

Gualapack

SUSTAINABILITY
REPORT
2021





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THE PRESIDENT'S VISION



The past few years have changed the world and made a huge impact on our lives. Even limiting our analysis to the economy and business aspects, we cannot ignore the fact that the onset of the pandemic forced commodity markets to abruptly reverse course after decades in which value chains, including the one relative to packaging, had embraced an increasingly globalised model. This triggered a series of cascade effects, ultimately influencing the way we are able to meet our clients' needs.

In early 2022, the war between Russia and Ukraine added even more complexities to a world already riddled with health crises: a burden that seems destined to generate instability in the markets and, unfortunately, various criticalities in the long term.

All of this happened while the packaging industry already faces the great challenge of fully meeting the needs of citizens and consumers who are increasingly interested in sustainability, and able to express their preference for lower-impact products at every level, down to everyday purchases.

We are still in a situation of relative uncertainty as regards laws being drafted to favour a "green" evolution in the field, and it is not easy to monitor all the legal initiatives that are quickly emerging around the world and may impact our business. For example, at the time of writing, the European Commission is discussing revisions on the Packaging and Packaging Waste Directive, which

marks a crucial stepping stone on the way to identifying the packaging solutions that will dominate the European market in the next few years. In the face of such a mutable social and legal context, Gualapack has built an internal structure that is able to quickly interpret change, and most importantly effectively respond to it thanks to a strong capability for innovation.

This report strives to present the activities we carried out and the objectives we achieved in 2021, which was a year of great commitment and satisfaction for the evolution of our products and our activities overall.

Indeed, in 2021 we continued to spur the introduction of products with an improved environmental impact, recording a 30% increase of their sales within our portfolio. While we are aware the road ahead is still very long, it is important to stop and recognise that clients and consumers appreciate and reward more sustainable packaging alternatives.

An important part of this development is tied to the fruitful launch of Pouch5, our recyclable pre-made pouch, which is reaping success with an increasing number of clients across the globe and won Italy's Best Packaging Award in 2021.

As regards production processes, improving internal efficiency helped us to achieve remarkable reductions in water consumption and waste generation, and to improve our emissions of CO₂ per product unit.

In 2021, we also started to enjoy the fruit of the hard work we had begun on safety. Completing the Group's manual by collecting all our best practices at the global level and, most importantly, our managers' great attention for the issue are two crucial factors that allowed us to improve all our safety indicators. Yet, we don't consider this a "finish line" we have crossed, but the inspiration to do even better in the future.

As regards social initiatives, in line with our long-standing tradition, in 2021 we funded and carried out numerous projects to create positive social impact on the communities where the companies in our Group are active, through both the initiatives of the SociAL Foundation and projects launched by our various plants around the world.

We are well aware the road to a sustainable future is paved with daily challenges and requires openness to new business models, starting from our products and finally encompassing all of our behaviours. At Gualapack we take on these challenges with enthusiasm, convinced there are always opportunities to seize within great changes and confident that, with our clients and suppliers, we will be able to create a world where packaging will have a lower impact and yet maintain all the functional qualities that allow us, today, to preserve and use many of the products that are part of our everyday life.



2021 ACHIEVEMENTS



+30%

PRODUCTS WITH IMPROVED ENVIRONMENTAL IMPACT sales vs 2020

Pouch5, our recyclable pouch, won the



2021

BEST PACKAGING AWARD IN ITALY



-10%

CO₂ EMISSIONS per unit of product vs 2020



-17%

WATER CONSUMPTION per unit of product vs 2020



-8%

WASTE GENERATED per unit of product vs 2020



35,800+

HOURS OF TRAINING provided during the year



37

SOCIAL INITIATIVES supported worldwide



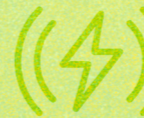
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NEW PLANTS vs 2020



+15%

FINANCIAL TURNOVER vs 2020



46%

LOW-EMISSION ELECTRICITY



ISO 11

production plants CERTIFIED ISO 9001



ISO 6

production plants CERTIFIED ISO 14001



ISO 7

production plants CERTIFIED ISO 45001



-40%

INJURY FREQUENCY RATE vs 2020



-57%

INJURY SEVERITY INDEX vs 2020

TOWARDS A SUSTAINABLE ORGANISATION

Placed in the right context, the quote “We are what we do” by philosopher Jean-Paul Sartre deeply connects our individual identity to the responsibility we have for our own actions, as well as their results and impacts.

Gualapack’s Sustainability Committee sees its mission well reflected in this maxim. By taking on the Group’s sustainability goals and striving to instil the same sense of responsibility in all colleagues throughout the organi-

sation, the Committee endeavours to launch meaningful activities and solutions to manage the complexity of the current scenario.

