaging sector, 2023 saw the continuation of work on many regulatory proposals at national and supranational level. Steps forward were discussed for an international treaty promoted by the United Nations, while European institutions finalised the new Packaging and Packaging Waste Regulation (PPWR) which, in the intentions of the legislator, should undergo final approval at the end of 2024 to establish stringent rules for the sector in all EU countries. This dossier, opened at the end of 2022, has long been at the centre of the political-institutional debate, with various sides opposing each other to defend more or less objective positions. In fact, we have often witnessed the risk of ideological drifts with little connection to scientific evidence - which instead is extremely relevant when regulating complex and interconnected issues that

have inevitable repercussions on the environment, people and supply chains. We welcome some of the changes introduced during the various reviews and institutional processes, although it will still take years to establish actual rules for the sector. Without adequate regulatory certainty, the entire industry (from raw material suppliers to recyclers) will not be able to continuously plan the investments necessary to develop the packaging of the future, which must be increasingly circular and integrated with European policies on climate, while at the same time proving an efficient way to safely protect content for consumers.

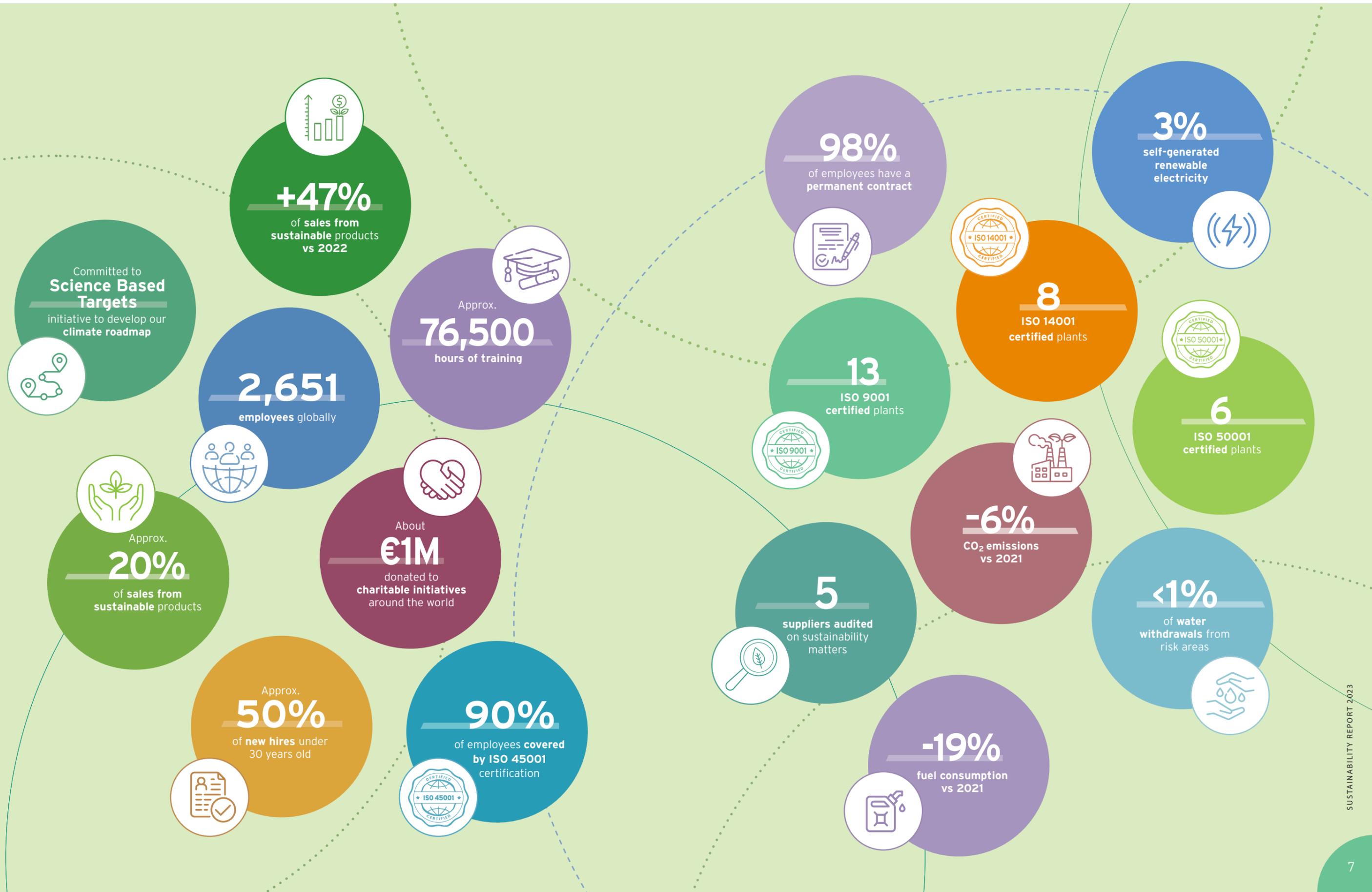
I am confident that Gualapack has the tools and the concrete opportunity to continue to play a leading role along the journey towards a sustainable future for our planet and the people who live on it. Our investments, development projects, actions and behaviours go in this very direction. Indeed, at the beginning of 2024, we committed to developing a strategy to fight climate change according to renowned third-party standards, developed by the Science Based Target initiative, to reduce the carbon footprint in line with the ambitious Paris Agreement and to limit global warming. We will present future developments in the next editions of this Report.

We face the path towards sustainability with enthusiasm, because we believe that it is the best choice from all points of view and that it allows us to be a reliable interlocutor for our stakeholders.

Enjoy reading the full report.

Michele Guala
President and CEO

2. 2023 ACHIEVEMENTS



OUR COMPANY

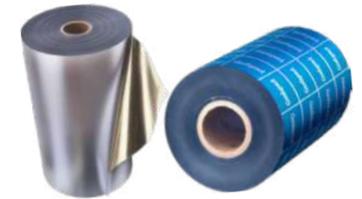
3.1 TECHNOLOGY CROSSOVER

Gualapack has built its market leadership through a unique set of technologies with different packaging solutions, from flexible packaging and injection moulding to design and manufacturing of filling lines, developed by combining the best breed of technologies with deep know-how. World leader in pre-made spouted stand-up pouches for food and non-food applications, we offer our partners four product ranges of packaging solutions, such as our preformed, stand-up pouches, as well as different stand-alone components: laminates, spouts and caps and filling machines, together with outstanding innovation abilities to shape the crossover packaging of tomorrow. The key to the Company's success is to provide both an integrated system and individual products and technologies. Gualapack is a "solution provider" whose priorities are quality, service and innovation for clients, with sustainability as a daily commitment.



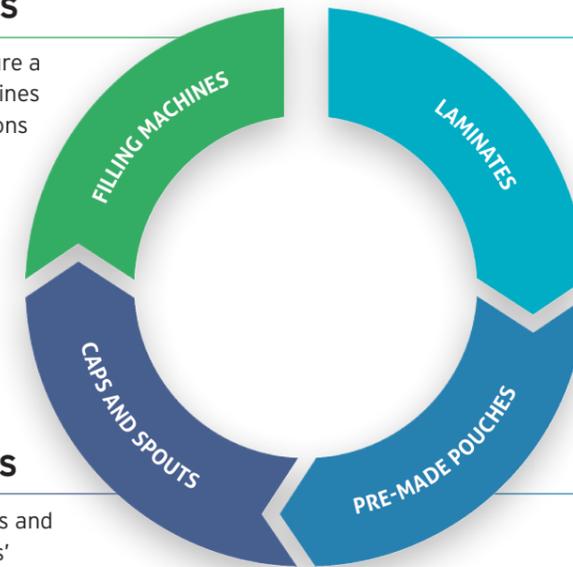
FILLING MACHINES

We design and manufacture a complete range of filling lines and pasteurization solutions with different production capabilities.



LAMINATES

We are a historical leader in flexible packaging, with advanced lamination, rotogravure and flexo printing and extrusion capabilities for PE and PP films.



CAPS AND SPOUTS

We offer a range of spouts and caps for Spouted Pouches' production, including BabyCap®, a worldwide standard for anti-choking caps.



PRE-MADE POUCHES

With more than 30 years of experience, we are a world leader in pre-made spouted pouches - including standard or custom pre-made stand-up pouches with or without extra features like zip closure, laser, scoring, etc.



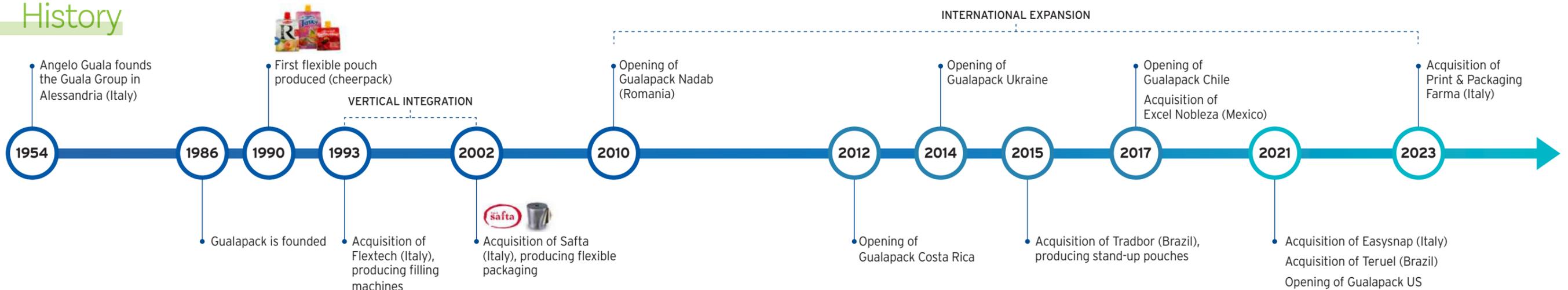
3.2 GUALAPACK AT A GLANCE

- Gualapack locations
- Joint venture / strategic partner



* Joint Ventures / Strategic Partners

History



3.3 VISION, MISSION AND VALUES

Sustainability is our everyday commitment embedded in Gualapack Mission



OUR VISION

Growing sustainably, competing with the best.



OUR MISSION

High performance flexible packaging is our expertise. Quality, service and innovation for our customers are our priorities. Technology crossover and integrated technology solutions are our strength. Sustainability is our everyday commitment. We invest in motivated and talented people.



OUR VALUES

- PARTICIPATION**
 Motivate and involve people through effective communication and shared responsibility to pursue challenging goals.
- COMPETENCE**
 Do things well and quickly whilst being open to change and diversity.
- POSITIVENESS**
 Be positive and always believe in our future successes and in the strength of our abilities.

3.4 TOWARDS A SUSTAINABLE ORGANISATION

A clear structure for sustainability governance aligns the Group's sustainability approach to key trends and embeds it into our long-term strategy.

The Corporate Sustainability Department, directly reporting to the President and CEO, interacts with business functions to provide strategic guidance on various sustainability topics. In particular, it is responsible for:

- monitoring the evolution of key sustainability, legislative and consumer trends and transforming them into inputs for the organisation;
- managing relationships with trade and industry associations as well as with other stakeholders;
- supporting the definition of the Group's sustainability strategy, integrating it into the Group's long-term business plan;
- supporting business functions in reviewing existing or defining new improvement plans related to sustainability;
- developing and maintaining a robust internal reporting system to monitor sustainability performances with a main focus on key social and environmental aspects.

Within the Company the Sustainability Committee is the body specifically focusing on sustainability, with

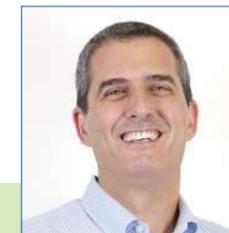
an aim to identify issues and solutions to manage the complexity of the current scenario while striving to instil the same sense of responsibility in all colleagues throughout the organisation.

The Committee is chaired by the President and CEO and is composed of various company representatives, bringing to the table skills and commitment from different key departments. For this reason, the Committee includes the EMEA Director for a business perspective, as well as representatives from Operations, HSE (Health, Safety & Environment), Human Resources, Marketing and Communications in addition to Sustainability. The Committee is involved in taking key decisions on sustainability and is responsible for ensuring strategy implementation, guaranteeing coordinated efforts and alignment between the functions involved as well as with the whole organisation. Based on the agenda of the Sustainability Committee, additional company representatives such as the CFO, CIO or R&D Director can be invited to join the discussion.

Updates on the analyses and decisions of the Sustainability Committee are then shared with all global operations through several dedicated meetings, including our regular Corporate Management Meeting, periodic meetings with the people in charge of international activities, and our Global HR Meeting.



MICHELE GUALA
President & CEO



CARLO ALBERTO ZAGGIA
EMEA Director



ELISABETTA PITTALUGA
Organization & Talent Development



OLIVIA ERFURTH
Global Marketing



MICHELE MARCHINI
Health & Safety, Environment



LORENZO SACCHI
Global Sustainability



3.4.1 2023 Priorities

After six years of activity, the Committee's identity has evolved naturally in line with the constant changes in the general context and the definition of new goals.

In 2023, Europe and the entire world had another intense year with the continuation of humanitarian crisis and the begin of new ones, leading to strong geopolitical instability. In many countries, the strong pressure on energy and raw material prices experienced in 2022 led to a strong inflationary phenomenon with repercussions on final consumers. In addition, as regards the packaging sector in particular, 2023 saw the continuation of legislative evolutions at national and supranational level. Discussions have moved forward for an international Treaty promoted by the United Nations, and the European Institutions have finalized a proposal for a new Regulation on Packaging

and Packaging Waste - which, in the intentions of the legislator, should clearly regulate the sector in all EU countries supposedly by the end of 2024. For more information, please refer to the section "Regulatory Evolution" in Chapter 4.

For all of these reasons, the main topics discussed by the Committee during the year included:

- efforts made by our Energy Team to rationalise consumption in our plants, in Europe especially;
- regulatory evolutions relating to the packaging sector and possible developments on issues that are strategic for us in a framework of circular economy (recyclability, compostability, reuse, etc.);
- relations with trade associations and other initiatives of which we are active members;

- sustainability assessments by third parties and relationships with external stakeholders (e.g. clients, partners, NGOs, universities, etc.);
- strengthening of our monitoring and reporting system for the social and environmental performances of our sites around the world;
- external communication and training activities tied to sustainability issues, and employee engagement through dedicated communication;
- analysis of impacts on climate change and assessments of mitigation scenarios related to the international Paris agreement.

As mentioned, we continue to systematically monitor the current legal framework and its impact on our products in the markets we are interested in: this allows us to promote innovation proactively and to

develop a coherent and effective transformation in our product portfolio. We follow a roadmap that ties in with the market's evolutions and our collaborations with technological partners, with the goal of creating value for our clients even in a scenario of uncertainty and change. Concrete examples of our innovation pipeline are provided in Chapter 4 "Product Innovation & Sustainability".

Regardless of their differences, all of these activities also fit into the framework we defined with the four pillars of our Sustainability Mission: the map our Committee follows, towards an ever increasing responsibility for positive impact.



3.5 SUSTAINABILITY IN ACTION

Sustainability means healthy growth and continuous improvement, holistically impacting our environment, community and surroundings so that future generations can benefit from the efforts we make today. To put this vision into practice, in 2020 the Gualapack Sustainability Committee decided to define its commitment by creating a circular path with four milestones, in a sustainable journey where customer satisfaction is the final goal.

1 Share and believe *Company Growing Sustainably*

Enforce common values in our people, creating the path forward for sustainable improvement across sites.

KPIs, reporting, involvement in social issues, safety, employee engagement, growth and evolution. "Share and Believe" sets the stage for all other milestones along the corporate sustainability journey. It is the ground upon which we build consensus and share knowledge with everyone at Gualapack, so that people in different sites, roles and responsibilities can be aware of the world changing around us. This in turn will motivate our corporate community and help understand and drive the strategic decisions that impact on everyday processes and product development.

2 Embrace change and recognise opportunities *Sustainability Value Chain*

Take action and engage with sustainability decision-makers and stakeholders along the value chain, improving the future of planet and people.

Learning, debate, power to change, risk management.

This second milestone takes us outside Gualapack, where it is fundamental to be on the constant lookout for legislative updates regarding flexible packaging, plastic, and plastic waste and to be sensitive to the "winds of change". The European and global landscape in terms of recyclability and sustainable packaging are in fact ever evolving, and this uncertainty can be frustrating to consumers and even more to our clients.

In this scenario Gualapack makes an effort to gather up-to-date information for clients, and to actively be part of the change: our participation in FPE, Ceflex, RecyClass and Recoup reflects this commitment. This enables us to develop and provide solutions to our clients.

3 Improve and grow *Technology and Product Portfolio*

Build expertise, know-how and technology offering our customers a newly positioned product portfolio within the sustainability framework.

Sustainable solutions, commitment to growth, competing with the best, focus on innovation. Gualapack's Sustainability and R&D teams will elaborate the experience and knowledge gained during phase 2, to make the right decisions in terms of new project and product development, to meet the needs of local markets and abide by legislation requirements too. This is the way Gualapack can best express its full potential: tailor-made solutions, implementation of best-in-class technologies, research and development of new products for the creation of a portfolio that is both sustainable and competitive according to the needs of each client, anywhere in the world.

4 Listen and enable *Customers and Markets*

Provide solutions to clients to grow sustainably in their local context, according to their company strategy.

Local market awareness, being up-to-date with legislation, coherence, upholding reputation.

The success of our clients in their own markets is a victory for Gualapack and the final objective of our Sustainable vision, mission and action. Identifying solutions for our customers is the result of a solid and constructive dialogue between them and us. They are at the centre of our efforts, and the focus of our last milestone. From the shared consensus and engagement at a corporate and community level, to the exposure and activity on industry and legislative platforms and the creation of new products in a coherent portfolio of improved sustainability and functionality, the first three steps are key to reaching our final destination: keeping Gualapack at the forefront of an ever-challenging world and making our clients competitive and sustainable.

3.6 MATERIALITY ANALYSIS

In 2021, we started a materiality analysis to encourage the development of a shared, strategic vision on sustainability within the Company. We were motivated in this effort by Gualapack's mission and values, which see employees' direct engagement, their competence and positivity as key factors to achieve our goals.

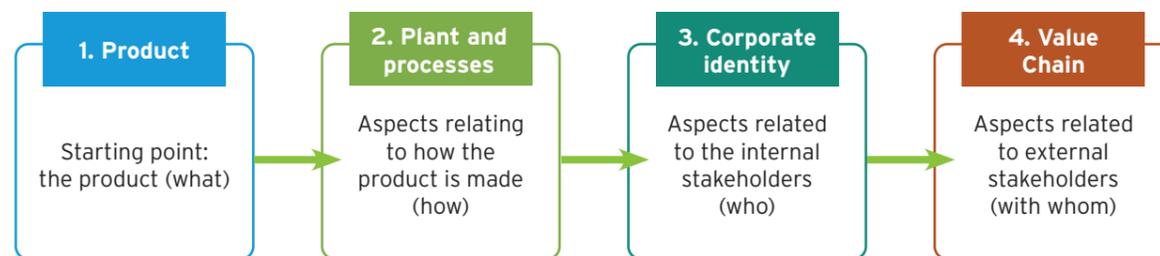
Building the materiality matrix allowed us to identify the most relevant sustainability matters. We decided to conduct the first materiality analysis by addressing internal stakeholders exclusively, in order to achieve a double goal: to identify material issues and to engage them, stressing once again their role as protagonists in our sustainable growth with ideas, proposals and initiatives.

Structure of the matrix

The materiality analysis was structured around the following definitions:

- The x-axis is meant to evaluate how much a certain material element influences the organisation's capability to create value for the future: the availability of tangible assets (financial and productive capital) and intangible ones (know-how, knowledge and skills), as well as the presence of active management and the level of engagement within the organisation;
- The y-axis represents how much a certain material element influences the creation of value for our stakeholders.

Both elements were assessed according to a future-oriented vision.