In 2021, the four pillars of our Sustainability Mission (see page 16) provided guidance in the definition and implementation of a series of projects and initiatives allowing us to take a first step forward in spreading a culture of sustainability within the organisation.

By directly engaging people from different departments, using a survey that was also meant to collect content for the materiality matrix, we identified some Champions of Sustainability who now represent go-to people for both their colleagues and the Committee itself. Their role was crucial to convey the latter’s commitment and turn it into widespread action, and also to allow everyone to share their ideas and suggestions.

<p>MICHELE GUALA President & CEO</p>	<p>CARLO ALBERTO ZAGGIA EMEA Director</p>	<p>ELISABETTA PITTALUGA Organization & Talent Development</p>
		
		
<p>OLIVIA ERFURTH Global Marketing Manager</p>	<p>MICHELE MARCHINI Health & Safety</p>	<p>STEFANO TAMARINDO Global Sustainability Director</p>

THE FIRST STEPS OF A SUSTAINABLE ORGANISATION

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

The working group has followed a growth path in terms of issues tackled and projects launched, in order to reach the level of maturity required to improve its impact on the organisation.

The company culture, founded since its very beginning on the three values of engagement, competence and positivity, thus has become a modus operandi in which daily behaviours are able to create value.

Collaboration, transparency, engagement and motivation are effectively leveraged so our organisation and our HR management can always be inspired by principles of honesty, respect and mutual trust.

A video for sustainability

The content of our Sustainability Mission was represented in a video that could reach all our employees: this easy-to-share and easy-to-use format was translated in the Group’s various languages and distributed to all the plants, so it could be displayed on the screens in common areas. Thanks to this video, every person who is part of our organisation can find out how the company faces sustainability challenges and how each one of us can contribute to achieving our mission.

The photography contest

For the launch of the recyclable Pouch5 packaging – which quickly gained success among leading European fruit snack brands – in 2021, we organised a photography contest open to all employees and their families, whom we invited to share some fun photos. Initiatives like this engage not only the people who work for Gualapack but also their loved ones, and require everyone’s help. The contest ended with a photography exhibition in the hallways of our factories, and effectively conveyed a message of responsibility and collaboration.

From the safety manual to safety leadership

In addition, Gualapack – always on the forefront of health and safety – committed on the international level to work with a steering committee that led to the identification of safety guidelines for all the plants, as well as to the definition of communication and management practices for accidents and near misses, compiling a comprehensive manual for the Group. Within the manual, an entire chapter focuses on safety leadership and, with this in mind, behavioural audits to verify compliance and discuss issues in the field were introduced – not to conduct inspections and point fingers, but to foster a culture of safety and sustainability.

This mindset allows us to articulate sustainability not only across the pillars that regard our products and the environment, but also – and more importantly – for the benefit of our people, who represent the true added value on which we must invest, for sustainability over time.

These are only some of the examples of the constructive approach we have been applying in all of our initiatives, from those focused on people to those more closely linked to business and the external context.

Indeed, 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.

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 always increasing responsibility for positive impact.



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 from combining the best breed of technologies with deep know-how. World leader

of the premade spouted stand-up pouches for food and non-food applications, we offer our partners four product lines of packaging solutions such as our Cheerpac™, as well as the different stand-alone components (laminates, caps etc.), 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" having as priorities quality, service and innovation for its customers and Sustainability as its daily commitment.



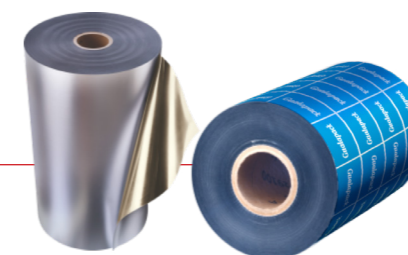
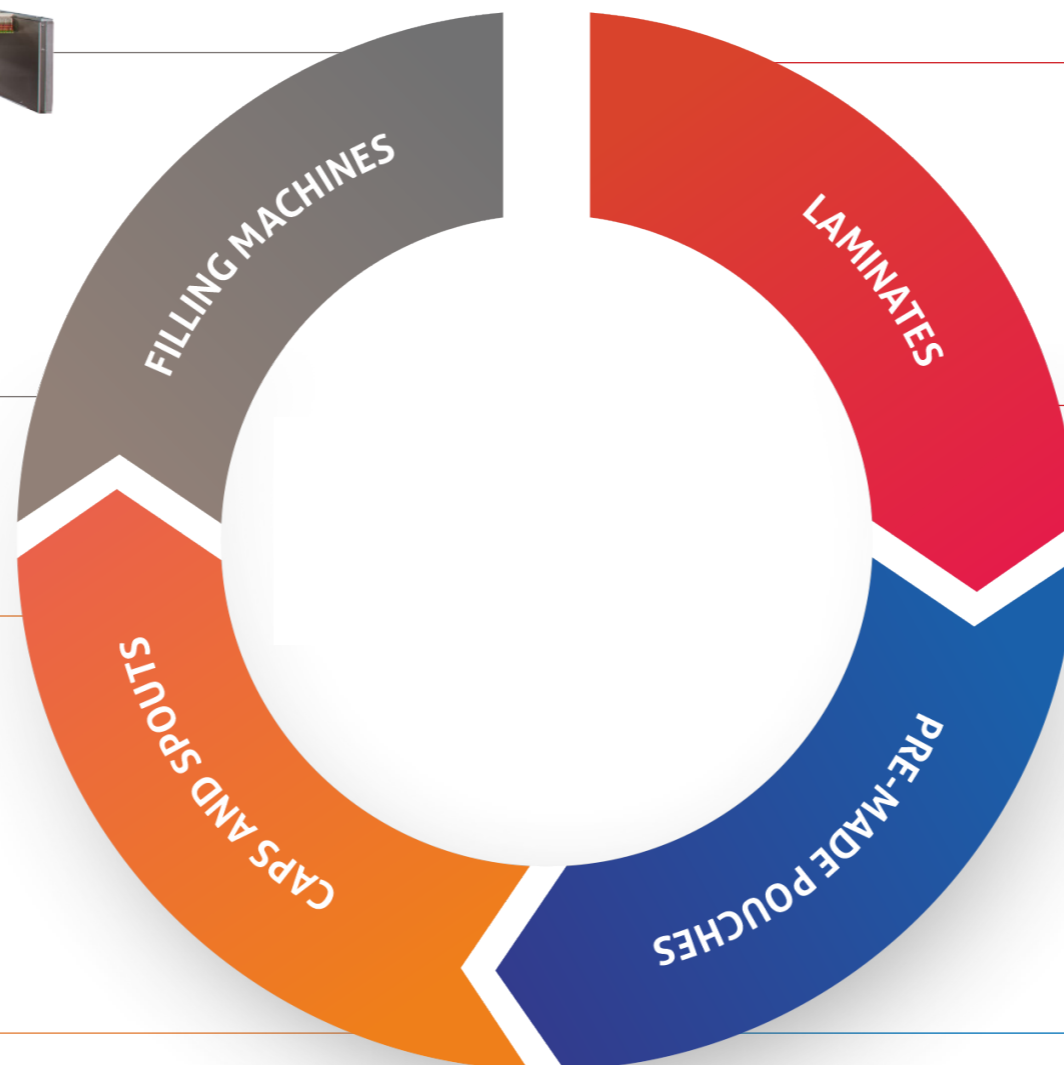
FILLING MACHINES

Design and manufacturing of a complete range of filling lines and pasteurization solutions with different production capabilities.



CAPS AND SPOUTS

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



LAMINATES

A historical leader in flexible packaging, with advanced lamination, rotogravure and flexo printing and PE extrusion capabilities.