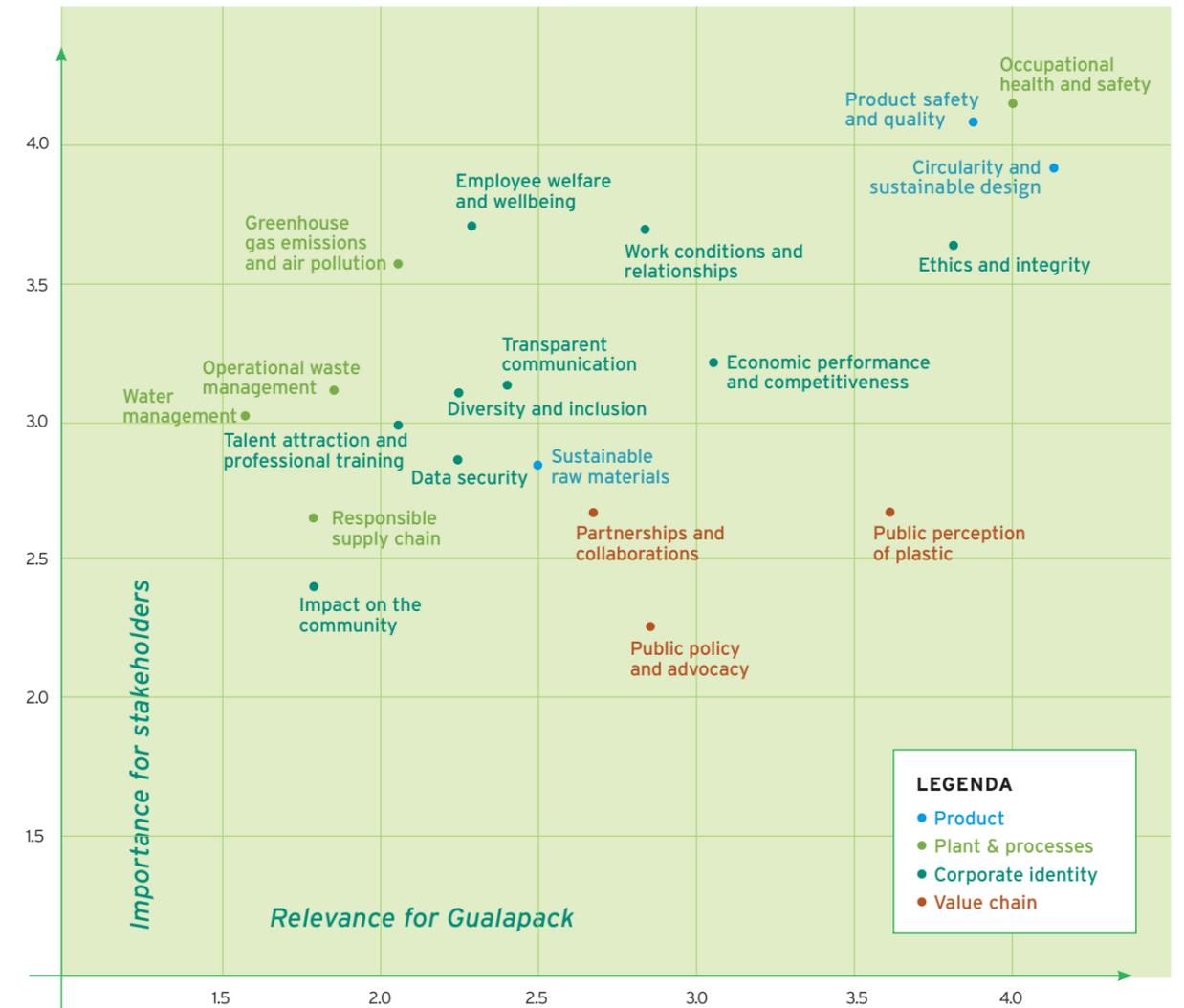
The materiality analysis process was structured into the following main steps:

1. Definition of the structure of the matrix;
2. Mapping of the material issues for the industry, through the analysis of existing literature, reporting standards and benchmarking;
3. Identification of material elements and sorting into categories;
4. Internal stakeholder input to assess the relevance and importance of the various material elements;
5. Analysis of the results and consequent definition of strategic implications;
6. Validation of the results by the Sustainability Committee.

Material elements

Material elements were selected via benchmarking, carried out in comparison to organisations in the same field and industry, analysing insights and information provided not only by the Sustainability Committee but also by the Sales Department, which represents the meeting point with the external market perspective.

In order to reflect Gualapack's actual reality, we defined four different categories for the elements: product, plant and processes, corporate identity and value chain.



We originally pinpointed 23 material elements, divided into the 4 categories, and put them through an assessment. The matrix presented in our 2021 Report reflected the opinions gathered via a questionnaire filled out by over 130 Italian employees from various departments, as well as a sample representing top management.

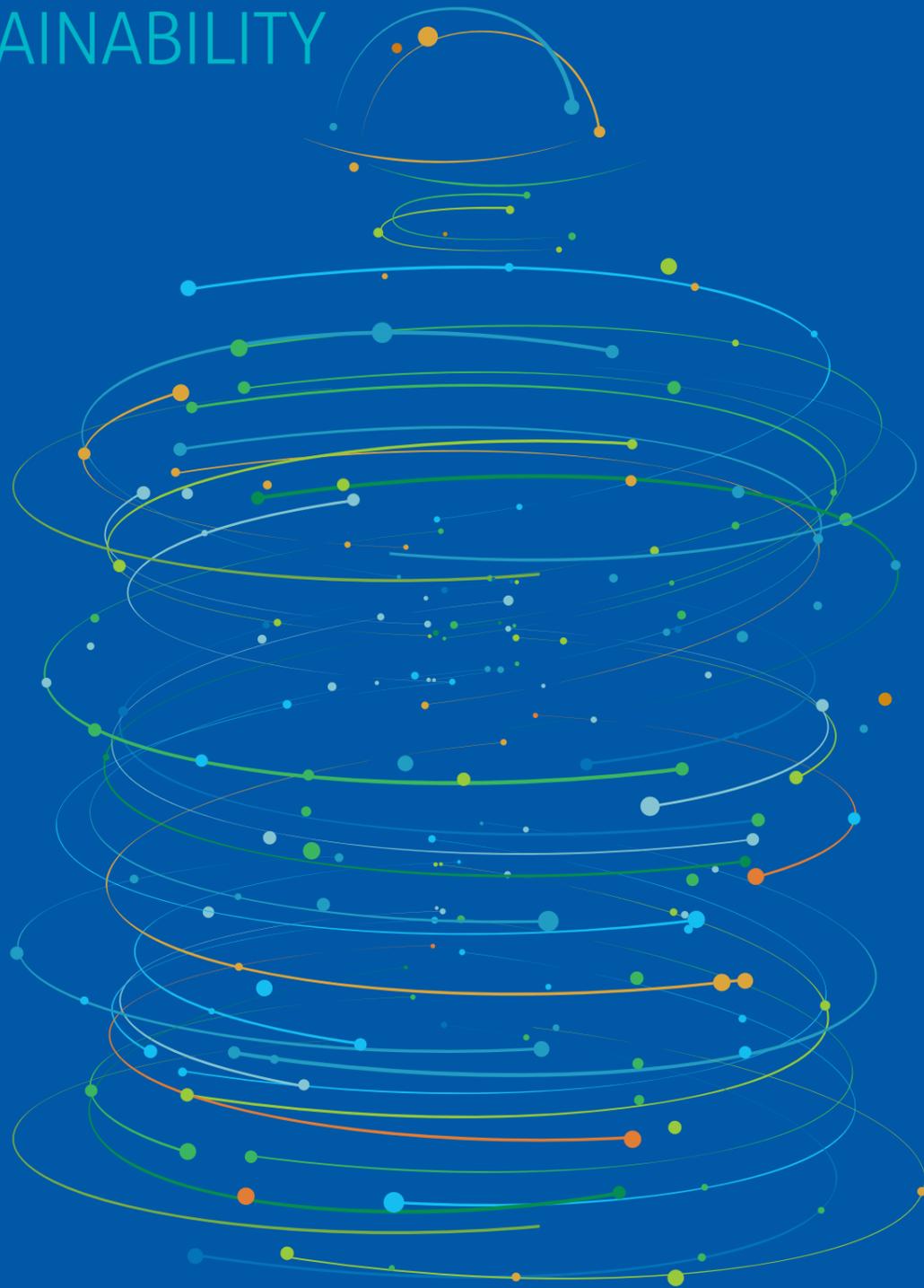
The 2022 edition of the matrix considers a wider scope of inputs to reflect 120 additional answers from employees worldwide, thus enriching the results considering more than 250 answers expressing different standpoints. We also decided to differentiate answers in order to emphasise the view from the top management.

The final assessment of each element and the relative positioning within the matrix thus represent an aggregate of employees' different points of view collected through the questionnaire. Finally, some of the material elements were combined (taking the total from 23 to 20) due to partial overlaps and similar final positioning, thus simplifying the presentation and making the matrix itself easier to read.

The updated results were once again reviewed by the Sustainability Committee, which proposed adjustments to selected elements to reflect the relevance for the industry based on detailed analysis of competitors and customers. The updated matrix is represented in the chart above.

During 2023 the analysis was not updated in anticipation of a revision during 2024.

PRODUCT INNOVATION AND SUSTAINABILITY



Packaging is primarily meant to protect what it contains - which can be crucially important for products such as food and pharmaceuticals. However, there is a clear trend towards adding to this functional aspect also deep reflection on any environmental impact or contribution to global warming; waste should be minimised and any resources recovered and recycled, avoiding litter and pollution as much as possible.

Within this framework, flexible packaging solutions can play a key role because they are appropriate for a vast range of goods - even those requiring specific barrier properties - and require limited amounts of material; they also take up less space and usually weigh less, leading to improved environmental performances in logistics as well, from transport to stocking. Finally, considering the impact of packaging over products' entire life cycle, collection and recycling can also be easier.

The constant changes in the general context and in our sector in particular, currently spurred by sustainability issues that deeply affect both new legislation and consumer needs and habits, are leading to an evolution of our product portfolio which, while being completely natural, requires us to make continuous investments in resources and know-how to renew and adapt technical specifications that have a direct impact on the market and on our clients. Please see section "Regulatory Evolution" for an overview on evolutions in the legislative framework in some of our key markets.

In line with our corporate Vision, "Growing sustainably, competing with the best", for years the Gualapack Group has invested extensive human and financial

resources in the development of increasingly circular packaging solutions, aiming to enhance the sustainability of its products by considering the technical features and specific challenges of fields of applications such as food, pharmaceuticals, and personal care. Our R&D area plays a crucial role in this process, by carrying out innovation activities for the search of new solutions and product development projects in close contact with the sales force and in support of clients. Dedicated teams manage the approval of raw materials, in compliance with stringent legal requirements set forth for consumer protection in the various geographical areas where our packaging is marketed.

The technical know-how we have developed over time is a strong asset setting us apart on the market, and finds various applications, including:

- Looking for new formulations and materials;
- Standardising and simplifying existing structures, applying the logics of production process improvement;
- Designing moulded components;
- Obtaining patents to protect intellectual property.

With technical resources across the various countries where we are active, and all the necessary connections with the local context and customer needs, our R&D activities see the central team in the EMEA region act as Global Lead for Product Development, thus representing an international reference on these issues and supporting the transfer of know-how to other regions.

4.1 A SUSTAINABLE PORTFOLIO

We regularly monitor how much value is created by the evolution of our product portfolio and how much this value is appreciated by the market.

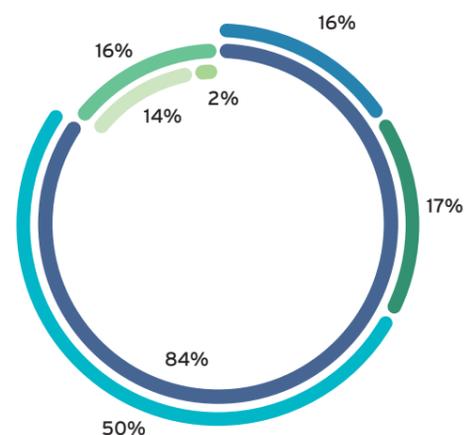
With a particular reference to the EMEA region, we have analysed our portfolio in order to properly classify our products into the following sustainability categories:

- Products designed to be recycled (and already certified to be effectively recycled in several countries by private accreditation institutions);
- Bio-degradable and compostable products;
- Products with plastic components not deriving from fossil sources (“bio-based”).

For example, as regards the details of our EMEA portfolio of pouches - whether equipped with spout or not - today no less than 16% is already represented by sustainable solutions (15% in 2022), mainly designed to be recyclable. Another 50% is represented by applications that can be replaced by those already developed with an eye to sustainability compared to the 39% in 2022; a further 17% (6% in 2022) will potentially be replaceable in the short term on the basis of developments already in progress.

European Pouch Portfolio analysis

- Sustainable solutions
 - Designed for recyclability
 - Bio-based
- Standard solutions
 - Sustainable version available for replacement
 - Sustainable version can be implemented
 - Sustainable version currently not available



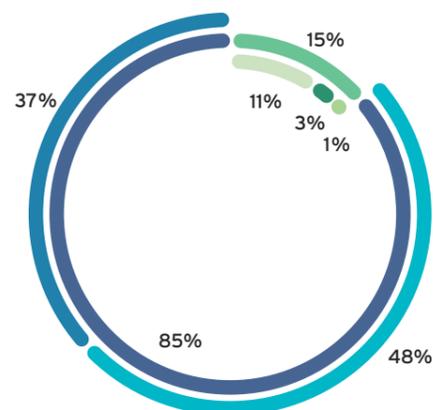
As regards our range of laminates, again with reference to the EMEA region, sustainable solutions represent 15% of the portfolio (13% in 2022), with a strong prevalence of options designed to be recycled compared to compostable or bio-based solutions; 48% is represented by products that could be replaced by more sustainable solutions already developed; while the remaining part - approximately 37% - could be replaced in the future as a result of further structure developments.

This is the analysis regarding the availability of solutions designed to be sustainable that we offer our clients, and the result of the development undertaken in recent years and intended to offer an ever-increasing number of circular solutions.

Looking at our clients' reception of our solutions, we can complete the picture with a different and valuable point of view. Indeed, if we analyse global sales, considering the contribution of caps and spouts in addition to pouches and laminates, the percentage generated by products designed to be sustainable is 19.6%.

European Laminates Portfolio Analysis

- Sustainable solutions
 - Designed for recyclability
 - Compostable
 - Bio-based
- Standard solutions
 - Sustainable version available for replacement
 - Sustainable version to be developed



approx **20%**

of sales from **sustainable products**

This KPI measures the share of turnover deriving from new-generation products with more sustainable features, over the total sales of laminates, pouches, caps and spouts. In our definition, products with improved environmental impact include all laminates, pouches, caps and spouts designed to satisfy, without compromising performance, at least one of the following sustainability objectives: recyclability, compostability, significantly reduced weight compared with alternatives, and reduced carbon footprint.

In the years since we started tracking this information, the indicator has recorded clear growth, according to a trend that reflects the market's appreciation of solutions with improved environmental impact. Indeed, the year-on-year growth rate is 47% when compared with 2022.

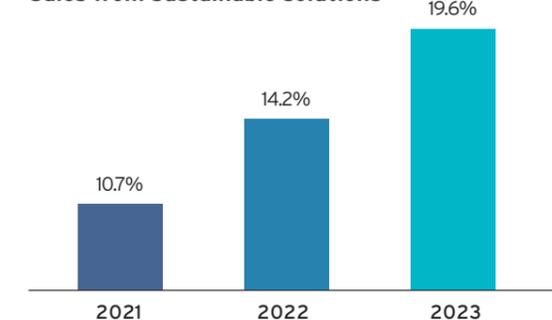
+47%

of sales from **sustainable products**

This is a remarkable result that speaks to the transformation of our product portfolio and to the trust our clients have in our innovative and sustainable solutions. As regards 2023, the strongest contribution to the KPI's increase was determined by the sales of our Pouch5®, our monomaterial spouted pouch designed to be recyclable. Following a successful worldwide launch in 2020, an increasing number of clients are now adopting this solution anywhere recyclability is identified as an added value.

The indicator's positive trend is also supported by our compostable peelable lids for trays and coffee capsules, as well as by monomaterial laminates, both part of our LamiNEXT™ portfolio.

Sales from sustainable solutions



We expect this KPI to continue improving in the coming years, probably even at a faster pace, in connection to the growing awareness about sustainability issues that the market and clients are developing, always with Gualapack's innovation and support at their side.

In an evolving regulatory and market context (see section “Regulatory Evolution” for further information), companies have a decisive role in developing and introducing potential solutions for product circularity and can lead to a concrete improvement in the management of packaging's end of life, by adopting a critical view of their processes and products. It is essential they correctly identify the areas of action on which to focus for a targeted and effective contribution, aimed at significantly reducing environmental impact in the long term.

Gualapack promotes the circularity of its products and adopts improvement and development plans based on various guidelines to meet a wide range of needs. Our strategy is based on the following key themes:

- Recyclability
- Compostability
- Reduced weight to reduce the use of resources
- Support for reuse and refill systems
- Recycled material content where possible
- Paper-based solutions
- Bio-based solutions





4.1.1 Recyclability

At Gualapack we are committed to eco-designing flexible packaging so that it achieves the essential functions of packaging while at the same time delivering low environmental impact for packed products throughout their lifecycle.

Flexible packaging adds value in a circular economy framework, through extremely efficient use of materials and energy resources. Unfortunately, this type of packaging is not yet widely recycled across the globe: this is due to a variety of reasons, mainly connected with the very small amount of material contained in flexible packaging, which is generally more challenging to recycle economically than rigid monomaterials. Full circularity will be achieved through higher recycling rates by combining optimised packaging design and improved infrastructure for collection, sorting and recycling.

Among the recycling technologies already in use, mechanical recycling is available for mono and mixed plastics and pyrolysis is for laminates with aluminium foil. With this in mind, we are shifting our product portfolio towards monomaterial multi-layered structures (available both as laminates and as pouches). See the previous chart for more information about our sustainable solutions and the current trends in customer acceptance.

The best example of our portfolio's evolution towards more recyclable applications is Pouch5®. Launched in 2020 with selected partners, after several tests and certifications on its recyclability, Pouch5® is our first flexible, high-performance stand-up pouch made

in monomaterial and therefore recyclable within the existing streams. It is based on our LamiNEXT™ laminate entirely made of PP (polypropylene), where different, properly designed PP layers replace those typically present in non-recyclable solutions such as printable polyester, high-barrier aluminium, polyamide, etc.

Therefore, Pouch5® replaces traditional raw materials with alternatives that are more sustainable for collection, sorting and convenient recycling, reducing the carbon footprint compared to similar solutions made with a traditional laminate structure. We estimate that Pouch5® contributes up to a 39% reduction in greenhouse gas emissions (measured as CO₂ equivalent released throughout the pouch's life cycle), thanks to the use of materials that have a lighter impact than PET and aluminium (see section "The Life Cycle Assessment" for more information).

Indeed, over the years Pouch5® was successfully tested by several accreditation bodies for its recyclability performance, including Interseroh, Recyclclass and HTP Cyclos. On top of this, in 2021 Pouch5® won in two out of ten award categories - for Balanced and Safe packaging - at the Best Packaging contest promoted by Istituto Italiano Imballaggio, Italy's key event to highlight the year's best packaging solutions. These two prestigious accolades recognise and confirm our company's strong commitment to the environment.

Pouch5® was originally designed for infant nutrition, fruit purees and other shelf-stable, pasteurised foods, to offer parents - who are increasingly aware

of environmental issues and of the importance of "going green" even in packaging - the convenience of on-the-go snacks paired with the advantages of recyclable pouches. Currently it is available in a variety of shapes and sizes for different products such as baby food, wet pet food as well as for home and personal care applications. Gualapack also offers Pouch5® in the PFAS-free version.

To complement the success of Pouch5® we also redesigned our caps, which are a crucial element in spouted options. Anticipating legislative requirements based on the Single Use Plastic Directive, we developed tethered caps to help consumers avoid unintentional littering. Designed to remain firmly attached to the spout, these caps support the common objective of reducing the number of plastic objects that are lost in the environment, while at the same time increasing the amount of material that is collected, sorted and recycled. A tethered version has already been developed and placed on the market for several of our caps.

Finally, most of the standard laminates that Gualapack offers today can be made entirely from PP (polypropylene), thus covering the wide range of food products such as baby food, dairy products, fruit juices, coffee as well as non-food products such as cosmetics and pet food, always taking into account the requirements of different filling methods, both cold and hot, as well as pasteurization and sterilization treatments.

To meet the needs of different markets, Gualapack studies and works on the development of a recyclable laminate made of the monomaterial PE (polyethylene) to offer an alternative recyclable solution to mono-PP for cold and hot filling applications with the subsequent pasteurization.

Recyclability criteria are also met by other structures of ours: for example, mixed polyolefin options where a combination of PE and PP is adopted. Despite showing lower recyclability scores when compared to the full/mono PP option, this solution is optimal for packaging



formats where high capacities (approximately 1 litre) or barrier properties are required.

Another recent innovation in our portfolio is our InnowebMONO™, a monomaterial PP laminate specifically developed for tubes for personal care and cosmetic products. It was tested and approved by Recyclclass after independent laboratory testing proved it is compatible with the rigid PP recycling stream.

Finally, we actively work on optimising recyclability at a larger scale by engaging in value chain collaborations such as CEFLEX, the industry project to enhance the performance of flexible packaging in the circular economy.



4.1.2 Compostability

Thanks to compostability, packaging can increasingly often be considered an effective element for circularity, depending on the local context and on the content it protects. That's why, at Gualapack, we have worked hard to develop our compostable LamiNEXT™, offering a more sustainable option to our clients.

As regards compostable films, we have started producing laminates for dry applications (powders, cereals, etc.) and lid films for single-use coffee capsules certified compostable according to norm EN13432.

Subsequently, leveraging the know-how that had led to the development of a compostable top lid with high oxygen and moisture barrier performance, Gualapack expanded its offer with a new industrially compostable and transparent material, suitable for the top lid applied to fresh pasta trays or to single-serving tubs of, for example, spreadable products such as marmalade. The design of this solution had to face and overcome some particular difficulties:

- Procuring raw materials suitable for composting;
- Procuring barrier raw materials suitable for composting;
- Using additives as pure as possible and with ecotoxicity suitable for composting;
- Achieving excellent weldability on the tray;
- Ensuring the sealing bars' resistance to pressure without delamination;
- Accomplishing excellent transparency.

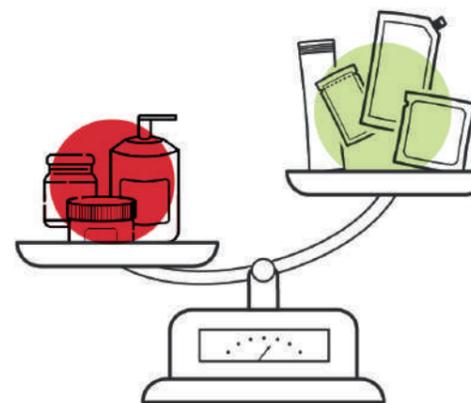


Gualapack managed to create a highly transparent, laminate with suitable barrier properties, without the use of adhesives that would have lowered the quality of the compost obtained after recovery. This success is due to the particular coupling technology implemented, which involves the use of an extruded biopolymer, instead of conventional adhesives, to join the various layers of compostable films. The material has brilliantly passed all compostability tests and obtained the TÜV certification.