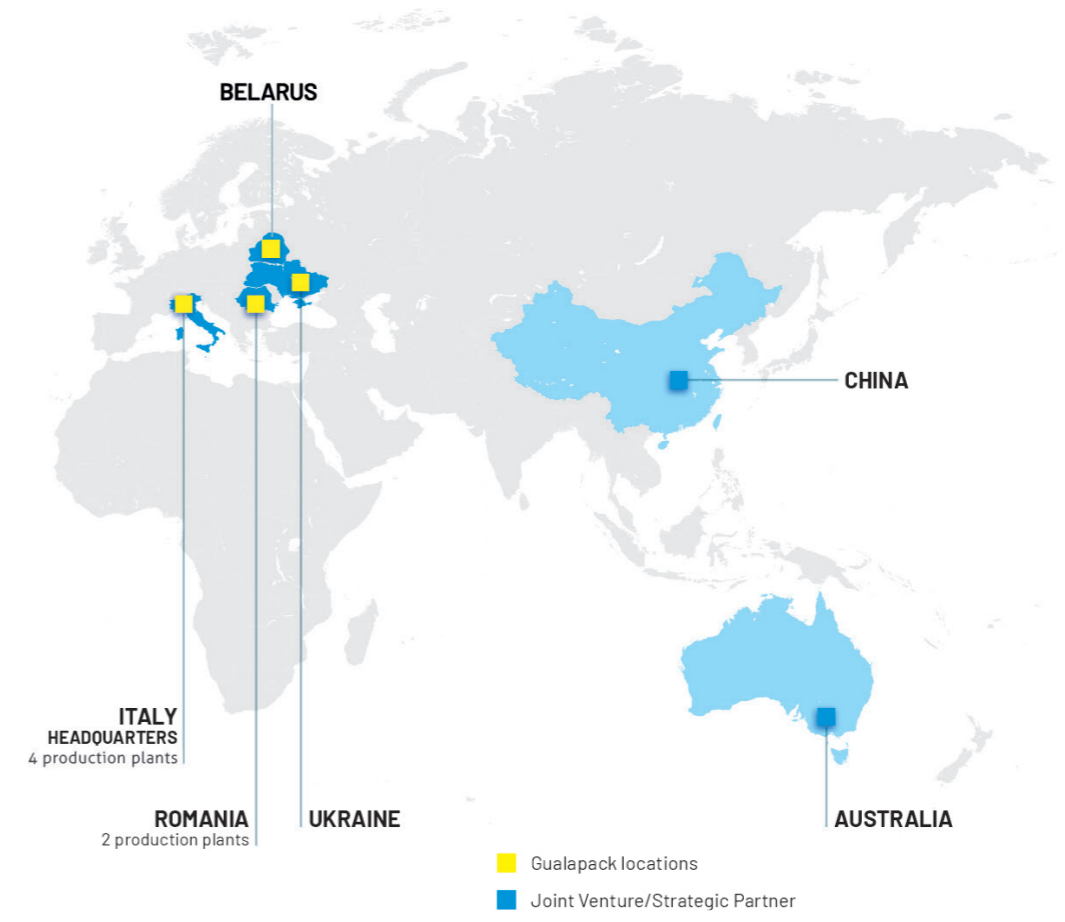
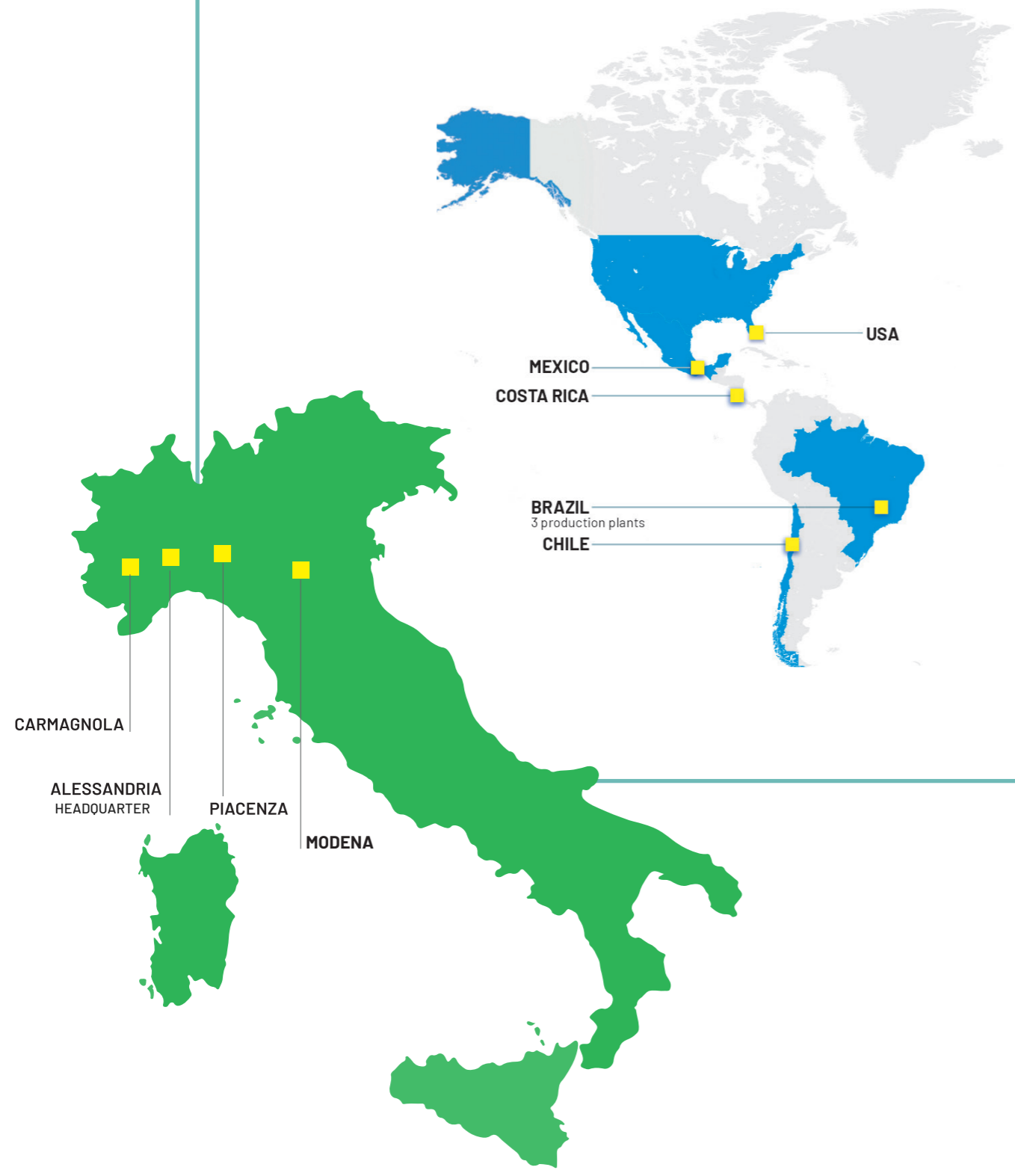


PRE-MADE POUCHES

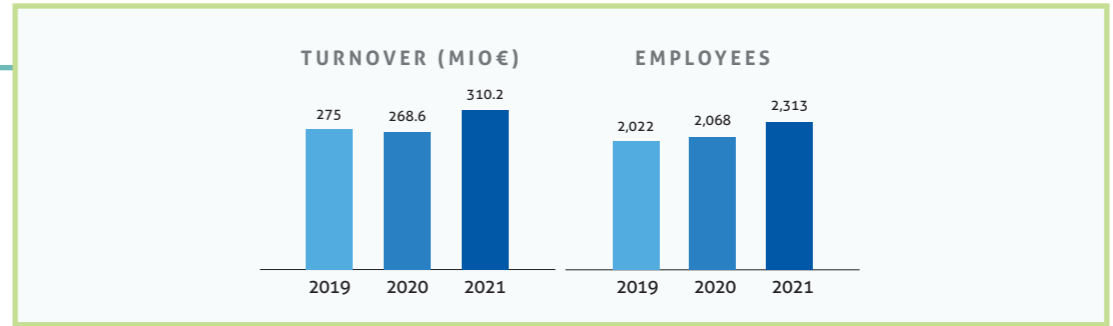
More than 30 years of experience and world leader in pre-made spouted pouches. Standard or personalized pre-made standup pouches with or without extra features like zip, laser scoring, etc.

GUALAPACK AT A GLANCE

COUNTRIES: **9 + 2*** PRODUCTION PLANTS: **14 + 2***



■ Gualapack locations
■ Joint Venture/Strategic Partner



VISION, MISSION AND VALUES



SUSTAINABILITY IS OUR EVERYDAY COMMITMENT

part of 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.



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 effort of 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.



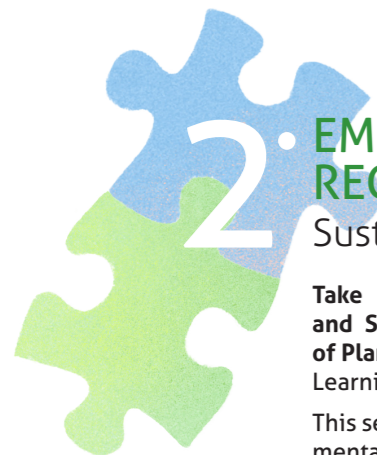
1. SHARE AND BELIEVE

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 & 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 RECOGNIZE 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 our clients, and to actively be part of the change: our participation in FPE, Ceflex, Recyclclass, 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 Sustainability and R&D teams will then 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 the requirements of Legislation, 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 designed to be competitive according to the needs of each client in every geography.



4. LISTEN AND ENABLE

Customers and Markets

Provide Solutions to Customers to Grow Sustainably in their Local Context, according to their Company Strategy. Local market awareness, be up-to-date with legislation, be coherent, manage reputation.

The victory 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 us and them.

They are at the center 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.



MATERIALITY ANALYSIS

In 2021, we started a new process for 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 issues for our stakeholders and the most important ones in terms of impacts generated by the organisation. Gualapack decided to

conduct its first materiality analysis by addressing internal stakeholders exclusively, in order to achieve a double goal: to identify material issues and to leverage them as a starting point for the development of operational activities within the company. In this way, people – at the various levels of the organisation – will be protagonists in our sustainable growth with ideas, proposals and initiatives.

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.