4.1.3 Reduced weight

Flexible packaging provides an opportunity to maintain functionality and quality while reducing the consumption of materials and energy resources. The benefits are compounded along the product's entire life cycle: because less consumption uphill also results in less waste to collect, sort and recycle downhill.

It comes to little surprise, therefore, that flexible packaging is playing an increasingly vital role in the distribution and consumption of consumer products around the world: currently, approximately half of primary food packaging on the EU market is flexible, in terms of product units. The fact that this represents only about 17% of all food packaging material in terms of weight is proof of the remarkable difference the efficient use of materials can make for the environment, as well as for business.



4.1.4 Reuse and Refill Systems

Developing increasingly lightweight solutions is so integrated in our approach today, that we have extended this approach to the design of our caps as well. To mention one example related to the injection-moulding sector, Gualapack's Wavy Cap is a lightweight option that preserves the same functionality and features of BabyCap®, our standard cap for baby food, yet is 15% lighter.

-15%

in weight: **Wavy cap**
vs standard **BabyCap®**

By fitting in well with refill systems, flexible packaging supports sustainable production and consumption. Formats where refill pouches are used to support a reusable system have been around for some time: at home, for example, consumers may often choose detergents for which they buy a rigid packaging the first time at the supermarket and then are able to purchase refills in flexible pouches. The rigid container can be refilled at home, saving money and avoiding excess packaging waste.

Gualapack's portfolio includes a variety of solutions meant for favour the practice of reusing and refilling by consumers - for shampoos, body creams and home and personal care products in general - or by personnel in the hospitality sector, with capacities typically over 300-350 ml.





4.1.5 Recycled content

The use of recycled plastic in packaging is a current topic of discussion and the subject of much research. A crucial element to always keep in mind is the need to safeguard consumers' health, especially for any sensitive application where particular care is required to ensure that no potentially dangerous substances can migrate between container and content.

Many geographical areas, including European countries, lack mechanical recycling plants and technologies for the recovery and use of recycled polyolefins in food-safe packaging approved by the relevant bodies. This is largely due to the chemical characteristics of polyolefins (PE and PP), which differentiates them from other polymers (for example PET), and to the characteristics of the mechanical recycling process - which requires the crushing of waste. Indeed, there are no PE or PP materials from post-consumer mechanical recycling authorised for use in food packaging to date. Even at the regulatory level, the issue is still in progress. For example, according to the provisions contained in Regulation (EU) 2022/1616 relating to recycled plastic materials and objects intended to come into contact with food, the industrial recycling processes that yield polymers suitable for the production of food-safe packaging must undergo a lengthy authorisation process at the moment.

Pending authorisation developments related to mechanical recycling, a theoretically viable path



would be to use resins deriving from chemical recycling for use in packaging meant to come into contact with food or for other sensitive applications. However, the chemical recycling chain is also currently evolving and unfortunately the quantities of material it makes available today are very limited and far from an industrial scale. One of its peculiar features is the need to implement processes that measure and track materials through the mass balance applied along the entire supply chain, which can be certified through third-party verifications, among other things. The supply chain for chemically recycled materials - from purchase to storage, use and sale - requires special management procedures capable of ensuring that every step in the flow is followed correctly. In our case, this required two Gualapack sites (Alessandria and Piacenza, Italy) to earn a certification under ISCC PLUS, the standard that regulates the management process of these materials.

In the challenging area of recyclability, in 2022 Gualapack was able to complete an ambitious project by collaborating with two of its major stakeholders - a supplier of raw materials and a brand owner - to create a spouted pouch that includes over 30% of post-consumer ISCC PLUS + certified recycled plastic.

over 30%

ISCC PLUS + certified recycled plastic

In a nutshell, the raw material producer treats plastic waste with a chemical-physical disintegration process that brings it back to its basic molecules. These are then mixed with other molecules deriving from petroleum refining, to start the polymerisation process and obtain virgin plastic*. The mass of this new polymer is therefore composed of partly virgin and partly recycled material, mixed at the molecular level. The outcome was a sustainable version of the iconic BabyCap®, with a share of post-consumer polyethylene that does not alter the mechanical and airtight properties of the packaging and complies with all the requirements for contact with food.

* obtained by means of mass-balance approach

4.1.6 Paper-based solutions

One of the most current phenomena regarding flexible packaging in some geographical areas and in some market segments is linked to the growing use of paper-based structures. With variable results depending on the application and on the performance that must be achieved in terms of content protection, this type of solution allows to significantly reduce the amount of plastic used in packaging.

Gualapack offers its clients both films and pouches, with or without spout, with paper-based structures. One recent example, on which the R&D teams at both Gualapack and Easysnap Technology worked, is Papersnap®: the paper-based evolution of Easysnap®, our innovative system for single-dose packets that can easily be opened with one hand.

Easysnap® and Papersnap®'s packaging design is more compact than any other solution with equal content capacity. Furthermore, being able to portion products in single doses reduces food waste, and the opening mechanism is so accessible that it is suitable even for children, the elderly and people with disabilities.

Papersnap® essentially replicates Easysnap® but with an even higher level of sustainability. Indeed, it is designed to be recyclable in the paper stream without compromising on the original technology's excellent barrier performance. Papersnap® packets can be manufactured with an oxygen and moisture barrier, which makes them suitable for both food products and cosmetics: typical applications are honey, creamy foods with different densities, makeup or face creams and sanitising gels.



Like Easysnap®, Papersnap® consists of a top and a bottom welded together to form a packet that opens when folded, even using just one hand, without tear-off parts. In Papersnap®, however, the use of plastic is limited thanks to the paper-based components, which required the definition of additional design solutions both to manufacture the laminates and to adapt the filling machines.

Our efforts were rewarded by achieving a packet that is easy to use, dispose and sort for recycling. Papersnap® obtained the C-grade recyclability certification from Aticelca (the Italian technical association for cellulose and paper), ranking very close to grade B. Since then, through further redesigns we have improved the result even more, reaching up to 80-85% paper content on the overall weight.

80-85%

paper content

4.1.7 Bio-based solutions

Gualapack's portfolio of products for improved sustainability also includes laminates, pouches, caps and spouts in which fossil-origin PE has been entirely replaced by bio-based LDPE and HDPE. These solutions are produced from renewable raw materials, where PE is a drop-in polymer that is totally analogous to its predecessor. This is beneficial in saving fossil fuels, which are a finite resource. Furthermore, Gualapack's bio-based range also includes compostable solutions.



4.2 THE LIFE CYCLE ASSESSMENT

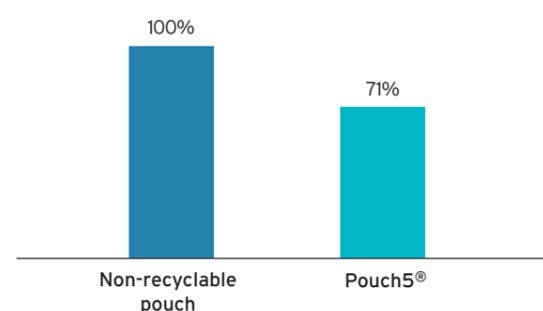
The Life Cycle Assessment, often referred to by the acronym LCA, evaluates the environmental impact of a product or service by analysing its different phases: raw materials used, transport, production processes, packaging, distribution, down to every step in its use and end of life. The LCA is a leading eco-design tool because it allows companies to analyse all the processes in the life cycle being studied, highlighting strengths and weaknesses from an environmental point of view, and therefore identifying possible opportunities for improvement.

Gualapack performs LCAs following ISO14040 and 14044 standards for eco-design and according to specific client requests. The company has built and customised a calculation system based on the specific production process for laminates, pre-made bags and injection-moulded parts. We directly collect the main data on process yields, energy consumption and emissions into the environment, while for the data relating to raw materials we rely on suppliers, when they are properly equipped, or we refer to official data made available by trade associations, when available, or by certified commercial databases in the absence of other sources. The studies are carried out by setting system boundaries that may or may not include the product's end of life, depending on the purposes pursued and on client requests.

Gualapack's LCA database was developed using the SimaPro LCA software and contains data relating to all the packaging analysed so far: raw materials purchased, company processes, yields of the various processes and so on. This primary data collection represents the heart of the Group's LCA calculation

system. The specific knowledge gained was also used to develop a basic LCA model that is replicated for the calculation of all products' environmental impacts. Within the project, numerous parameters are defined to control all aspects of the life cycle, which are specific to each product, such as the weight and number of layers in the case of laminates. Each time a new LCA study is conducted, a copy of the basic project is made and the parameters are completed with data relating to the analysed product. The choice to structure the LCA modelling of Gualapack products in this way derives from the need to carry out studies in a timely manner, and is made possible by the type of production process, which requires minimal variations for the different packaging solutions.

Life Cycle Carbon Footprint



Pouch5®'s Life Cycle Assessment

In addition to being mechanically recyclable and ready for the recycling processes, monomaterial solutions like Pouch5® also offer an improved LCA, especially thanks to the elimination of raw materials with a heavier impact on the environment such as aluminium and polyester.

In terms of climate-altering emissions measured in terms of CO₂ equivalent, should Pouch5® packaging not be recycled at all it would still offer a 25% benefit compared to standard solutions. Assuming a 50% recycling rate, the reduction of CO₂ emissions rises to 29% - reaching 39% in the hypothesis of 100% recycling.

up to -39%

of CO₂ emissions

4.3 REGULATORY EVOLUTION

In a market context where the use of packaging is growing in various sectors and applications, packaging is perceived to be increasingly connected to the content it carries, protects and allows to be used. At the same time, consumers' demand is increasing for solutions that are more sustainable and therefore more circular throughout products' entire life span. Proper management of products' and packaging's end of life has become one of the main drivers in design choices, at the heart of the technical challenges that processing companies have to face. This trend is evident not only in the requests from customers and consumers, but perhaps even more in the legislative evolutions underway in various geographical areas.

In the past two years, new regulations have been introduced or proposed all around the world, including:

- The so-called **Plastic Tax**, which provides for the payment of a fee for plastic or plastic containing packaging and some reliefs for the use of recycled content, already in force in the United Kingdom and Spain;
- The **packaging labelling** systems adopted in France and Italy, to provide consumers with better information on how to sort household waste and thus contribute to a higher collection and recycling rate according to the requirements of the national systems in place;
- Regulation (EU) 2022/1616, relating to recycled plastic materials and objects intended to come into contact with food products, which aims to support the development and operation of recycling technologies, processes and plants;
- The proposal of a new Packaging and Packaging Waste Regulation (**c.d. PPWR**), which aims to

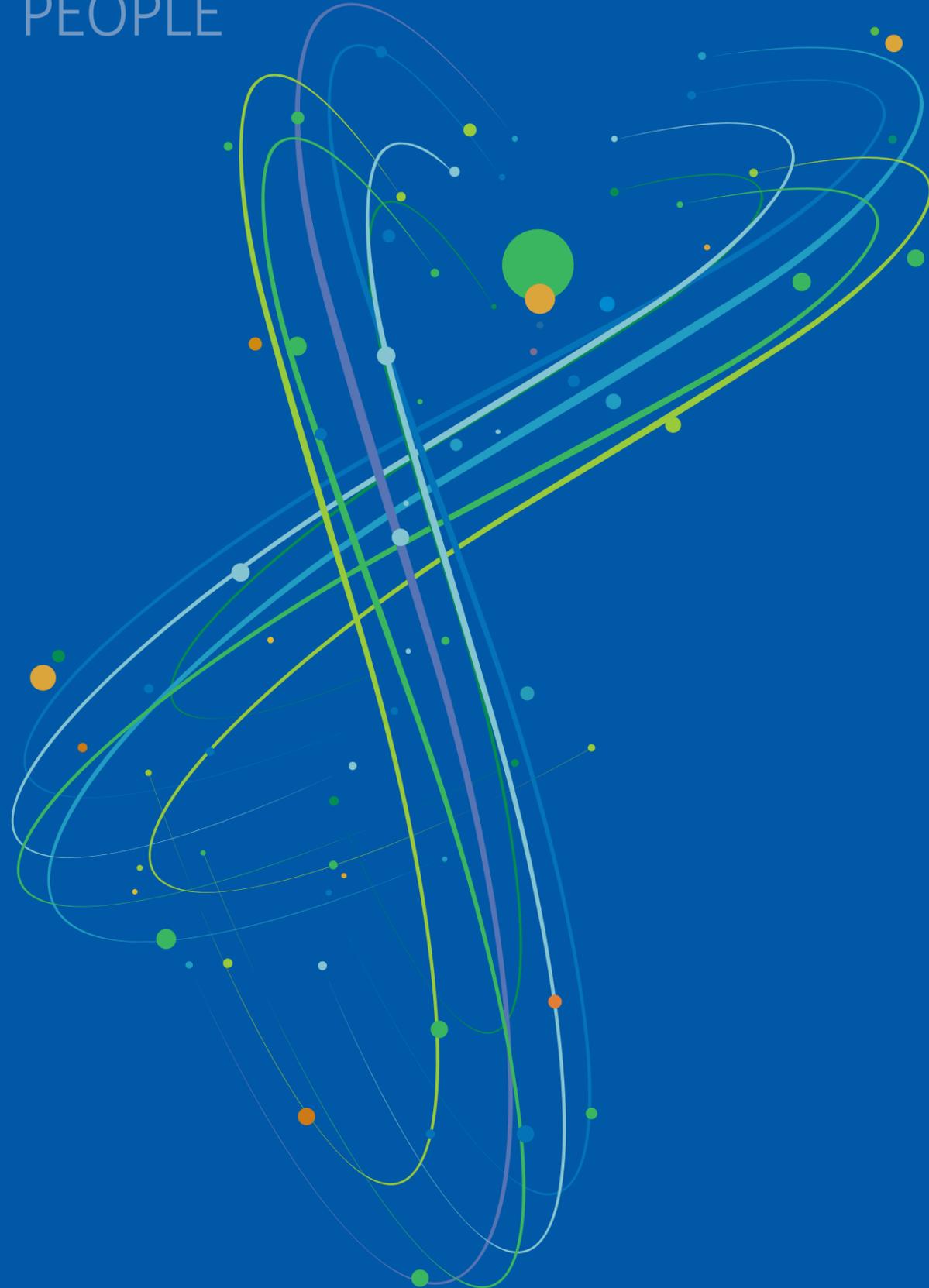
profoundly change the production, logistics and large-scale distribution sector and the waste management chain in order to achieve ambitious European objectives. The dossier, which has reached its final stages after months of negotiations, should be approved towards the end of 2024. While the final content cannot be predicted with certainty, we can guess some of the challenges it will bring - such as stringent recyclability objectives and thresholds for the use of recycled content to be implemented by 2030 and 2040;

- The issue of waste management with a particular focus on packaging is not topical only in Europe, but also in the **United States**: some States have enacted or are studying local provisions such as the introduction of **producer responsibility schemes (PRSS)** to promote private engagement in collection systems;
- In 2022, even the **United Nations** launched activities that should lead by 2024/2025 to the drafting and approval of an international treaty to combat plastic pollution, as they have already done in the past with regard to the fight against climate change.

In such a fast-changing context, it is essential to monitor these drivers for change to identify risks and opportunities for business and turn them into ideas for action, to improve the environmental performance of our products. The previous sections provide an overview of the main development areas that the company has already explored, achieving important results. In the years to come, every effort in this direction will become even more essential to meet increasingly stringent sustainability requirements.



FOCUSING ON OUR PEOPLE



5.1 MANAGING OUR HUMAN CAPITAL

Our ethical principles are aligned with the Universal Declaration of Human Rights of the United Nations and with the Conventions adopted by the ILO (International Labour Organisation) on the protection of male and female workers, refusing any discrimination based on gender, age, origin, religion, orientation, political opinion and disability.

As presented in the previous sections, the founding values of our corporate culture - intrinsically connected with our Vision and Mission - are:

- **Participation:** defined as the ability to motivate and engage people through effective communication and to share responsibilities in the pursuit of challenging objectives;
- **Competence:** recognising the value of doing things well, quickly, with a mind open to change and diversity;
- **Positiveness:** the ability to show a positive approach by always believing in the success of our future and in the strength of our capabilities.

Managing personnel is the responsibility of the HR Managers at the companies or individual sites, in collaboration with the Managers of the various company departments who, in addition to achieving corporate business and customer service objectives, must also guarantee the correct management of their collaborators. In some geographical areas, where we have multiple sites, the organisation identifies an HR Manager for the whole area who also coordinates responsibilities at the local level (this is the case, for example, for the EMEA region and for Brazil). Human resource management is therefore a decentralised function that makes use of dedicated people in the countries where we operate, in order to always be well connected with the national needs and context, not only at a regulatory level but also taking into account local diversity and specificities. Local managers are supported at a central level with regards to some globally relevant aspects and processes - such as talent management, skills and performance assessment, hiring, employer branding and organisation development, as well as for specific topics such as sustainability, change management and risk management.



We support our employees in Ukraine during the war

At the time of writing this Report, the Ukrainian people have been suffering the multiple consequences of war for over two years. As a company, Gualapack is based on strong values of care, participation and teamwork: this has driven us to support our employees, their families and local communities since the beginning of the humanitarian crisis caused by the conflict. We know we can help these people by strengthening our activity and by directly providing tangible support, with the distribution of humanitarian aid and financial donations. At an operational level, our main objective is to ensure, despite the context in which our factory operates, innovative, sustainable, high-quality products, guaranteeing an adequate service to clients and renewing all certifications to confirm our commitment. For example, at the beginning of 2024 we passed the audit relating to the BRC Global Standard for Packaging and Packaging materials - Issue 6 certification with the highest possible score (AA) and without any non-compliances. This important result confirms our utmost attention, even in difficult times, to product safety and quality to safeguard the end consumer.

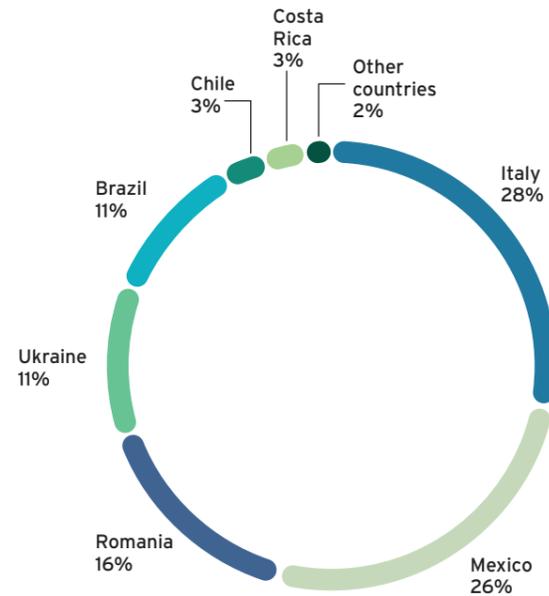
5.1.1 Workforce characteristics

At the end of 2023, the Group employed 2,651 workers, with an increase of around 2% compared to the previous year. We inaugurated our first plant outside Italy in 2011, and now can count on a workforce distributed across various countries and continents - confirming the global expansion of our organisation over the last decade. In addition, the Group's workforce includes 97 collaborators who are not direct employees of the company.

These resources are generally deployed to support the management of demand peaks in certain plants, where we hire external agencies' workers while in the process of enlarging our organisation.

2,651
employees globally

Employees by country



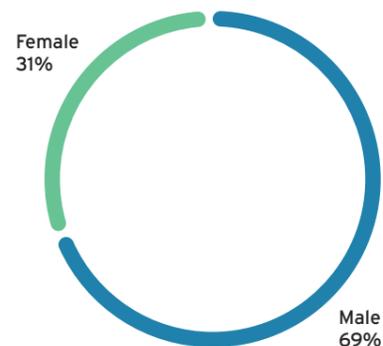
We are committed to building a diverse and inclusive culture where employees feel welcomed, valued and treated equally. Our diversity in terms of geographical areas, backgrounds, skills and talents makes our work environment multicultural and open to innovation and new challenges.

This diversity is also an essential element in understanding the wide variety of consumer needs

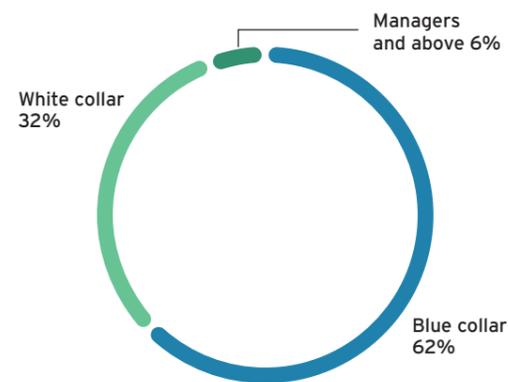
around the world, and therefore to provide our customers with proposals to satisfy them.

Worldwide, the majority of our employees are male: this is historically linked to the nature of the activities carried out at our sites, which is clearly reflected in the distribution of our workforce by category.

Employee gender distribution



Employees by category



We believe in future generations

We strongly believe in the added value that new generations can contribute. For this reason, we participate in various "career day" events during the year, and are committed to maintaining a constant dialogue with high school and university students by offering them company visits, internships, and opportunities for research and in-depth analyses.

In 2023, the project carried out in Italy by the students of the University of Pavia's Master Programme in International Business & Economics, specialisation in Sustainable Management, was particularly interesting, as it aimed at developing transversal topics such as:

- the benchmark of sustainable products on the European market;
- the identification of new initiatives for employee well-being;
- the study of scenarios for the reduction of CO₂ emissions and
- the compostability of packaging in Europe.

All the topics addressed have a direct impact on our progress on the path towards ever greater sustainability - in our products, processes, and relationships with people. The ideas that emerged will therefore be useful in defining new internal projects.