Structure of the matrix

The first step in the materiality analysis was the definition of the structure of the matrix in order to make the interpretation of results clear and univocal. Starting from the guidelines provided by the IIRC (International Integrated Reporting Council) and GRI (Global Reporting Initiative), we defined the two axes of the matrix.

- The x-axis represents **internal relevance for Gualapack**: this definition is meant to evaluate how much a certain material element influences the organisation's capability to create value for the future.
 - Such *capability* includes two different aspects: the availability of tangible assets (financial and productive capital) and intangible ones (know-how, know-

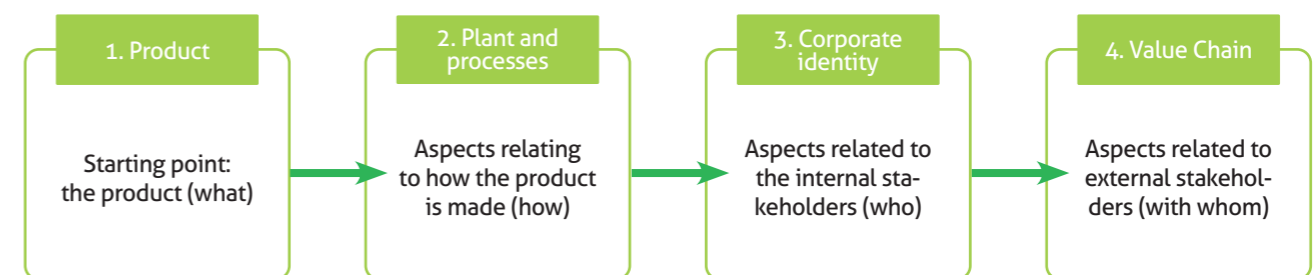
ledge and skills), as well as the presence of active management and a certain level of engagement within the organisation.

- As regards the *creation of value*, the definition refers to anything that will have a positive impact on the company's strategy for the maximisation of any form of capital directly correlated to the three dimensions of sustainability (social, economic and environmental responsibility).
- The y-axis represents the **importance for stakeholders**, i.e. how much a certain material element influences the creation of value for them.
 - As for relevance for the company, also importance for stakeholders was assessed according to a future-oriented vision.

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 between internal corporate strategy and external market perspective. This allowed us to engage stakeholders more effectively and to operate according to a broader vision.

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.