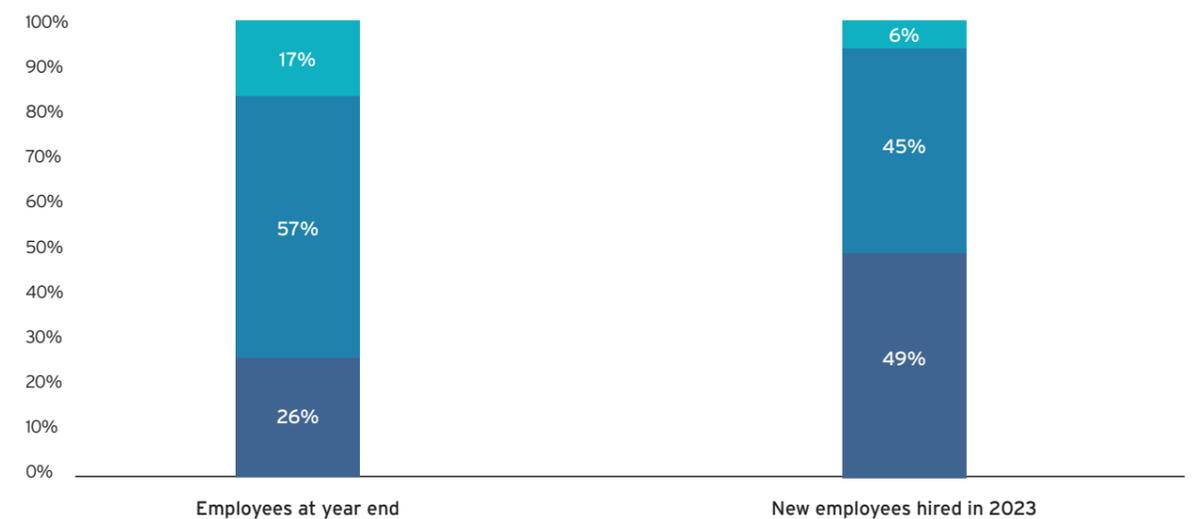


The Group also supports diversity by promoting job opportunities for people with disabilities, who currently represent 2% of employees across our global operations. Going further into detail in some employee demographics, we can report that the majority -

around 57% - are between 30 and 50 years old, while around one quarter are under 30 and no employees are under 18. The scenario is quite different, however, if we look at new employees hired during 2023: about half of these (49%) are under 30 years old.

Employees and new hires by age group

● 18-29 years old ● 30-50 years old ● > 50 years old



We aim to be an employer of choice for our current employees and potential candidates. When it comes to the current members of our workforce, we strive to provide long-term employability and stability to

support them in their professional and personal development. We favour the establishment of a stable and lasting working relationship:

98%

of Group employees have a **permanent contract**

93%

of Group employees are covered by **collective labour agreements***

98%

have a **full-time contract**

No strikes

were registered during the year

* based on local requirements and common practices.

We aim to attract, develop and retain the right people for each role and make them feel in the right place to express their skills. Employees with strong potential for future development are selected through the talent and key person identification processes,

expanded globally during 2023 after a pilot phase in the EMEA region. For more information on the age breakdown, turnover and many more details about our employees, please refer to the "People Indicators" section in Chapter 8.

We work for the safety and well-being of our employees

In 2023, we organised a number of initiatives, training hours and events relating to safety in the workplace and the well-being of our people in general.

For the European Week on Safety and Health at Work we created a video, shared on our internal and external channels, to underline how safety is a non-negotiable priority for Gualapack.

In Italy, Brazil, Chile and Romania we also developed specific projects for the International Day for the Elimination of Violence against Women, to raise employees' awareness on the issue and ensure everyone understands that the company is a safe and protected place, where colleagues can play a crucial role in contrasting the physical and psychological isolation that often afflicts victims of violence.



5.1.2 Continuous development

Our goal is to preserve and protect the know-how, experience and skills of our employees by developing new competences through various learning opportunities. In 2023, we launched some important global and transversal training initiatives to specifically reinforce the themes in line with our strategic plan and its main pillars.

In particular, we launched a global campaign on cybersecurity and various initiatives about workplace safety, employee well-being, sustainability and certification renewal.

Virtuous practices can only be truly consolidated by personnel, who must be informed, engaged and motivated: for this reason, we believe it is crucial to act on people's behaviour by leveraging awareness, as a driving force for prevention and involvement, and on a positive climate that allows people to also learn from mistakes, contributing to the establishment of a culture of sharing at the global level.

Training hours by topic

	2023	2022	2021
HSE	17,024	13,432	9,408
Product quality and hygiene	10,698	7,291	6,689
Professional development, including technical training	28,030	26,757	12,505
Other	20,672	7,520	15,938
Total	76,424	55,000	44,540

We strengthen hard and soft skills to develop people's potential

To be sustainable, our people's performance and growth is built over time also through training and development paths linked to both hard skills (such as cybersecurity, SAP, food safety and culture) and soft skills (negotiation and communication, change management, leadership, emotional intelligence).

In line with our corporate values, we are inspired by the principles of competence and participation to constantly transfer know-how and share lessons learned and best practices at a transversal and global level. In particular, in 2023 we created sharing projects in Operations and Sales between Italy, Brazil, Mexico and Chile.



In particular, in the **EMEA** region, training in 2023 focused on consolidating and enhancing skills and abilities in areas of strategic value, such as: sustainability, food safety and culture, negotiation and corporate communication, diversity and inclusion, as well as social responsibility, well-being and people management. Furthermore, we intensified training and testing for the launch of SAP ERP, providing courses that covered “technical” issues as well as other specific training to support change management for users and team leaders (therefore targeting both hard and soft skills).

In **Costa Rica** the focus was on sustainability, and in particular on issues such as energy, allowing us to obtain the ISO 50001 certification.

In **Brazil** we developed the “Journey into culture and self-knowledge” with the participation of all our employees and plant leaders, with the aim of strengthening the culture and values of the organisation through theoretical and practical experiences. The training focused on the technical and behavioural development of our leaders, giving priority to emerging topics such as digital transformation, strategic planning, the importance of feedback for people management, workplace health and safety, communication, and types of leadership, to mention but a few.

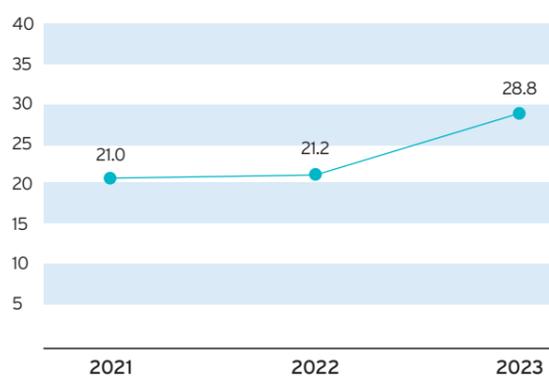
This key training project also saw, for the first time, the participation of Corporate colleagues in a local initiative through the sharing of strategies, projects, KPIs and results.

In **Chile** we raised awareness among all employees about issues related to health and safety at work, focusing on Active Care, based on the assumption that we are all responsible for safety. Our leaders began a training process by participating in courses dedicated to culture, leadership, purpose and sustainability, among other topics. Our employees were trained on topics specific to our business, such as manufacturing best practices, the 5S methodology, and operational processes, in order to establish stronger practices and drive the company’s future growth.

In **Mexico** the focus was placed on safety and on an intense emotional intelligence programme, designed to foster leadership and people management skills.

In the **United States** we consolidated our startup by strengthening the skills and roles of our American colleagues, who integrated with the other Group companies by transferring knowledge and sharing best practices.

Training hours per employee



5.1.3 Ethics and Integrity

We commit to ensuring a fair and swift whistleblowing process because we believe that the active and responsible participation of employees and third parties who report any non-compliant behaviour allows us to identify irregularities and promptly adopt necessary corrective actions.

For this reason, during 2023, we updated our Whistleblowing Procedure and made available a new internal channel, the Whistleblowing Portal, to guarantee who interacts with Gualapack that reports of illegal actions are received and managed. In the preliminary phase, the policies and relative reporting channels apply and are available to some of our European companies.

In managing the reports, we undertake to respect the principles of confidentiality, proportionality and impartiality, to recognize the good faith of the whistleblowers, and to guarantee their anonymity and protection from any form of retaliation or discrimination by those involved in the reports.

In 2023, the Whistleblowing Portal recorded no reports regarding potential cases of discrimination.

In parallel, the company continued to monitor any cases made known through direct channels and managed locally by the HR Office and management. During 2023, 2 possible discriminatory cases were reported in this way. Local managers scrupulously analysed the cases and involved external institutions where necessary. At the time of writing this Report, no conclusions have emerged that can confirm the reports and no compensation for damages, fines or sanctions have been imposed. However, appropriate corrective response actions have already been undertaken, and others will follow in 2024, starting with awareness campaigns on these issues.

No workforce-related human rights incidents (forced labour, human trafficking, or child labour) were reported during the year.

5.2 HEALTH AND SAFETY: A MATTER OF CULTURE

We can achieve our vision – “Growing sustainably, competing with the best” – only if our organisation is made up of people who are fulfilled at work as well as in their personal life. To achieve this, we must meet a fundamental need for all individuals: the need for safety. That’s why our goal has always been to develop a shared culture that directs each worker’s activities towards the continuous evolution of their knowledge, skills and personal awareness aiming to reach zero injuries. Indeed, every person, at the end of the working day, has the right and also the duty to return home in the same state of health and safety they enjoyed when they arrived at work.

Gualapack believes that the management and improvement of health and safety conditions, as well as the protection of the environment, should not only be considered an important and high-priority aspect but a way of thinking and operating that is completely integrated into every daily activity, at every stage of design and execution.

We believe that we can all become witnesses and actors of a model of safe behaviour, at work as well as at home and in the communities to which we belong.

Our efforts to spread a culture that promotes safety and health in the workplace continued during 2023, developing on various fronts, in line with the guidelines set out in the Group’s Health, Safety and Environment Manual.

Top management engagement: Leading the entire corporate organisation towards continuous improvement objectives requires clear and manifest commitment from the top management, with a complete vision. To this end, a system for reporting injuries, hazards and near misses has been established globally involving various levels of the organisation, up to the CEO. The aim is to share and spread information about events and related actions undertaken to avoid their recurrence in other plants of the Group.

Prevention orientation in all Gualapack sites: Just as quality assurance aims to prevent product/service defects, the most important target for a safety management system is to achieve zero injuries and accidents. As of the end of 2023, 8 of our sites – representing approximately 90% of our employees worldwide – have implemented an ISO 45001-certified safety management system.

90%

of employees covered by
ISO 45001 certifications

Continuous improvement: Our continuous and innovative commitment has evident effects in both technological and procedural or organisational terms. Therefore, various corporate functions must closely interact to achieve the objectives set forth by top management in dedicated planning documents.

Worker consultation and participation: Safety is a shared commitment, in which everyone plays a crucial role; worker engagement is an essential step, especially when cultural changes are taken into account. Being credible, coherent and a good role model is key, also through effective communication and sharp awareness. In 2023, during the European Week for Safety and Health at Work, we created a video for the personnel to highlight the commitment that Gualapack and its collaborators undertake to ensure the workplace is increasingly safe: safety is non-negotiable!

Education and training processes: integrated with worker consultation, these represent an important effort for any organisation, but are without doubt crucial actions for cultural change and the concrete implementation of management tools. Throughout the year, approximately 17,000 hours of training on health, safety and environment issues were provided across our sites, with approximately a 25% increase compared to 2022.

approx 17,000 h
of training on **HSE**

Analysis and verification of behavioural aspects: Aware that accidents in the industrial sector originate mostly (and up to 80%, according to some estimates) from people’s inappropriate actions, particular attention is paid to behaviours and to the role that everyone can play in spreading the “culture of caring” for others as well as for the environment.

Company documentation: In 2023, we continued our efforts to standardise documents and records connected to the health, safety and environment management system across all sites, detailing with increasing precision tasks, responsibilities, roles, duties and programs, and establishing, in particular, internal procedures and regulations that are applicable and consistent with “who, how, what” descriptions.

Management review and internal/external auditing: The re-verification and planned revision of the management system, and therefore the auditing process and subsequent management reviews, allow us to evaluate functionality and to highlight

the most important critical issues, identifying possible solutions and improvements. In 2023, we continued our cross-audit activity between various production sites, in order to intercept any deviations from the desired standards and to disseminate the best practices identified and available for the many activities and processes at Gualapack. To this end, we prepared a detailed checklist with several hundred control points, divided by topic and associated to scores, to track actions and improvements over time.

Spreading safety culture means opening up: A culture of safety cannot be spread and strengthened without opening up to the world and to different experiences; every encounter is an opportunity to grow for all parties involved. In 2023, Gualapack opened its doors on various occasions, welcoming classes from different schools, interns, and even international groups - such as the delegation of occupational doctors, representatives of the government and of health institutions from Ethiopia that we had the pleasure to meet in Piacenza, and the students attending the Employment injury schemes and the prevention of occupational accidents and diseases course, from the International Training Centre of the International Labour Organisation in Turin, who visited the Alessandria plant.

The performance of the health and safety management system is monitored by collecting data and consolidating certain KPIs, among which two of the most significant are certainly the injury frequency and severity indexes.

Injury frequency index

The protection of the health and safety of people, whether they are employees of the Group, contractors or visitors, is a central value and a priority for Gualapack.

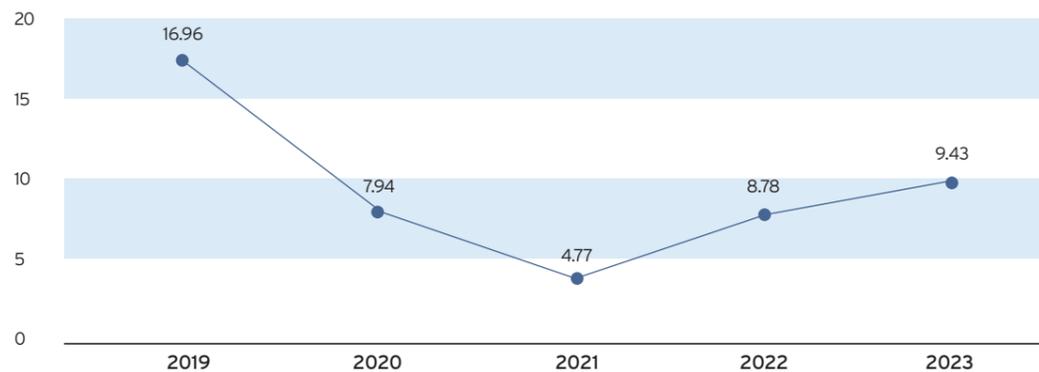
We monitor the injury frequency rate at all our sites. Considering our attention for the health and safety of anyone who interacts with our company, the index is calculated by including also the injuries and



hours worked by employees of external companies who collaborate with Gualapack on a regular basis, providing services such as maintenance, cleaning, logistics and transport.

The 2023 injury frequency index slightly increased when compared with the previous year. The accidents recorded, triggered mainly by behavioural causes, were analysed in depth and followed by additional actions for the awareness and engagement of operators. Supervisors and managers of the various areas have been asked to commit even more to overseeing collaborators' behaviour, with ever greater attention and focus on health and safety issues.

Injury Frequency Index
(Number of injuries per million hours worked)



The Ethiopian delegation visits Gualapack Piacenza

On 12 December 2023, Gualapack Piacenza welcomed a delegation of occupational doctors, representatives of the government and of health institutions from Ethiopia.

The group was in Italy thanks to the International Labour Organisation and the University of Milan, on a mission aiming to train and inform professionals about safety and health practices applied in the workplace, to promote greater protection and learn well established methods for the benefit of workers and for the industrial and organisational development of their country.

After visiting the production site, the doctors spoke with our HSE service and company doctor. The delegation warmly appreciated our welcome, as well as the infrastructure, organisation and management of the security system at Gualapack.

We are pleased to have offered our contribution to these important guests: we promote and support safety and health worldwide!



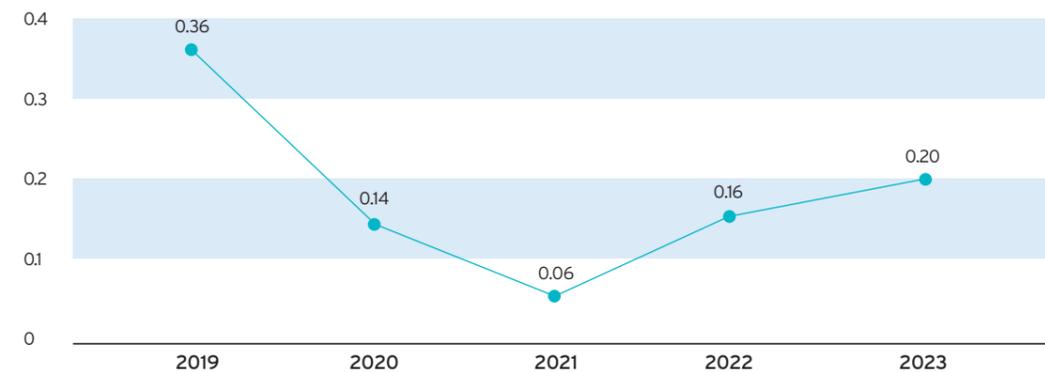
Injury severity index

The injury severity index represents the intensity of the accidents that occur. It is generally related to technical aspects, the complexity of machines and equipment, the safety devices present, the level of dangerousness of substances and preparations used. In 2023, this index recorded a significant deterioration, due to a few injuries that had particularly long prognoses.

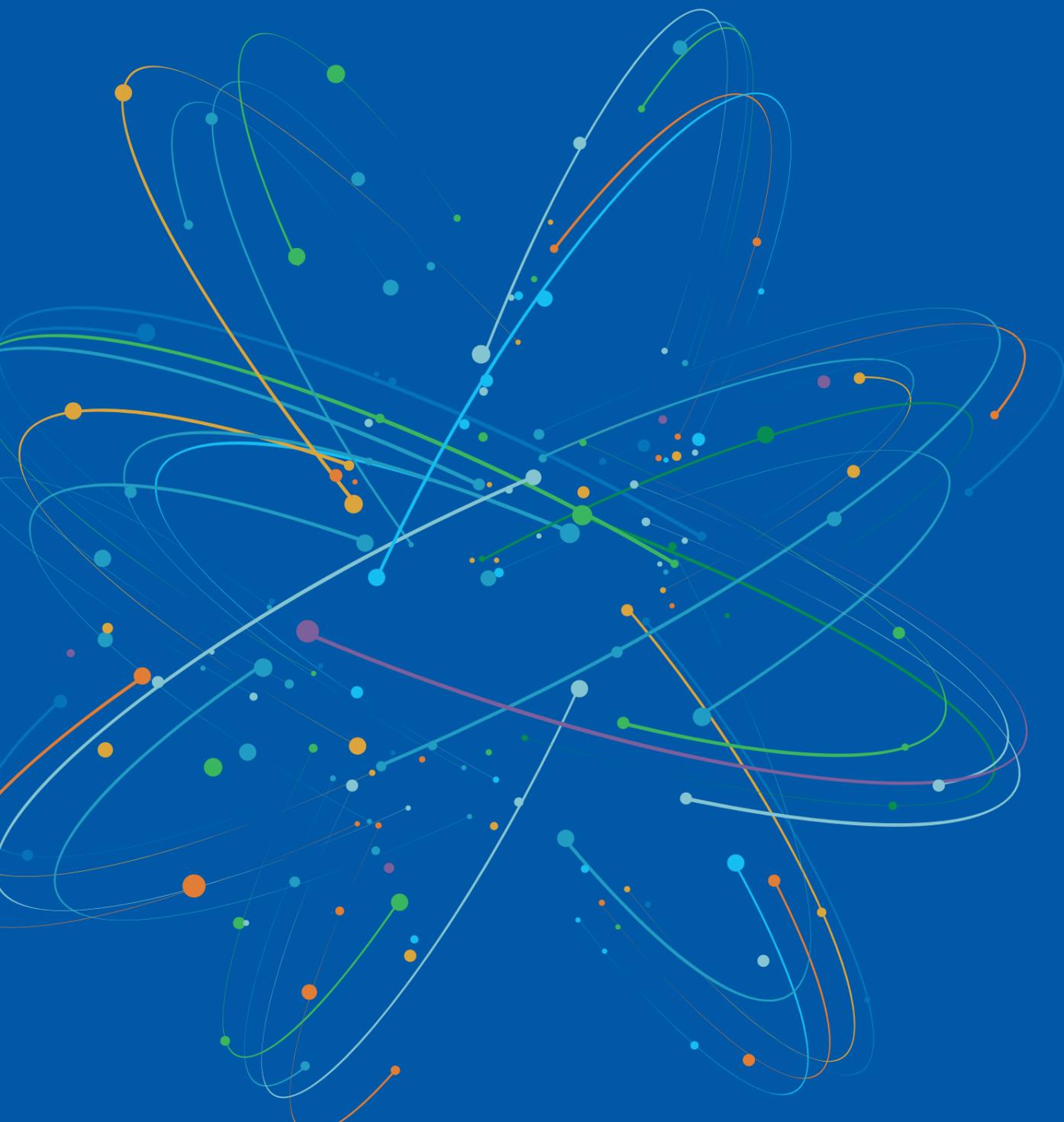
In general, to favour the improvement of indexes linked to accidents, it is advisable to continue harmonising safety procedures across the various sites, disseminating best practices and the best available technologies as

detailed in the Health, Safety and Environment Manual published in 2021. Our main actions are aimed at the continuous improvement of machine safety, the safe management of dangerous substances with particular regard to flammable liquids and the related risks for fire and explosion, and the reduction of interference with mechanised load handling. In addition, we place crucial importance on the gradual introduction across all sites of procedures to monitor near misses systematically, and to execute audits aimed at pinpointing unsafe practices and behaviours.