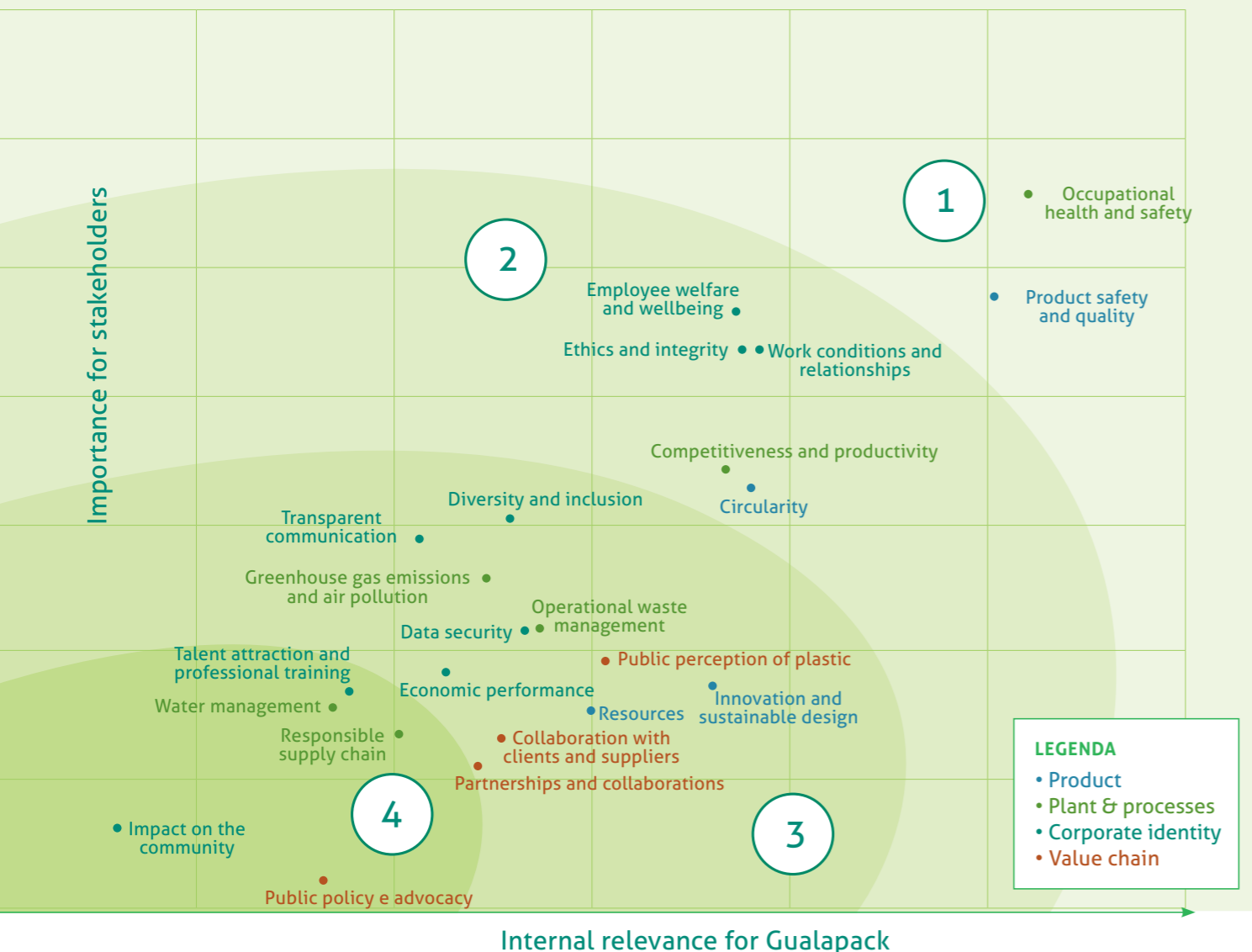


We pinpointed 23 material elements, divided them into categories, and put them through an assessment and selection process based on opinions gathered via a questionnaire for internal stakeholders.

Over 130 employees from various departments answered the questionnaire, including some representing 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.

The results achieved by processing the data were represented in the following chart, built on the axes we previously defined.



PRODUCTS WITH IMPROVED ENVIRONMENTAL IMPACT

The constant changes in the general context and in our sector, currently spurred by sustainability issues that deeply affect both new legislation and consumer needs, lead to an evolution of our product portfolio which, while being completely natural, requires us to continue to invest resources and know-how to renew and adapt technical specifications that have a direct impact on the market and on our clients.

Therefore, starting in 2019, we introduced a new KPI with the aim of measuring how much value is created by the evolution of our product portfolio and how much this value is appreciated by the market.

This KPI measures the incidence of turnover deriving from new-generation products with more sustainable characteristics, over the total sales of laminates, pouches and caps. In our

definition, products with improved environmental impact include all laminates, pouches and caps designed to satisfy, without compromising performance, at least one of the following sustainability objectives: recyclability, compostability, reduced carbon footprint, reusability, and avoiding the use of solutions that do not match these characteristics.

In the three years since it was first introduced, the indicator recorded clear growth, according to a trend that reflects the market's appreciation of solutions with improved environmental impact. Indeed, while the absolute value of the KPI in 2021 is only 6.5%, the year-on-year growth rate is 30%. This is a remarkable result for the transformation of our product portfolio, with a significant impact on Gualapack's capability to innovate and change its entire industry.

As regards 2021, the strongest contribution to the KPI's increase was determined by the sales of Pouch5, our monomaterial and recyclable spouted pouch. 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 Brick Cap – a solution enjoying growing success, which allows consumers to reuse the cap as a toy and therefore give the product a second life – as well as our compostable peelable lids for trays and coffee capsules.

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 the market and clients are developing, always with Gualapack's innovation and support at their side.

We then defined a grid to divide the output of the materiality analysis. In particular, four concentric bands were identified, each one representing material elements that are homogeneous in terms of characteristics and future prospects for action.

1. Consolidated elements

The outermost band represents the material elements that can be described as intrinsic, being part of Gualapack's DNA. This category includes *occupational health and safety* and *product safety and quality*: both aspects are well assimilated by people and by the organisation itself.

2. Strategic elements

Elements such as *circularity*, *competitiveness and productivity*, *employee welfare and wellbeing*, *ethics and integrity* and *work conditions and relationships* belong to the second band: they will play a key role in Gualapack's medium- and long-term projects, and have a significant impact on the organisation.