Injury Severity Index
(Number of days of absence due to injury per 1,000 hours worked)



RESPONSIBLE RELATIONSHIP WITH EXTERNAL STAKEHOLDERS



6.1 SUPPORTING COMMUNITIES

As a group with a multinational workforce across multiple locations in various countries and continents, we feel we should not only be tied to the society we live in, but also play a relevant role in it. For this reason, we acknowledge our responsibility extends beyond our core business. We implement social activities at our international locations to contribute to the achievement of better living conditions for all, providing educational opportunities and supporting cultural promotion and social services for those in need.

Through a broad range of activities customised to the local context, we aspire to address concrete needs and achieve a lasting positive impact on communities by leveraging part of the proceeds the company generates.

While social projects in Italy are mainly addressed through a dedicated foundation (Fondazione SociAL) with its own budget and staff, initiatives in other countries are overseen by local subsidiaries' boards of directors and managed by the local management team.

This approach allows us to maintain a global vision while tailoring concrete actions to specific contexts.

The results achieved in 2023 were remarkable: we donated over 940,000 euros to charitable initiatives around the world.

Once again, we are proud to have strengthened our bonds with local associations, partners and institutions in the areas where we operate, spurred by the desire to make a difference for the people who live near our operations.

The following pages present some concrete examples selected from the 106 initiatives implemented in total during 2023.

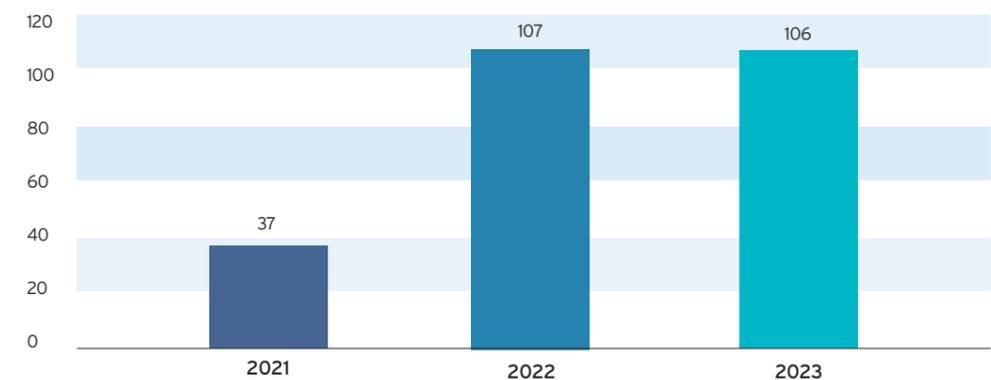
over €940,000
donated to **charitable initiatives**



Supporting Ukraine

For a description of support activities during war crisis to employees and families, please refer to chapter 5 "Focusing on our people".

Number of initiatives



6.1.1 Gualapack's support for Fondazione SociAL

Fondazione SociAL continues to deepen its knowledge of the needs expressed by the territory, supporting cultural and social development and capacity building projects, welcoming proposals from non-profit organisations and informal youth groups in the provinces of Asti and Alessandria, Italy.

During 2023, Fondazione SociAL promoted and supported four lines of economic and methodological aid, leading to the launch of various projects in 2024. These projects, initiated by third-sector organisations and non-profits, aim to strengthen social, cultural, and organisational capacities. In particular:

- The annual Swipe it up 2023 call for initiatives by youth and for youth, aimed to trigger virtuous processes of civic activism and the development of the territories involved.
- The new experimentation of the biennial "Potenziamento Organizzativo 2023" line, meant to enhance the organisational strength of third-sector bodies in the provinces of Asti and Alessandria thanks to WeCo Impresa Sociale's support, by spurring rationalisation and growth processes that can favour projects for impact, organisational strengthening, strategic development and sustainability.



- The yearly SMART 2023 call for smaller-scale experimental projects, focusing especially on those designed for organisational strengthening, in addition to cultural education-promotion and initiatives to prevent and contrast social hardship.
- The biennial Beneficiari 2023 call, supporting small, medium and large non-profits carrying out initiatives in the fields of education, cultural promotion and social work.

6.1.2 Italy

Help for Emilia Romagna - Funds for reconstruction after the flood

In May 2023, a weather front of Atlantic origin caused a series of alluvial and geological events in Emilia Romagna, including persistent rain, floods, river floods and landslides. Floods affected 44 municipalities in Romagna, also causing two victims.

Gualapack subsidiaries in the region immediately launched a solidarity campaign, raising funds to rebuild the affected areas and help local communities recover.

The "Giovani AL Centro" project

The "Giovani AL Centro" project focuses on families in disadvantaged socioeconomic conditions, whose children are often excluded from extra-curricular activities with consequent limits on their education as well as their social inclusion. The initiative aims to create a place for young people to socialise, offering a service to the community of Alessandria's city centre: a space to welcome children with after-school activities entrusted to young adults in secondary school, and a study room for junior secondary school students. The project relies on the engagement of young volunteers among secondary school students, to give them the opportunity to actively get involved in a space built by young people for young people in the area.



6.1.3 Romania

Neuron English

Neuron English Arad, an English language teaching project dedicated to children, celebrated its seventh birthday in 2023. There are currently 120 young participants who have achieved excellent results thanks to the commitment, ambition, seriousness and perseverance they have shown.

During our collaboration with the project, the children's progress was remarkable and exceeded all expectations. Therefore, Gualapack N dab has decided to continue investing in the initiative, in the belief that the future of all new generations depends on their education.



Arad Emergency Clinical Hospital

Last December, Gualapack Nădab's representatives took part in the inauguration of the new paediatrics ward at the Arad County Emergency Clinical Hospital. The renovation project was supported by Gualapack in collaboration with the Cetatea Voluntarilor Arad association, proving once again how volunteering and community engagement can achieve wonderful results for people.

Be it for health, sports or education, Gualapack Nădab and Cetatea Voluntarilor Arad have managed to carry out amazing projects in the past and will continue to do so in the future, building not only modern infrastructures but a legacy of smiles, happiness, contentment and love. We are proud of the results achieved together.



6.1.4 Mexico

Banco de Alimentos MX

Approximately 1.3 billion tons of food are wasted every year, in Mexico, while millions of people in the country face food insecurity. Food waste represents a growing problem, causing also a substantial economic loss and significant environmental impact. Considering it includes not only expired items but also products perfectly suitable for human consumption, Banco de Alimentos MX has embarked on a mission to recover all usable food before it is wasted, thus improving nutrition in more than 5,000 Mexican communities.

Excel Nobleza, a Gualapack company, has joined this initiative by donating over 5 tons of rice to the organisation, later distributed in the affected areas in

the country through pantry kits delivered directly to people's homes.

Moreover, a volunteer food pantry event took place in November in the city of Puebla, Mexico. Its main objective was to support low-income people by preparing kits containing essential products. The activity was coordinated by Banco de Alimentos MX with the enthusiastic participation of Excel Nobleza staff, who contributed to the cause as volunteers.

The initiative was a success thanks to the commitment and collaboration of all participants. We hope it will have a positive impact on all benefited communities.

6.1.5 United States

Tarrant Area Food Bank

In the United States, community involvement and employee volunteering are well established practices.

Two charitable initiatives were carried out during the year in a collaboration between Polymerall, a Gualapack company, and Tarrant Area Food Bank, an organisation founded in 1982 by a group of Fort Worth residents concerned about hunger in their community.

During the first project, we collected 12 pallets of food to be distributed among the local people in need.



The second volunteer activity took place in November. We helped to prepare 7,916 meals for families in need, to help them out during end-of-year holidays. Each delivery included approximately 14 cans of different foods (corn, green beans, mixed fruit, gravy, mac & cheese, mashed potatoes, etc.).



6.1.6 Costa Rica

Fundación Hogar Siembra

Hogar Siembra is a private protection project for girls between 12 and 18 years of age who have been rescued from situations of trafficking, abandonment, and abuse. It provides shelter and a transitional home, as well as comprehensive training and the tools necessary to start a healthy, independent, responsible life, to find jobs and properly reintegrate into society, taking distance from circles of abuse, violence and drugs.

The foundation has several housing modules and a Comprehensive Training Centre where young women study and attend courses in optimal conditions.

In 2023, we supported the project with a financial donation, used to purchase resources and educational implements for the girls in the program.



Ciudad de los Niños - Cartago

Ciudad de los Niños is a social welfare institute, dedicated to the comprehensive training of adolescents and young people at social risk leveraging the "learning by doing" methodology, which promotes self-discovery of psychosocial, academic and technical attitudes and "aptitudes in their dimensions", such as the internalisation of Christian, humanistic and transcendent values and principles that allow participants to realise themselves as people.

The institute guarantees academic preparation, without neglecting the technical aspects that have always been the organisation's strong suit. It currently welcomes around 500 young people aged 12 and over.

In 2023, Gualapack Costa Rica supported Ciudad de los Niños with a financial donation for the purchase of tools for the laboratories where young people acquire the technical skills required for the specialty in which they are training.



6.2 SUSTAINABLE PROCUREMENT

Lasting sustainable development implies a transformation of company operations that encompasses the entire value chain. Addressing the challenges within the upstream supply chain, a responsible procurement approach has an important role in shaping ESG impact, as environmental and social matters extend beyond company borders.

At Gualapack, supplier evaluation criteria include corporate image, service level, quality level and cost effectiveness; starting from 2020, these aspects are

also complemented by a sustainability assessment for global suppliers and for direct suppliers to plants in the EMEA region.

This process supports supplier selection and a better understanding of the impact of the overall supply chain, determining how natural and human resources are employed at every step. Environmental, social and economic aspects require specific attention in the context of procurement.

6.2.1 Environmental aspects

Today, environmental challenges are more relevant than ever. At Gualapack, we have identified certain supplies as critical for their potential environmental impact, due either to their characteristics or to the production process they entail. This applies to materials like aluminium and plastics, goods such as cylinders for printing, and activities like those requiring inks and solvents, which imply significant waste management efforts. We periodically carry out mapping observations to identify potential risks in related suppliers, and require specific certifications and periodically check their validity. Based on the analysis of potential risks, we draw up our multi-year audit plan.

The procurement team works closely with other areas in the company to foster environmental sustainability through the promotion of internal initiatives. Collaborating with the R&D and technology development departments, we constantly monitor and research new technologies and solutions that can provide a turning point towards a lower footprint - for example in manufacturing or in waste recovery. Furthermore, external partners are selected according to their capability to offer solutions in the framework of medium- to long-term collaborations, looking for stable value creation in areas like energy generation and saving, which can actively contribute to internal projects for the improvement of our environmental sustainability.

6.2.2 Social aspects

Working closely with suppliers, Gualapack pays attention not only to its environmental footprint but also to its social impact. All our suppliers are required to comply with our Code of Ethics and subjected to validations through audits, with priorities set depending on our risk mapping. Moreover, we also check suppliers' own codes of ethics, when available, to ensure that they align with Gualapack's values.

We associate increasing importance to standards such as Ecovadis or Sedex, which provide cross-industry specifications and allow us to assess partners speaking a common language. To achieve ambitious sustainability goals, it is essential to set high standards for suppliers' performance. Therefore, we monitor specific safety KPIs during the procurement phase - just as we do with our own plants. Safety procedures and accident indicators are checked, performing safety audits that ensure their validity.

During 2023, of all the audits carried out with our suppliers, 5 focused on sustainability issues, relating to health and safety, environmental management and ethical issues. These field activities can be carried out in a dedicated form, making use of the technical support of our specialists on these issues, or can be combined with activities in which our experts carry out assessments related to other crucially important issues to guarantee food safety and quality of the production process.

The geographical location of suppliers' production plants can also be identified as a potential risk factor: when necessary, the fact that an organisation is located in a potentially risky area is taken into consideration in the definition of its audit plan. As regards social sustainability, Gualapack takes into account suppliers' commitment towards the

development of social initiatives that positively impact the local community, measuring the results of their efforts in redistributing the value they create.

5 suppliers audited

on sustainability matters

6.2.3 Economic aspects

We require suppliers' financial management to be sufficiently balanced to allow the company's investments and development. We examine their financial statements periodically, as they become available. Looking at financial indicators over time - alongside our analysis of the information emerging from the market, which offers real-time indications on business trends - we carefully evaluate suppliers' financial management and strive to ensure supply continuity.



6.3 ASSOCIATIONS, MEMBERSHIPS and EXTERNAL ASSESSMENTS

Collaboration and shared commitment with partners and associations in our sector help us identify and manage common risks and foresee opportunities and changes taking place. Playing an active role in various initiatives offers us opportunities to keep up with the most current developments in the production of plastic packaging according to sustainability requirements. In addition, it allows us to monitor developments in the guidelines for ecodesign, with a view to recyclability or compostability. Thus, representatives of ours support the debate and activities arising from the following initiatives.

Ceflex

<https://ceflex.eu>

The Circular Economy for Flexible Packaging (CEFLEX) initiative is a collaboration of over 180 European companies, associations and organisations representing the entire value chain of flexible packaging.

Project stakeholders include raw material producers (plastics, paper and aluminium foil), ink, coating and adhesive suppliers, film producers and flexible



packaging converters, brand owners, waste management companies, recyclers, extended producer responsibility organisations and technology suppliers.

CEFLEX's goal is to work together to make all flexible packaging in Europe circular, targeting an established collection, sorting and reprocessing infrastructure and economy for post-consumer flexible packaging.

FPE

<https://www.flexpack-europe.org/>

Flexible Packaging Europe (FPE) is the European industry association representing the interests of more than 85 SMEs and multinational manufacturers. Members account for almost 90% of European sales of flexible packaging - including plastics, aluminium, and paper.

The main objective of FPE is to promote the flexible packaging industry and to represent the interests



of the sector at the highest levels in Europe. The association is proactively involved in providing clear, relevant information to the authorities about the European flexible packaging industry, to help facilitate legislation that is both realistic and manageable. FPE also helps to provide clear and factual information about the industry to help address concerns and issues around flexible packaging.

RecyClass

<https://recyclass.eu/>

RecyClass is a non-profit cross-sector initiative, promoted by the association of European recyclers, which fosters the circularity of plastics mainly at a European level.

One way it pursues its goals is by developing scientific test methodologies designed to evaluate the recyclability of plastic materials. The results are subsequently



incorporated into recyclability guidelines and into a recyclability self-assessment tool available online.

Gualapack is a Platinum Member of RecyClass and supports its working groups by contributing to the definition of guidelines and by analysing its product portfolio, taking into account ecodesign principles and guidelines.

Giflex

<https://giflex.it/e/>

Established in 1985, Giflex is the Italian national association of manufacturers of flexible packaging for food, pharmaceutical and chemical products and other industrial applications.

It currently represents 96 Italian and multinational companies with factories in Italy: 40 that produce printed flexible packaging (and which overall represent around 80% of the sector in Italy) and 56 that supply



raw materials, converting machines, accessories and services for the flexible packaging industry.

Giflex's goal is to champion the values of the flexible packaging industry, which over the years has proved its will to constantly listen to the needs of clients and consumers, for example by developing numerous innovations in line with the circular economy and ecological transition.

Ucima

<https://www.ucima.it>

The Unione Costruttori Italiani Macchine Automatiche per il Confezionamento e l'Imballaggio (UCIMA) is the Italian trade association that brings together, represents and assists national manufacturers of packaging machines - currently representing some 200 companies among the most important in the sector.



The association establishes relations with various institutions, as a privileged interlocutor for the national and international promotion of the quality and value of Italian technology, and provides services and consultancy to companies in support of the ecosystem's continuous progress.

Recoup

<https://www.recoup.org>

RECOUN is a non-profit and leading authority providing expertise and guidance across the plastics recycling value chain. Built on a network of valued members, it has collaboration as a central value in

all its activities. The organisation is committed to securing sustainable, circular and practical solutions for plastic resources both in the United Kingdom and worldwide.



FPA

<https://www.flexpack.org>

The Flexible Packaging Association (FPA) is the American association of flexible packaging manufacturers and material or equipment suppliers to the industry. Established in 1951, its members include small, medium



and large converters and suppliers representing 70% of the flexible packaging industry in the United States - making FPA the leading advocate and voice for the country's flexible packaging industry.

Rede pela circularidade do plastic

<https://www.redeplastico.com.br/>

Created in April 2018, the Rede pela circularidade do plastic (Network for the Circularity of Plastic) is the first - and largest - Brazilian initiative for the application of the circular economy to plastics, engaging the



whole value chain of plastic packaging and bringing with it connections, discussions, constant search for innovation, partnership and widespread participation in favour of a common objective: circularity.

ABRE

<https://www.abre.org.br>

Founded in 1967 and currently encompassing over 200 companies, ABRE is the Brazilian packaging association. Its goal is to be a reference in the country's packaging ecosystem and to favour connections



between the different stakeholders that belong to it. The association focuses on sustainable development and is driven by knowledge sharing and appreciation of national packaging and industry professionals.

Aciplast

<https://aciplast.org>

The Asociación Cámara Costarricense de la Industria del Plástico (ACIPLAST) was established in 1983 as a non-profit private organisation that represents the industrial sector of plastics of Costa Rica, with the crucial goal of supporting, promoting and defending the rights of its companies. The organisation is oriented



towards the search for continuous improvement and strengthening of the competitive position of businesses in the plastics industry. Furthermore, it represents them with governmental bodies to coordinate major national issues related to the sector.

AED

<https://www.aedcr.com>

The Business Alliance for Development (AED) is a non-profit organisation that supports the sustainability and competitiveness of Costa Rican companies, through the promotion of responsible and sustainable business models. AED guides the productive sector to consider sustainability principles as part of management, reducing negative



impacts and maximising positive ones on society, the environment and the economy. It is made up of over 110 companies that work with civil society and the State through public-private alliances under a comprehensive impact approach, to acquire greater competitive edge and contribute to the development of the country.



Cenem

<https://cenem.cl>

The Centro de Envases y Embalajes de Chile (CENEM) is a technical, private, non-profit organisation founded in 1991. In Chile, it is the only technical initiative that brings together players of the packaging industry and of its value chain: over 115 companies that



work collaboratively with institutions, academia and government bodies. CENEM's mission is to foster strategic partnerships to face challenges and opportunities connected with the circular economy.

Canacindra

<https://canacindra.org.mx/camara/>

The Cámara Nacional de la Industria de Transformación (CANACINTRA) is the organization that represents the industrial sector of Mexico. Its objective is to promote the competitiveness and



productivity of member companies, supporting them to remain constantly updated and become socially responsible innovative agents.

Furthermore, we actively participate in various independent assessments to ensure we meet stringent requirements on environmental, social and governance issues, recognising our strengths and also identifying areas for improvement on which we can focus additional analyses and actions. The initiatives in which we take part also serve to prove our commitment to these issues to our clients.

EcoVadis

<https://ecovadis.com>

Founded in 2007, EcoVadis today is one of the largest platforms for assessing corporate sustainability. Tens of thousands of companies partner with EcoVadis to collaborate on sustainability with a common platform, universal scorecard, benchmarks and performance improvement tools. Its method is based on the



analysis of four main areas: ethics, labour and human rights, environment, and sustainable procurement. In 2023, we confirmed our EcoVadis bronze medal, which places us among the best companies recognised for their commitment to environmental and social sustainability.

SMETA

<https://www.sedex.com/>

One of the most popular social audits in the world (with over 74,000 companies assessed), SMETA (Sedex Members Ethical Trade Audit) supports businesses in assessing working conditions along their supply chain. The careful analysis of the production site focuses in particular on health, safety and human rights.



In addition to completing dedicated questionnaires, the assessment also entails third-party audit activities at our sites. We use this evaluation tool to transparently and impartially prove to interested clients what our position is on social issues and respect for workers' conditions.

OUR PLANTS' ENVIRONMENTAL PERFORMANCE



7.1 RESPONSIBLE OPERATIONS

Within its corporate policy and vision, Gualapack has given top priority to actions for environmental protection, recognising that today it is more vital than ever to take care of the planet we live in, safeguarding and preserving resources that we know are not infinite. Over the last few years, there have been increasingly frequent episodes of extreme climate, unusual increases in average temperatures, prolonged periods of drought alternating with sudden and violent storms. The scientific community and international institutions widely agree in identifying the use of fossil fuels that generate greenhouse gases as a cause of these natural events, which expose the fragility of the ecosystem and of humankind itself and, in many cases, have already led to serious consequences.

For Gualapack, therefore, it has become essential not only to comply with mandatory environmental rules, but also to adopt appropriate management systems in the Group's production sites - many of which are already certified according to the ISO 14001 and ISO 50001 international standards. These systems are also useful tools to increase the awareness and engagement of all personnel, to determine everyone's roles and responsibilities, and to promote and disseminate the culture of environmental protection. This latter aspect has required careful information, training and awareness-raising initiatives aimed at

all Gualapack collaborators, from internal resources to suppliers and employees of other companies that operate, continuously or occasionally, at our production sites.

We have chosen clear and concrete indicators to monitor the progress of the actions we implemented over time, and to trace the effectiveness and efficiency of our processes in various phases and conditions. Last but not least, it is important to underline how we subject plants, infrastructures and equipment to continuous updates, while also constantly studying new technologies to minimise environmental impacts.

Environmental protection, as a pillar of sustainability, translates into actions aimed at reducing the impact of our products and of our production processes. The main indicators that we monitor for this purpose are presented below, and reflect the performances of our various plants around the world, summarised and normalised over total production volumes. Where indicators have worsened or, in any case, have not reached the objectives we had set forth, appropriate and effective corrective actions have been implemented.

In 2022, we began collecting data in a capillary way for further indicators, which are presented in detail in the appendix to this Report, under the "Environmental Indicators" section.

Defining our long-term climate strategy

In early 2024, we signed our commitment to the Science Based Targets initiative (SBTi) as part of our sustainability efforts.

SBTi provides a clearly-defined pathway for companies to reduce greenhouse gas emissions, helping prevent the worst impacts of climate change and future-proof business growth.

Targets are considered "science-based" if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to 1.5 °C above pre-industrial levels.

We acknowledge that the private sector must play a crucial role in reducing greenhouse gas emissions and fighting climate change, and we are working to develop and integrate our climate strategy into the Group's business strategy.

Once finalised and approved by the SBTi initiative, we will communicate our carbon reduction roadmap to limit emissions from our own operations as well as indirect emissions from upstream and downstream activities (including suppliers, logistics, product end-of-life and so on).

7.1.1 CO₂ emissions

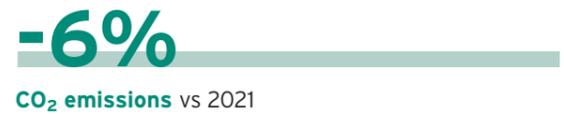
Climate change represents one of the most urgent challenges of our times, and is closely linked to the emission of greenhouse gases. For this reason, Gualapack has set for itself the goal of significantly reducing the emissions associated with its manufacturing activities through an increasingly better and more rational use of the energy coming into the various sites.

The index monitored in this case considers scope 1 and scope 2 emissions, connected to the consumption of methane and LPG, diesel and petrol for transport, and electricity purchased from the grid. The calculation of the CO₂ equivalent emitted is determined by specific emission factors for the various regions where the production sites are located. The KPI compares the metric tons of CO₂ emitted to total production volumes.

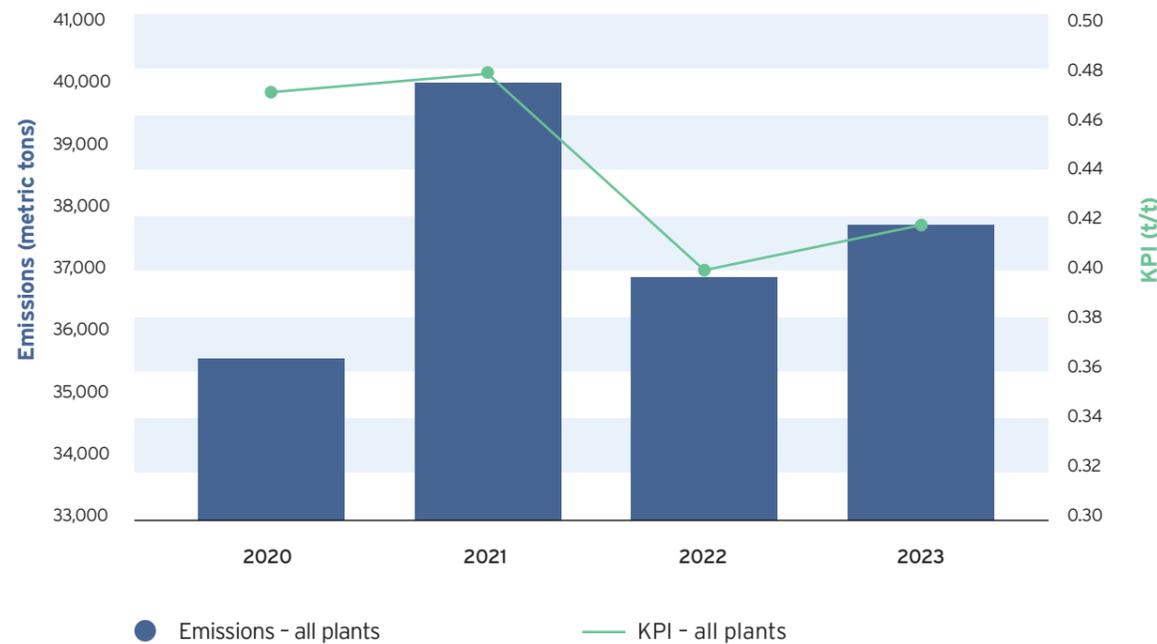
During 2023, total emissions amounted to 37,520 metric tons of CO₂, up 1.9% compared to 2022, while the normalised indicator recorded a significant 2.8% increase.

Overall, these results are still positive when compared to previous years because both values - absolute and normalised - represent a clear improvement against 2021, at -6% and -14% respectively.

These results were achieved mainly thanks to energy-saving activities, driven by the growing number of plants implementing energy management systems, some of which are certified according to UNI ISO 50001.



CO₂ emissions



7.1.2 Electricity consumption

Electricity is the main energy vector consumed for production purposes in the various Gualapack sites around the world. We carry out capillary monitoring of consumption for all the main industrial activities (production lines), auxiliary services (thermal plants, compressor plants, solvent recovery) and general services (lighting, air conditioning, offices and laboratories).

In 2023, we recorded a significant decrease in consumption both in absolute terms and in the associated indicator, as highlighted in the chart. The overall annual total of new acquisitions was 75,461 MWh, marking a 4.7% reduction compared to the previous year. The performance linked to production volumes maintained the positive trend of recent years and recorded a 3.8% decrease, settling at 0.83 MWh/t.

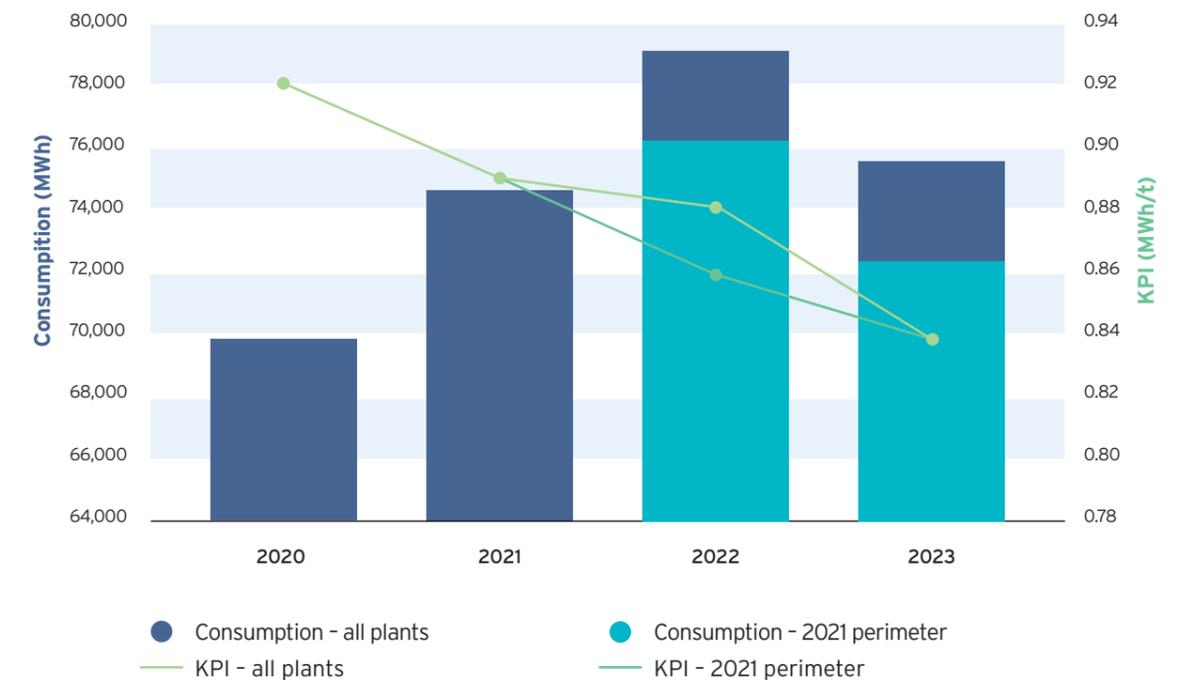
The indicator used is the ratio between the total electricity consumed and the total production volumes at the various sites. It is a parameter

for which various improvement activities can be implemented, both technical (increasing efficiency, for example by adopting inverters or replacing old systems with higher-efficiency alternatives) and behavioural in nature (related to habits, research, and reporting of any waste).

In 2023, indeed, various initiatives were promoted to raise awareness and engage all personnel across the organisation in limiting consumption, both in offices and in production areas, by disseminating information sheets, launching campaigns through the online intranet, and offering training and information initiatives.



Electricity consumption





7.1.3 Fuel consumption

Methane represents the main energy vector if we consider all our operations. Some sites use LPG as fuel.

Methane is used to generate thermal energy (both for heating and for the production process) and to produce electricity in the Piacenza cogeneration plant: over 75% of our total methane consumption is used in the latter activity, which guarantees a combined production of electrical and thermal energy (steam) with very high overall efficiency.

calculated as the ratio between the energy associated with the two fuels considered (methane and LPG) and total production volumes - recorded a value of 1.17 MWh/t, with a 6.8% increase as highlighted in the chart. Both values, absolute and normalised, still represent an obvious improvement compared to previous years, at -19% and -25% respectively compared to 2021.

In 2023, we recorded a sharp increase in overall consumption and in the related indicator: the first settled at 106,550 MWh, up 5.8%, while the KPI -



Share of renewable electric energy

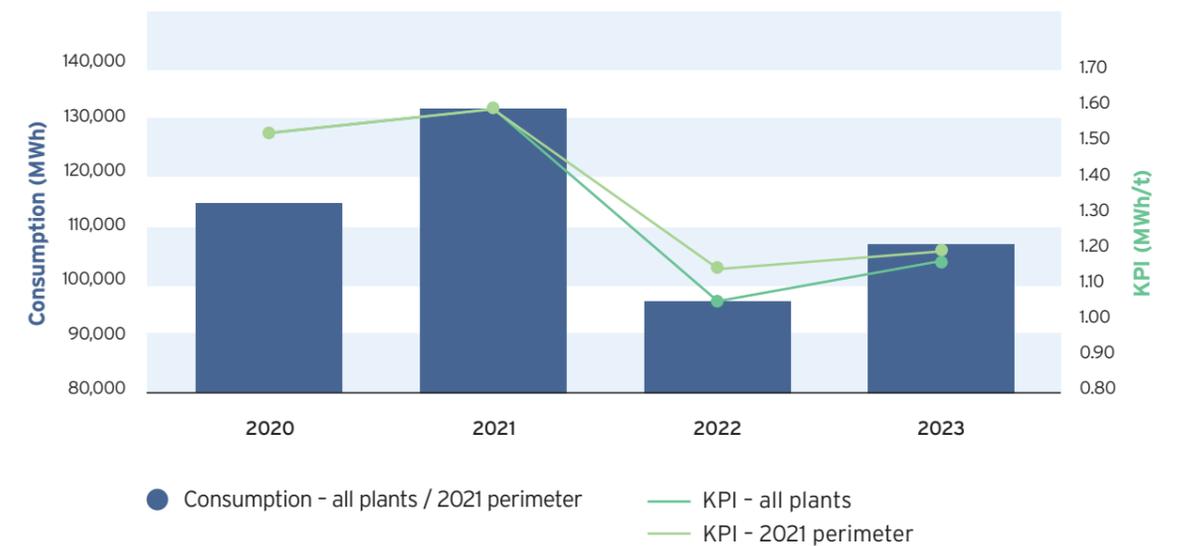
In line with previous years, in 2023 approximately 3% of the electricity consumed by our plants worldwide was produced from renewable sources. This includes the photovoltaic parks installed in Italy, at the Alessandria and Piacenza sites, and in Costa Rica. The Alessandria site has reached no less than a 13% share of renewables in its total electricity consumption.

energy for around 3.5 MW, it is sufficient to cover the site's energy needs and ensure a cut in greenhouse gas emissions equal to about 15% compared to conventional solutions.

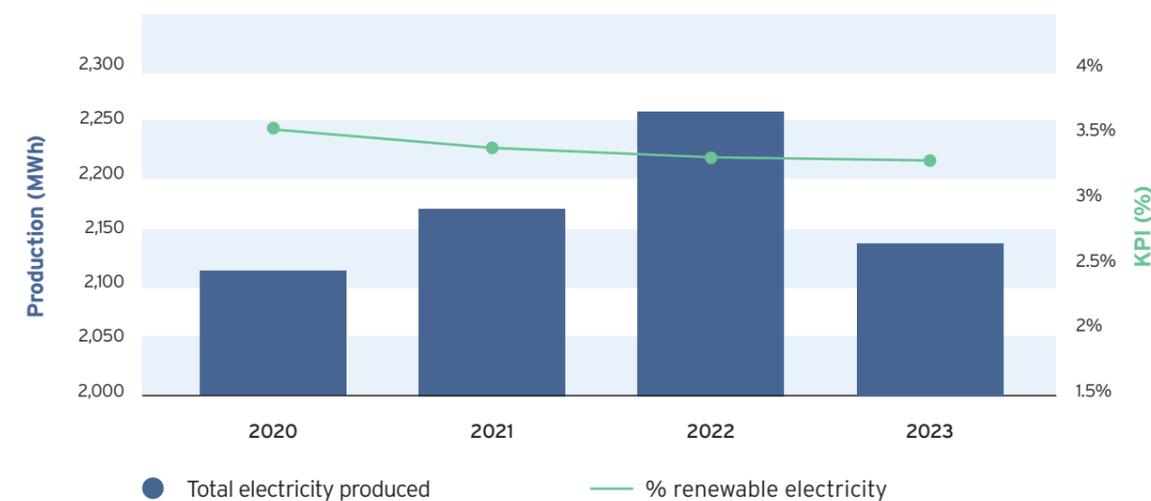


It is also worth mentioning the cogeneration plant installed in Piacenza: with an electrical power of 7.2 MW and the simultaneous production of thermal

Methane-LPG



Electricity from renewables sources



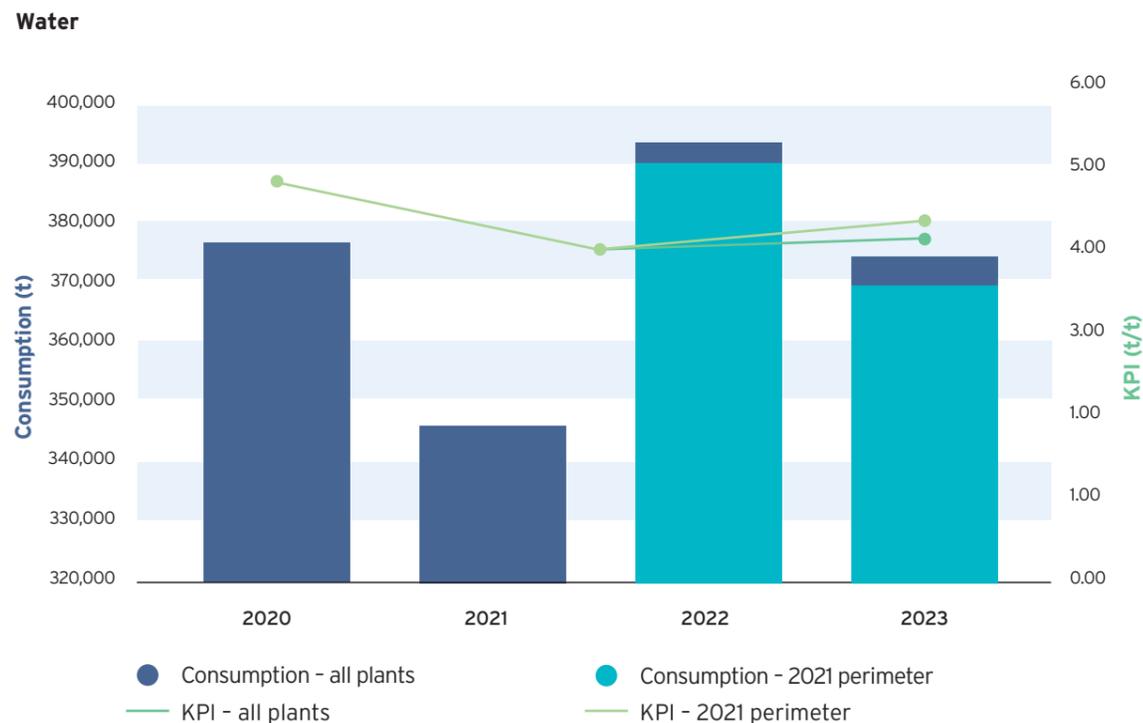
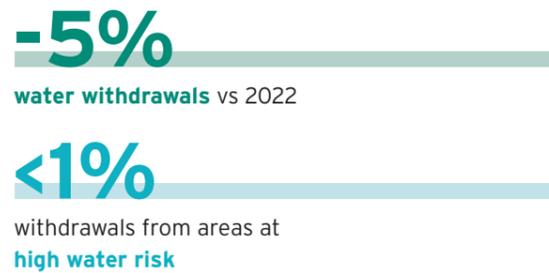
7.1.4 Water withdrawals

Responsible water management is one of Gualapack's most important commitments in the field of sustainability, especially considering the increasingly frequent periods of drought and lack of rainfall in some geographical areas. Our approach is aimed at minimising withdrawals, managing the quality of discharges, and promoting the awareness of all our collaborators in safeguarding this resource also through virtuous behaviours that reduce waste.

The greatest consumption in this case is linked to cooling systems such as evaporative towers, the production of steam (thermal energy) and sanitary and domestic equipment. The Piacenza site, located in an area that does not present particular vulnerabilities in terms of water, is the plant that consumes the most water, used primarily for cooling and then returned to the environment without significantly altering its quality.

In 2023, total water withdrawals decreased by over 5% in absolute terms, down to 373,639 m³.

Thanks to awareness-raising activities, the normalised index - calculated as the ratio between water withdrawal and total production volumes - also settled at 4.10 t/t with a decrease of over 4% compared to the previous year. We examined our assets and operations to identify real and potential water risks in our operations, drawing on the methodology and tools provided by Aqueduct, a World Resources Institute project. Less than 1% of water withdrawals occur in areas considered to be at high water risk.

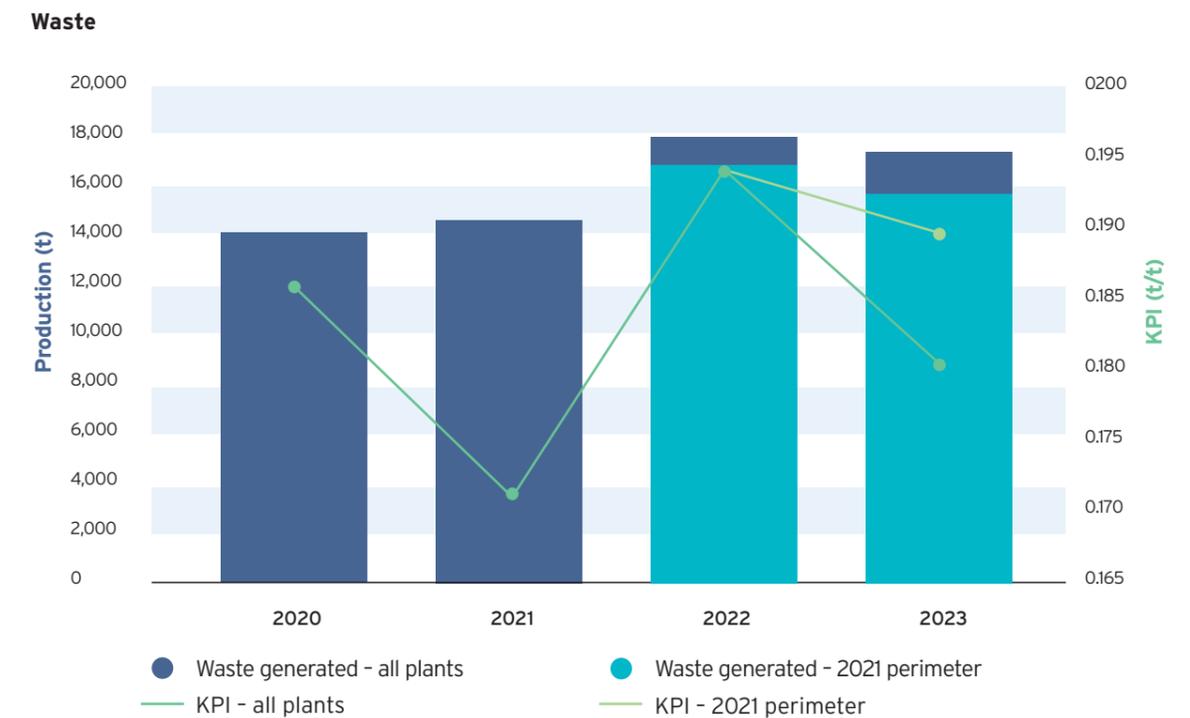


7.1.5 Waste management

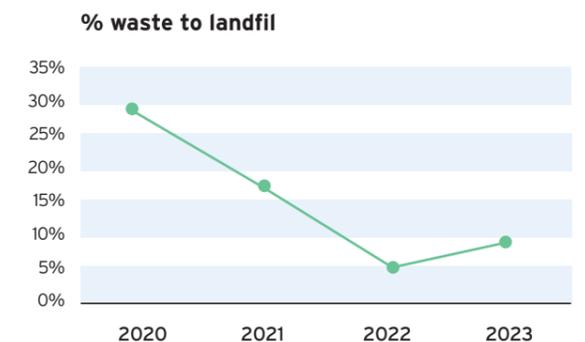
Across all sites, the generation of waste - special, almost entirely non-hazardous waste - is subject to careful management and continuous monitoring. The total waste generated in 2023 by our plants around the world totalled 17,268 metric tons, with a significant -3.2% decrease compared to 2022. The normalised index is calculated as the ratio between the amount of waste generated and the total production volumes, and also recorded a remarkable improvement of -2.3% at the global level.

At our sites, waste is suitably differentiated at the origin so as to facilitate recovery operations. 77% of the waste generated is recycled or destined to reuse.

At the moment, our commitment is mainly focused on limiting waste during start-ups, reducing both the time and the materials required, and on optimising order sequence programmes.



At the same time, Gualapack continues to commit to the progressive reduction of the amount of waste destined to the landfill, favouring recovery, recycling and finally waste-to-energy processing through appropriate sorting. In this case, the index considered is the ratio between waste in landfills and total waste produced; in 2023, it significantly deteriorated compared to 2022, reaching 9%, yet remained much lower than previous years.



7.1.6 Certifications overview per plant

Plant	Country	ISO 9001 Quality management	ISO 14001 Environmental management	ISO 45001 Health & Safety management	ISO 50001 Energy management	BRC PACKAGING Food Hygiene management	FSC Certified forest products	SEDEX SMETA Responsible supply standard	ISCC Chain of custody for plastic materials
Alessandria	Italy	●	●	●	●	●	Not applicable	●	●
Piacenza	Italy	●	●	●	●	●	●	●	●
Carmagnola	Italy	●		●		Not applicable	Not applicable	●	Not applicable
Acqui Terme	Italy	●					Not applicable		
		Other: ISO15378, ISO22000							
						●			●
Modena (Easysnap)	Italy	Other: • IFS Food - International Featured Standard, Food • ISO 13485 - Quality management systems for medical devices • UNI EN ISO 22716 - Cosmetics: Guidelines on Good Manufacturing Practices • ICEA EMILIA ROMAGNA - Organic packaging for food and cosmetic products in single doses • CSQA • HALAL							
Iperó	Brazil	●	●	●		●	Not applicable	●	
Jaguariúna	Brazil	●				●		●	
Ouro Fino	Brazil	●							
Santiago	Chile	●				●	Not applicable		
Cartago	Costa Rica	●	●	●	●	●	Not applicable		
Tehuacán	Mexico	●	●	●			●	●	
		Other: FSSC 22000 v5.1 (Food Safety System Certification)							
Nadab Pouches	Romania	●	●	●	●	●	Not applicable	●	
Nadab Laminates	Romania	●	●	●	●	●		●	
Sumy	Ukraine	●	●	●	●	●	Not applicable	●	

The plant in Minsk, Belarus was not operational in 2023.

7.2 OUR OPERATIONS

ITALY • ALESSANDRIA

Gualapack's headquarters was founded in 1986, and manufactures pre-made, stand-up pouches and complete packaging solutions including everything from product co-design to injection moulding of caps and spouts, from container assembly to filling lines.



-  **Country:** Italy
-  **Plant size:** 40,000 m²
-  **Year of establishment:** 1986
(new site built in 2002 located in Castellazzo Bormida (AL))
-  **Products:**
Injection moulded spouts and caps, pre-made pouches
-  **Certifications:**
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, ISCC Plus, SEDEX SMETA 4-pillars

ITALY • CARMAGNOLA

Founded in the 1980s under the name Techpack, it later became Flextech, was acquired in 1993, and was merged and incorporated in Gualapack as its Machinery Division in October 2015. Filling lines for pre-made flexible packaging and some types of machines for the production of flexible packaging in Gualapack's factories are designed, assembled and installed at this site.



-  **Country:** Italy
-  **Plant size:** 5,000 m²
-  **Year of establishment:** 1986
(purchased in 1993)
-  **Products:**
Filling lines, machines for spout applications
-  **Certifications:**
ISO 9001:2015, ISO 45001:2018, SEDEX SMETA 4-pillars

ITALY • PIACENZA

Founded in 1925 under the name SAFTA and purchased by Gualapack in 2002, the plant manufactures multi-ply flexible laminates using rotogravure printing processes (including internal production of the graphics artwork and cylinder engraving), PE and PP blown film extrusion and lamination using adhesives or extruded PE, as well as slitting. In addition, it carries out applied research.



-  **Country:** Italy
-  **Plant size:** 84,000 m²
-  **Year of establishment:** 1925
(purchased in 2002)
-  **Products:**
PE blown film extrusion, graphics and cylinder engraving, rotogravure printing, lamination, slittings
-  **Certifications:**
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, ISCC Plus, FSC® Chain-of-Custody, SEDEX SMETA 4-pillars



ITALY • ACQUI TERME

Gualapack Pharma srl started in 2023, stemming from the rental of Print and Packaging Farma srl, founded in 2015. The company is located in Acqui Terme, and specialises in digital printing on aluminium and on the cutting of strip rolls for the production of primary packaging intended mainly for pharmaceutical and nutraceutical products.

The birth and aggregation of Gualapack Pharma to the Group has a strategic value, bringing a new and broad extension of the range of products and services offered to the pharmaceutical sector.



-  **Country:** Italy
-  **Plant size:** 2,100 m²
-  **Year of establishment:** 2023
-  **Products:** Digital printing on thin aluminium and strip roll cutting
-  **Certifications:** ISO 9001, ISO 15378, ISO 22000

ITALY • MODENA

Easysnap Technology, founded in 2002, created Easysnap®, a single-dose packaging with a patented opening system. Easysnap® is made with automated machines designed and developed by Easysnap Technology.

The company includes two main business areas:

- Easysnap Technology Srl: focused on designing and engineering custom projects based on the research and development of new technologies, mechanical solutions, and plastic and paper materials;
- Easysnap Co-packing Srl: offering a complete co-packing service for third-party clients for any kind of liquid product, divided into two separate business units catering to the food and to the beauty & pharma markets.



-  **Country:** Italy
-  **Plant size:** 875 m²
-  **Year of establishment:** 2002 (acquired in 2021)
-  **Products:** Design and assembly of packaging machines, packaging services for third parties
-  **Certifications:** BRC Global Standard for Packaging and Packaging materials - Issue 6, ISCC Plus, IFS Food - International Featured Standard Food, ISO 13485 - Quality management systems for medical devices, UNI EN ISO 22716 - Cosmetics: Guidelines on Good Manufacturing Practices, ICEA EMILIA ROMAGNA - Organic packaging for food and cosmetic products in single doses, CSQA, HALAL

BRAZIL • IPERÒ

Formerly Tradbor, the company was founded in 1994 and bought by Gualapack in 2015 under the name Gualapack Brasil. This site manufactures pre-made flexible packaging.



-  **Country:** Brazil
-  **Plant size:** 11,000 m²
-  **Year of establishment:** 1994 (purchased in 2015)
-  **Products:** Pre-made pouches, injection moulding
-  **Certifications:** ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, SEDEX SMETA 4-pillars

BRAZIL • JAGUARIÚNA

In 2021, Gualapack strengthened its presence in Brazil in line with the strategic plan defined in 2020, by acquiring Teruel. The Brazilian company was founded in 1969 and was well established in the domestic market in the field of laminates and packaging, with two production facilities in Ouro Fino (Minas Gerais) and Jaguariúna. The high-quality flexible packaging products it offers span from the food sector to personal care and home care applications.

Teruel, with its complementary technologies and product portfolio, allows Gualapack to offer a wider range of innovative solutions as well as a presence in the local territory, strengthening the production capability of pre-made pouches already available in Iperó.



-  **Country:** Brazil
-  **Plant size:** 30,000 m²
-  **Year of establishment:** 1969 (acquired in 2021)
-  **Products:** Printing and lamination (plastic, paper and aluminum foil) for flexible packaging applications, barrier papers, heat sealable resin applications in register or full coating on papers and plastics films for soap wrappers, easy open wrappers for paper ream of printing and writing
-  **Certifications:** ISO 9001:2015, BRC Global Standard for Packaging and Packaging materials - Issue 6, SEDEX SMETA 4-pillars

BRAZIL • OURO FINO

This is the second production facility of Gualapack Teruel, a company founded in 1969 and joining the group in 2021. It is located in Ouro Fino (Minas Gerais) and produces high-quality flexible packaging for a wide range of food and non-food products.



-  **Country:** Brazil
-  **Plant size:** 20,000 m²
-  **Year of establishment:** 1969 (acquired in 2021)
-  **Products:** Flat die extrusion, laminating of different substracts for flexible packaging applications, heat sealable resin application in register or full coating on papers and plastics films for soap wrappers
-  **Certifications:** ISO 9001:2015

COSTA RICA • CARTAGO

Gualapack Costa Rica manufactures pre-made flexible packaging of the same type and intended use as Gualapack's. The Group's first site in South America, it was founded in 2012 with the goal of establishing a strategic presence closer to local clients and markets.



-  **Country:** Costa Rica
-  **Plant size:** 9,800 m²
-  **Year of establishment:** 2012
-  **Products:** Pre-made pouches, injection moulding, profile extrusion, filling lines
-  **Certifications:** ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6

CHILE • SANTIAGO

Founded in 2017, Gualapack Chile was born out of the need to have a closer relationship with our main clients in Latin America. This additional presence in the continent allows us to reduce delivery time, more efficiently meet demand, strengthen our product's standing in the country, and collaborate in a more synergic way to grow business.



-  **Country:** Chile
-  **Plant size:** 3,000 m²
-  **Year of establishment:** 2017
-  **Products:** Pre-made pouches, injection moulding
-  **Certifications:** ISO 9001:2015, BRC Global Standard for Packaging and Packaging materials - Issue 6

MEXICO • TEHUACÁN

EXCEL NOBLEZA was founded in 1985 in Tepanco de López, Puebla, and joined Gualapack in 2017. Its products include multi-ply laminates printed via flexography, pre-made stand-up pouches, overwrapping and labels. Since the beginning, its main goal has been to make flexible packaging solutions for its clients' products, always with a special interest for innovation.



-  **Country:** Mexico
-  **Plant size:** 28,000 m²
-  **Year of establishment:** 1985 (purchased in 2017)
-  **Products:** Pre-made pouches, injection moulding, laminates, labels, shrink film, laminate pouches and high-barrier films
-  **Certifications:** ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, FSC® Chain-of-Custody, SEDEX SMETA 4-pillars, FSSC 22000 v5.1 (Food Safety System Certification)

ROMANIA • NADAB - Pouches

The Gualapack Nadab Pouches plant in Chişineu-Criş, Romania, was founded in 2010 as a backup production site for the plant in Alessandria, Italy, to meet growing market demand and provide clients with better continuity of service.

The factory manufactures pre-made flexible pouches and plastic profiles made via extrusion process, required to pack the pre-made pouches produced.



-  **Country:** Romania
-  **Plant size:** 26,000 m²
-  **Year of establishment:** 2010
-  **Products:**
Pre-made pouches, profile extrusion
-  **Certifications:**
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, SEDEX SMETA 4-pillars

UKRAINE • SUMY

Gualapack Ukraine, located in Sumy, was founded in 2014. In 2017, a new plant was inaugurated: the first integrated site to manage both the manufacture and processing of laminates and the production processes for flexible packaging and spout-and-cap closure systems. Since 2023, Gualapack Ukraine has a back-up plant in Ternopil, Ukraine.



-  **Country:** Ukraine
-  **Plant size:** 13,000 m²
-  **Year of establishment:** 2014
-  **Products:**
Pre-made pouches, multi-ply laminates, injection moulding
-  **Certifications:**
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, SEDEX SMETA 4-pillars

ROMANIA • NADAB - Laminates

The Nadab Laminates plant was inaugurated in 2019. It manufactures multi-ply laminates destined to conversion into pouches at the Nadab Pouches plant next door. Its layout was designed to optimise flows and minimise the movement of materials.

The Group opted for production lines of the same standard as the models already adopted in the plants located in Piacenza, Italy and Sumy, Ukraine, to guarantee maximum production flexibility and a cohesive quality standard.



-  **Country:** Romania
-  **Plant size:** 37,000 m²
-  **Year of establishment:** 2019
-  **Products:**
Rotogravure printing, lamination, slitting
-  **Certifications:**
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, BRC Global Standard for Packaging and Packaging materials - Issue 6, SEDEX SMETA 4-pillars

USA • DALLAS/FORT WORTH

Polymerall Flexible Packaging was founded in 2011 and joined the Gualapack Group as a subsidiary of EXCEL NOBLEZA in 2021.

Based in Dallas/Fort Worth metro Polymerall is the sales and distribution arm for Gualapack North America specialized in custom printed laminated films, bags and pouches for virtually any type of application: from food to industrial products.

Polymerall strengthens the group's local presence in the United States, connecting the plant in Puebla, Mexico, to the distribution centre in Dallas-Worth through a cross dock operation in Laredo.



-  **Country:** USA
-  **Plant size:** 1,900 m² (20,000square feet)
-  **Year of establishment:** 2011 (acquired in 2021)
-  **Products/Services:**
Distribution centre for various flexible packaging solutions (films, pouches) and spare parts for Gualapack filling lines
-  **Certifications:**
SQF UNDERWAY

The plant in Minsk, Belarus, founded in 2021, was not operational in 2023 due to the conflict in the area.

ADDITIONAL INFORMATION AND DATA

8.1 METODOLOGY AND SCOPE

This Sustainability Report, now in its 6th edition, is a voluntary document issued by the Group to present to our stakeholders the efforts and the results achieved during the year on environmental, social and governance related matters.

The 2023 edition of the Gualapack Sustainability Report was prepared according to the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), while also considering indications from the European Sustainability Reporting Standards. The information and the key performance indicators (KPIs) present the company's contribution to the global commitments toward a more sustainable planet in line with the United Nations' 2030 Agenda Sustainable Development Goals (UN SDGs).

Through the document, unless specified otherwise, the terms "we", "our", "us", the "Group" and the "company" refer to our global operations, including our fully consolidated subsidiaries. The Report is prepared on a consolidated basis with a scope of consolidation as for the financial statements without exclusions of any subsidiary, unless where considered not relevant due to the nature of the information collected and reported as described below.

Compared to 2022 and 2021, the 2023 edition includes information and data for the newly acquired company Guala Pack Pharma not part of the scope of consolidation in previous years.

During 2022, we were able to expand the boundary of our data collection process to cover more companies and manufacturing facilities compared to the past. Specifically, data were collected and reported for two plants in Brazil and one in Italy, acquired in 2021 and not included in the 2021 report.

Data related to employees, presented in Chapter 5 "Managing our Human Capital" and Chapter 8 "Additional information and data", include all Group employees worldwide considering headcount at the end of the reporting years. No significant fluctuations occur during the year. During 2023, we detected an inconsistency in our 2022 reporting process for employee related data. For this reason, 2022 data were revised, confirmed in their totals however presented within the 2023 report in an updated form in some of their break downs. The change represents less than 0.5% compared with data previously reported.

Data related to environmental impact, presented in Chapter 7 "Environmental performance of our plants" and Chapter 8 "Additional information and data",

exclude specific sites from the scope of reporting due to the immateriality in relation to the Group as a whole, as may be the case for newly-acquired entities, production activities that are not yet fully operational or operate for limited time during the year, or sites where impacts are not meaningful due to the size and characteristics of the activities carried out.

Normalised environmental performance indicators are presented in order to ensure data comparability from year to year and enable operational trends to be evaluated.

Indexes and KPIs were chosen on the basis of their representativeness, comparability over time and coherence with the reality they report. For this reason, as well as to allow their correct understanding, it was necessary to relate the main sustainability parameters we identified to an appropriate common denominator. Furthermore, it was necessary to harmonise the indicators between different production sites. Gualapack factories produce a wide range of products, including pouches, caps, spouts, filling machines and film. A criterion was therefore identified to appropriately harmonise the KPIs, in order to obtain homogeneous consolidated data, and the quantity of total output from the plants over time, expressed in metric tons, was adopted as the common denominator. Total output data is therefore obtained by adding the volumes of pouches, caps, spouts, laminates, polyethylene film (where the film extrusion process is present) and ethyl acetate (where the solvent recovery process is present) produced at each production site.

The Carmagnola, Italy site could not be included in the environmental KPI analysis, neither in terms of ratio between resource consumption and emissions nor in terms of finished product. Indeed, in this case production consists of filling systems and machines that cannot be quantified on the basis of weight (metric tons), and which therefore are dimensionally different from the outputs of the other plants. The same logic applies to certain operations performed by the Easysnap plant in Modena, Italy.

In analysing certain indicators, apparent peaks and discontinuities compared to previous years' trends may stand out. These exceptional values are related to specific situations, promptly interpreted and explained in the comments to the tables or KPI charts.

The common denominator expressed in metric tons of total output over time, although efficient in harmonising the sites' different outputs, is not always

the most effective numerical method to provide a fair picture of Gualapack's commitment to sustainability. For example, so-called "downgauging", while leading to clear benefits in terms of environmental impact, actually penalises the result of any KPI where weight is in the denominator. Another example is related to the often conflicting demands of reference markets: clients tend to order increasingly smaller production batches, while at the same time demanding a reduction in the environmental impact of products and processes. These two needs are obviously in conflict, as smaller batches inevitably lead to a loss of efficiency, caused by more frequent startups and by the high impact of setting up new processes. As regards this particular issue, Gualapack has focused its efforts for sustainability precisely on the optimisation of startup phases.

During 2022, we decided to update some of the methodologies and definitions applied in previous years, for example on how we consider energy production within our premises. These changes reflect the latest development in reporting best practices and standards, already mentioned above. To allow comparability of information with previous years, the same methodology applied for 2022 was applied retrospectively to data reported 2021. This required a restatement of information disclosed in previous reports for energy consumption and CO2 emissions. The same principles were applied to the selection of more updated conversion factors, both in terms of fuel combustion as well as for emissions from electricity purchased from the grid. No changes in methodologies or conversion factors were applied in 2023.

Sources of conversion factors and emission factors adopted include the IPCC 2006 Guidelines for National Greenhouse Gas Inventories and the resources available at the Our World in Data website (ourworldindata.org). Green House Gasses data are reported in CO2 equivalent as emission factors adopted accounts for impacts from other gasses such as CH4, N2O, HFCs, PFCs, SF6, and NF3.

All data presented in the Report refers to the International System of Units and may be subject to rounding. Conversions between different units were performed considering internationally recognised conversion factors. Employee details are reported in headcount as of year-end.

The document is prepared internally through the precious contribution of experts on the subject from all our global operations, and is overseen by Gualapack's Sustainability Committee. Despite our best efforts to ensure the accuracy of the information included, these are based on our state of knowledge at the time of publication with an inherent risk of errors. Should any error arise, we will amend the information in the next edition of the Report. We have not omitted on purpose significant information on impacts and have not exercised the right to withhold specific information corresponding to intellectual property, know-how or innovation results.

No upstream or downstream metrics were estimated using indirect sources.

The PDF version of this document is available for download on our website:

<http://www.gualapack.com>



8.2 PEOPLE INDICATORS

8.2.1 Characteristics of employees

Employees by gender

Gender	2023	2022
Male	1,840	1,795
Female	811	798
Other	0	0
Not reported	0	0
Total	2,651	2,593



Employees by country

Country	2023	2022
Italy	734	696
Romania	432	394
Ukraine	298	320
Brazil	285	267
Chile	92	93
Costa Rica	71	81
Mexico	697	728
Other countries	42	14
Total	2,651	2,593

Employees by employment contract and by gender

	2023					2022				
	Male	Female	Other	Not reported	Total	Male	Female	Other	Not reported	Total
Number of employees	1,840	811	0	0	2,651	1,795	798	0	0	2,593
Permanent employees	1,815	782	0	0	2,597	1,768	783	0	0	2,551
Temporary employees	25	29	0	0	54	27	15	0	0	42
Non-guaranteed hours	0	0	0	0	0	0	0	0	0	0
Full-time employees	1,828	772	0	0	2,600	1,788	771	0	0	2,559
Part-time employees	12	39	0	0	51	7	27	0	0	34

Employees by employment contract and by country

	Italy		Romania		Ukraine		Brazil	
	2023	2022	2023	2022	2023	2022	2023	2022
Number of employees	734	696	432	394	298	320	285	267
Permanent employees	726	691	432	394	298	320	282	267
Temporary employees	8	5	0	0	0	0	3	0
Non-guaranteed hours	0	0	0	0	0	0	0	0
Full-time employees	704	673	432	394	291	316	282	263
Part-time employees	30	23	0	0	7	4	3	4
	Chile		Costa Rica		Mexico		Other countries	
	2023	2022	2023	2022	2023	2022	2023	2022
Number of employees	92	93	71	81	697	728	42	14
Permanent employees	82	80	70	64	697	728	10	7
Temporary employees	10	13	1	17	0	0	32	7
Non-guaranteed hours	0	0	0	0	0	0	0	0
Full-time employees	92	93	71	81	697	728	31	11
Part-time employees	0	0	0	0	0	0	11	3

Total number of non-employees

Country	2023	2022
Italy	42	73
Romania	26	26
Ukraine	0	0
Brazil	3	14
Chile	10	40
Costa Rica	4	4
Mexico	0	0
Other countries	12	10
Total	97	167



Employee turnover

	2023	2022
Employees hired	867	668
Employees left	825	471
Turnover rate	32%	20%

8.2.3 Diversity and equal opportunities

Gender distribution in number and percentage at top management level

	Number	%
Male	13	93%
Female	1	7%
Total	14	

Number of employees by age and by category

Age group	2023				2022			
	Blue collar	White collar	Managers and above	Total	Blue collar	White collar	Managers and above	Total
<18 years old	0	0	0	0	0	0	0	0
18-29 years old	461	219	2	682	508	234	2	744
30-50 years old	934	470	107	1,511	895	437	109	1,441
>50 years old	244	175	39	458	227	142	39	408
Total	1,639	864	148	2,651	1,630	813	150	2,593

Number of employees by gender and by category

Gender	2023				2022			
	Blue collar	White collar	Managers and above	Total	Blue collar	White collar	Managers and above	Total
Male	1,284	451	105	1,840	1,273	412	110	1,796
Female	355	413	43	811	357	401	40	797
Total	1,639	864	148	2,651	1,630	813	150	2,593

People with disabilities by category

	2023				2022			
	Blue collar	White collar	Managers and above	Total	Blue collar	White collar	Managers and above	Total
Total	35	13	4	52	34	14	0	48

People with disabilities by gender

Gender	2023		2022	
	Number	%	Number	%
Male	37	2.0%	33	1.8%
Female	15	1.8%	15	1.9%
Total	52	2.0%	48	1.9%

New employees by age

Age group	2023	2022
<18 years old	0	0
18-29 years old	422	384
30-50 years old	393	249
>50 years old	52	35
Total	867	668



Employees who left by age

Age group	2023	2022
<18 years old	0	1
18-29 years old	441	213
30-50 years old	327	216
>50 years old	57	41
Total	825	471

New employees by gender

Gender	2023	2022
Male	575	417
Female	292	251
Total	867	668

Employees who left by gender

Gender	2023	2022
Male	542	309
Female	283	162
Total	825	471

8.2.4 Social dialogue

Employees covered by collective bargaining agreements and workers' representatives

Covered by	2023		2022	
	Number	%	Number	%
Collective bargaining agreements	2,468	93%	2,337	90%
Workers' representatives	2,470	93%	NA	

Employees covered by bargaining agreements and workers' representatives per country*

Coverage Rate	2023			2022		
	Collective Bargaining Coverage	Social dialogue		Collective Bargaining Coverage	Social dialogue	
0-19%	Employees - EEA (for countries with >50 empl. representing >10% total empl.)	Employees - Non-EEA (for countries with >50 empl. Representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)	Employees - EEA (for countries with >50 empl. representing >10% total empl.)	Employees - Non-EEA (for countries with >50 empl. Representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
20-39%						
40-59%						
60-79%						
80-100%	Italy; Romania	Ukraine; Brazil; Mexico	Italy; Romania	Italy; Romania	Ukraine; Brazil; Mexico	NA

*EEA: European Economic Area countries

Number of work stoppages

	2023	2022
Total	0	0

Social initiatives to support local communities

Country	2023	2022
Italy	7	4
Romania	14	11
Ukraine	24	24
Brazil	48	51
Chile	6	0
Costa Rica	5	5
Mexico	0	12
Other countries	2	0
Total	106	107

8.2.5 Discriminations

Incidents and complaints

	2023
Number of incidents of discrimination, including harassment	2
Number of complaints	3
Amount of fines, penalties, and compensation for damages	- €
Number of human rights incidents	0

8.2.6 Occupational health and safety

Health and safety performance

	2023		2022	
	Own Employees	Non - Employees	Own Employees	Non - Employees
Total numbers of hours worked	5,286,048	331,571	4,612,082	626,185
Number of fatalities as a result of work-related injuries	0	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0	0
Number of recordable work related injuries	48	5	42	4
Frequency rate of recordable work related injuries	9.08	15.08	9.11	6.39
Recordable work related ill health	1	0	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	1,063	76	814	42
Severity rate for days lost to work-related injuries and fatalities from work-related accidents	0.2	0.23	0.18	0.07
Employees in ISO 45001 certified plants	2,298		2,295	
Coverage versus total employees	87%		89%	



8.3 ENVIRONMENTAL INDICATORS

8.3.1 Energy consumption & mix

Energy consumption from non-renewables sources

Operations (MWh)	2023	2022	2021
Fuel consumption from coal and coal products	0	0	0
Fuel consumption from crude oil or petroleum	0	0	0
Fuel consumption from natural gas	100,324	95,008	128,455
Fuel consumption from other non-renewable sources	6,226	5,656	2,780
Consumption from nuclear products	0	0	0
Consumption of purchased or acquired heat, steam and cooling	0	0	0
Consumption of purchased or acquired electricity	52,931	56,750	49,125
Total from operations	159,481	157,414	180,451

Energy consumption from company cars

	(MWh)	2023	2022	2021
Diesel		2,844	2,091	1,039
Gasoline		1,376	1,089	n.a.
Other fuels		9	130	n.a.
Total energy consumption from company cars		4,229	3,310	1,039

	(MWh)	2023	2022	2021
Total energy consumption from non-renewables sources		163,711	160,724	181,490

Energy consumption from renewables sources

	(MWh)	2023	2022	2021
Fuel consumption from renewable sources (i.e. biomass, biogas, non-fossil fuel waste, hydrogen from renewable sources, etc.)		0	0	0
Consumption of purchased or acquired heat, steam, and cooling from renewable sources		0	0	0
Consumption of purchased or acquired electricity from renewable sources		0	0	0
Consumption of self-generated non-fuel renewable energy		2,131	2,256	2,173
Total energy consumption from renewables sources		2,131	2,256	2,173

Energy production

	(MWh)	2023	2022	2021
Energy production from non-renewable energy sources		21,937	20,146	31,875
Energy production from renewable sources		2,164	2,258	2,173
Total energy production		24,101	22,404	34,048

Energy consumption and intensity

	2023	2022	2021
Total energy consumption (MWh)	165,842	162,980	183,884
Intensity (MWh/M€ Net Turnover)	416	428	564
Intensity (MWh/Ton of Output)	1.82	1.77	2.19

8.3.2 CO₂ Emissions

Gross scope 1 GHG emissions

	2023	2022	2021
Total scope 1 CO₂ equivalent emissions (Ton)	22,851	21,367	26,932
Share of scope 1 GHG emissions under regulated emission trading schemes (%)	73%	75%	82%

Gross scope 2 GHG emissions

	2023	2022	2021
Total scope 2 CO₂ equivalent emissions (Ton)	14,669	14,671	13,054

Total GHG emissions

	2023	2022	2021
Total CO₂ equivalent emissions (Ton)	37,520	36,038	39,986

GHG emissions intensity

	2023	2022	2021
Intensity (Ton CO ₂ /M€ Net Turnover)	94	95	123
Intensity (Ton CO ₂ /Ton of Output)	0.41	0.39	0.48



8.3.3 Water management

Water withdrawals

Water withdrawals by source (m ³)	2023	2022	2021
Surface water	0	1,093	n.a.
Groundwater	310,914	335,561	n.a.
Seawater	0	0	n.a.
Produced water	0	0	n.a.
Third-party water	62,725	56,767	n.a.
Total water withdrawals	373,639	393,421	344,867

Intensity of water withdrawals

	2023	2022	2021
Intensity of water withdrawal (m ³ /M€ Net Turnover)	938	1,033	1,059
Intensity of water withdrawal (m ³ /Ton of Output)	4.10	4.28	4.12

Water discharge

Water discharge by destination (m ³)	2023	2022
Surface water	0	0
Groundwater	8,097	6,790
Seawater	0	0
Third-party water	285,158	306,509
Total water discharge	293,256	313,299

Water consumption and intensity

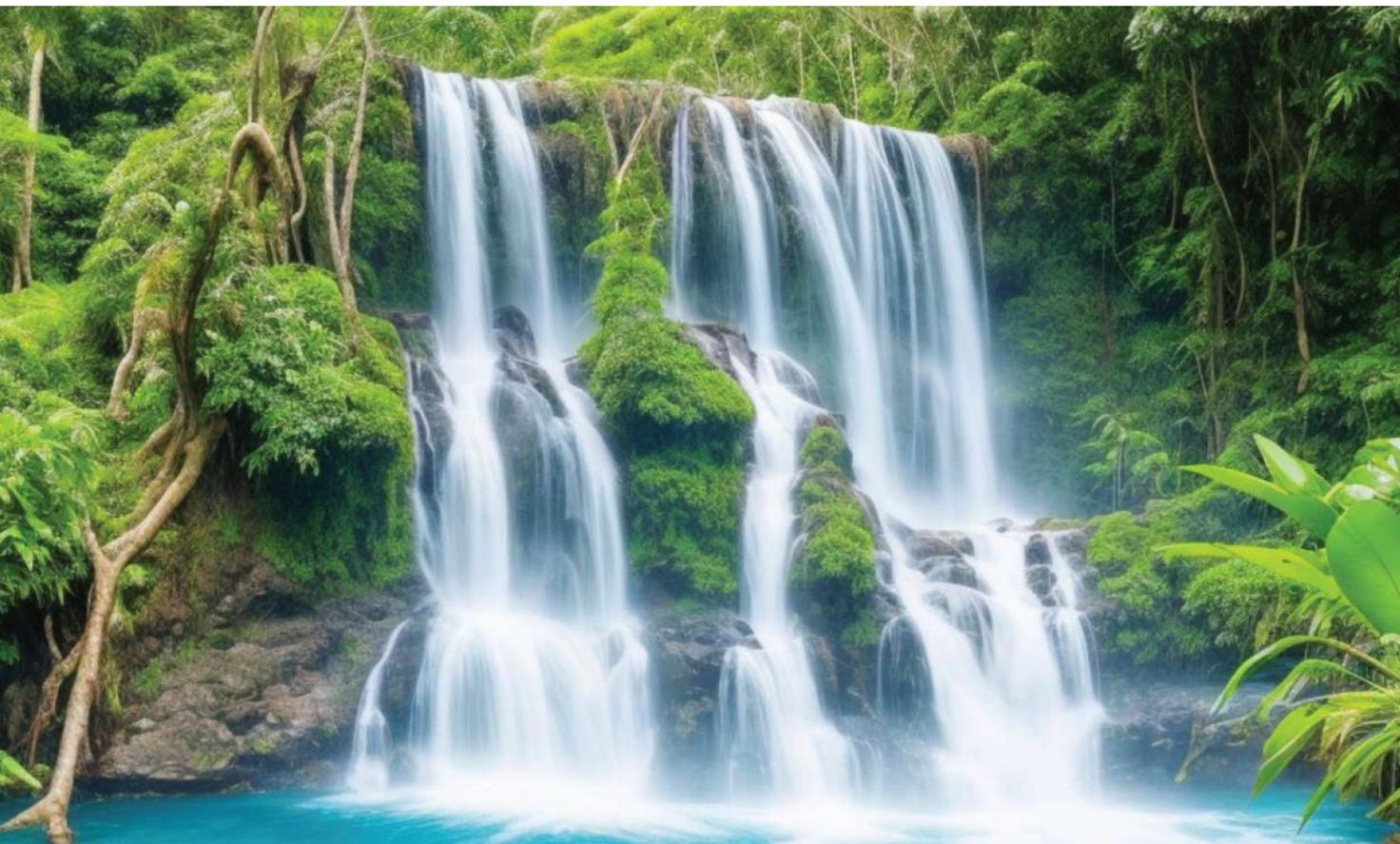
	2023	2022
Total water consumption (m³)	80,383	80,123
Intensity of water consumption (m ³ /M€ Net Turnover)	202	210
Intensity of water consumption (m ³ /Ton of Output)	0.88	0.87

Water withdrawals, discharge and consumption from water stressed areas

	(m ³) 2023
Water withdrawals from water stressed areas	3,031
Water discharge from water stressed areas	2,728
Water consumption from water stressed areas	303

Water recycled, reused and stored

	(m ³) 2023	2022
Water recycled and reused	2,766	2,768
Water stored	24,297	24,292



8.3.4 Waste management

Total waste generated

	2023			2022			2021
	(Ton)	Non-hazardous	Hazardous	Totals	Non-hazardous	Hazardous	Total
Total waste generated	14,526	2,742	17,268	15,952	1,882	17,834	14,351

Waste diverted from disposal

	2023			2022			2021
	(Ton)	Non-hazardous	Hazardous	Total	Non-hazardous	Hazardous	Total
Preparation for reuse	6,004	753	6,757	5,951	761	6,712	n.a.
Recycling	4,923	1,129	6,052	6,894	75	6,968	n.a.
Other recovery operations	209	0	209	501	0	501	n.a.
Total waste diverted from disposal	11,136	1,882	13,018	13,346	836	14,182	11,773

Waste averted to disposal

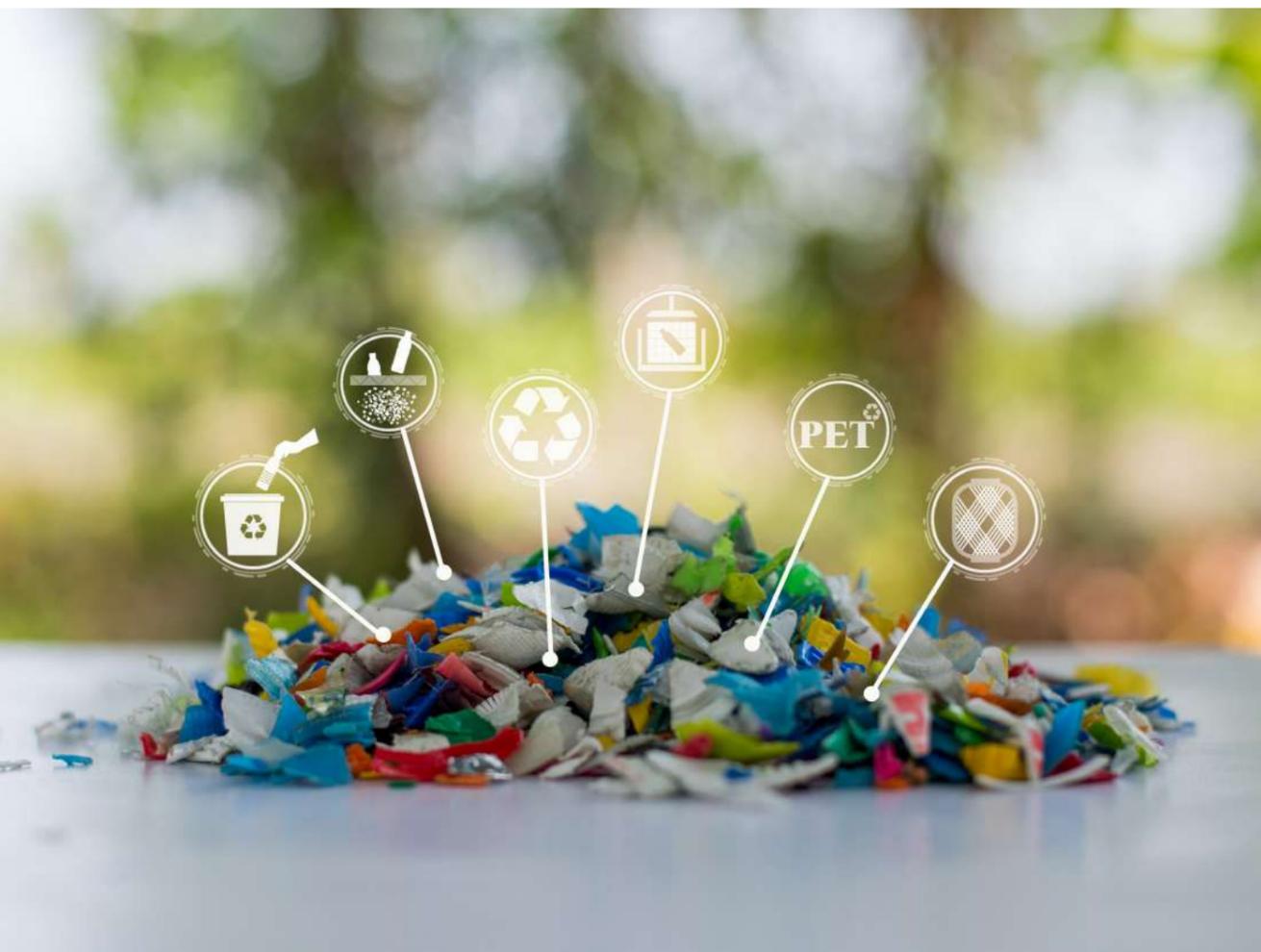
	2023			2022			2021
	(Ton)	Non-hazardous	Hazardous	Total	Non-hazardous	Hazardous	Total
Incineration	2,222	484	2,706	1,858	672	2,530	n.a.
Landfilling	1,034	107	1,140	748	137	885	n.a.
Other disposal operations	133	270	404	0	237	237	n.a.
Total waste averted to disposal	3,390	860	4,250	2,606	1,046	3,652	2,578

Intensity of waste generated

	2023	2022	2021
Intensity (Ton/M€ Net Turnover)	43	47	44
Intensity (Ton/Ton of Output)	0.19	0.19	0.17

Non recycled waste

	2023		2022	
	Total (Ton)	% versus tot waste generated	Total (Ton)	% versus tot waste generated
Non recycled waste	10,687	62%	10,866	61%



8.3.5 Pollutants

Air Pollutants (kg)	2023	2022
SO ₂ (sulphur dioxides);	0	0
NOx (nitrogen oxides);	65,845	43,950
Non-methane volatile organic compounds (NMVOC)	114,287	119,997
PM 2.5 (fine particulate matter);	124	88
NH ₃ (ammonia)	0	0
Heavy metals	0	0

Water Pollutants (kg)	2023	2022
Nitrates, phosphates and pesticides (plant protection products and biocides)	2,653	2,561

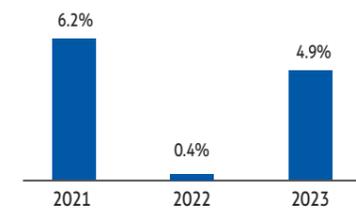


8.4 FINANCIAL INDICATORS

Economic sustainability

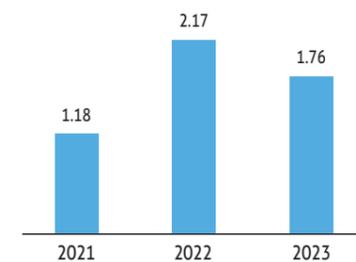
ROI (%)

Return on Investment is a ratio between the net profit and the invested capital. ROI measures the profitability and efficiency of an investment.



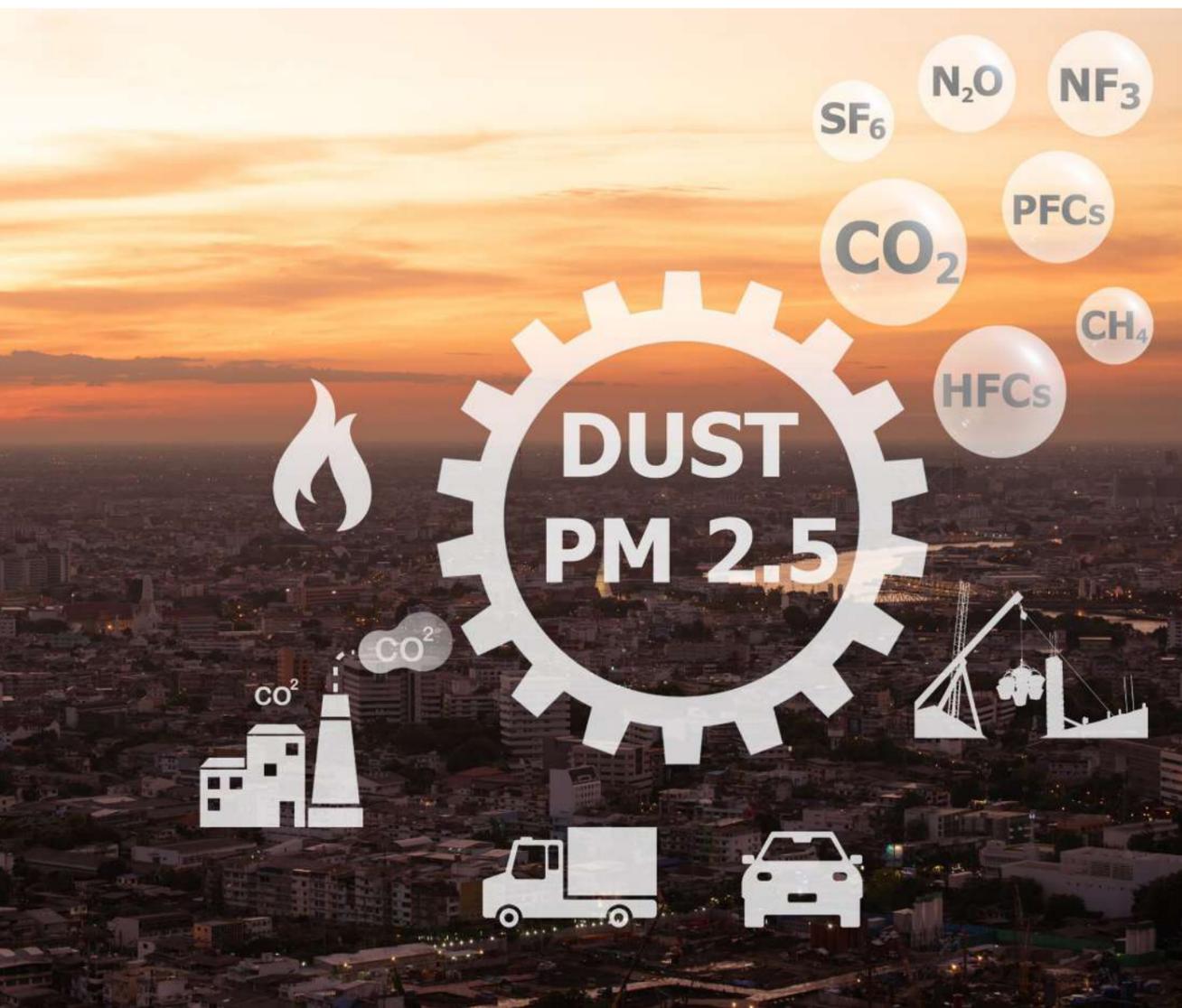
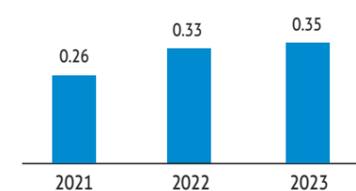
NFP/EBITDA (€ / €)

Ratio between Net Financial Position and Operating Result (Earnings Before Interest and Taxes). It expresses the ability of the company to cover debt through the financial flows deriving from core business activities.



NFP/EQUITY (€ / €)

Ratio between Net Financial Position and Equity (DEBT RATIO). It expresses the surplus of net debt compared to equity.



Thanks to all those who have
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