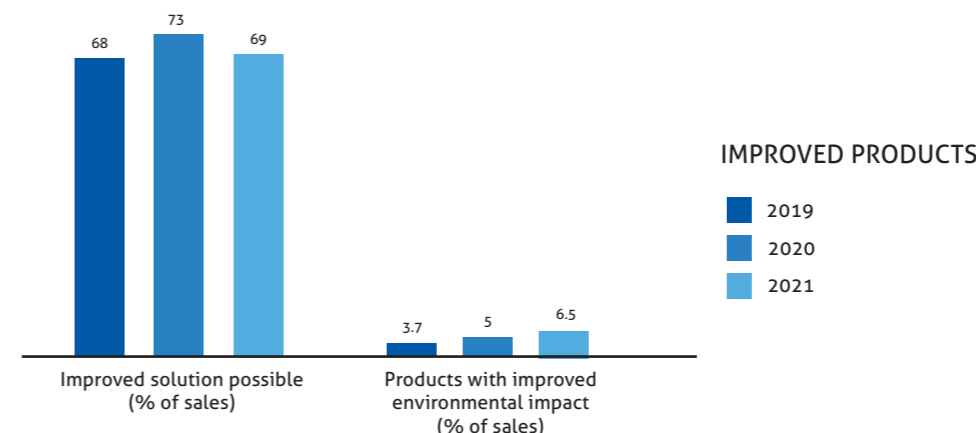
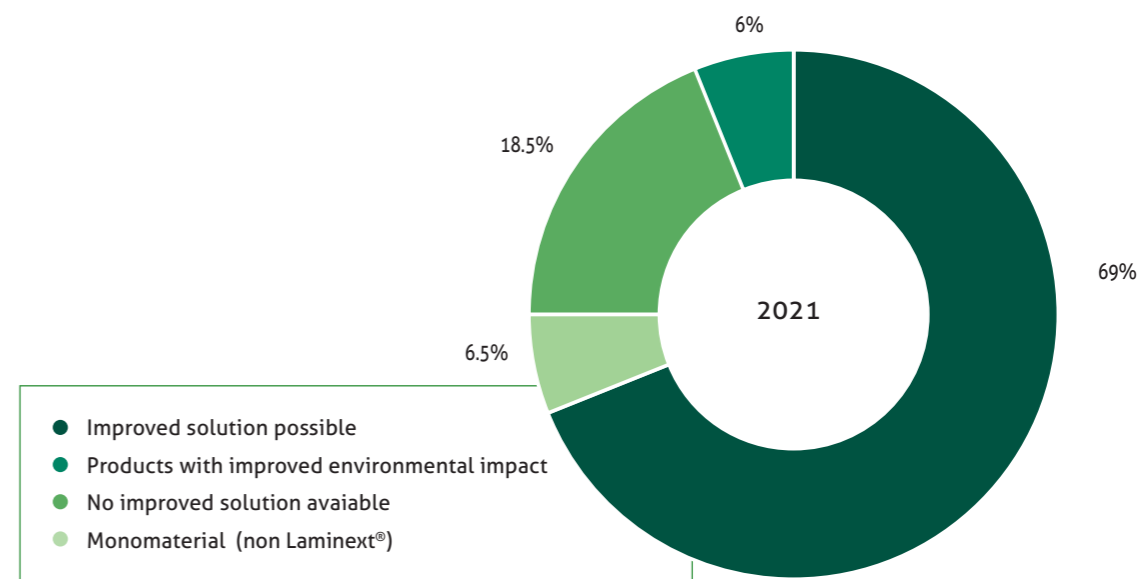
3. Important elements

The third band includes the most elements. All four categories (product, plant and processes, corporate identity, and value chain) are represented by at least one element in

this area. These aspects reflect issues for which specific actions must be developed to pursue continuous improvement through medium- and long-term projects.

4. Elements to be consolidated

The innermost band includes five elements that represent aspects on which we need to acquire competence, knowledge and awareness. The positioning in the lower part of the matrix does not mean that the company shows less attention for these aspects, but points out a starting point we can work on.



INNOVATION & SUSTAINABILITY



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 in compliance with 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

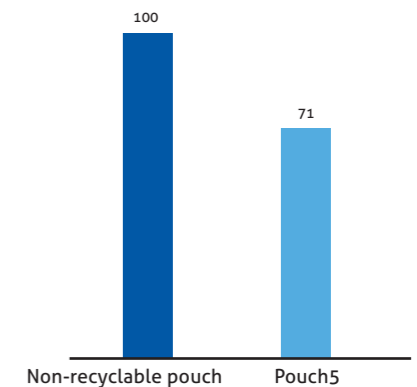
out by setting system boundaries that may or may not include the product's end of life, depending on the purposes pursued and on client requests.

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.

Pouch5's Life Cycle Assessment

In addition to being mechanically recyclable and ready for recycling processes, monomaterial solutions such as 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. The calculation in this case was carried out internally with the use of dedicated software, drawing on official databases for the information that could not be collected "in the field".

IMPROVED PRODUCTS



Considering climate-altering emissions, measured in terms of CO₂ equivalent, even if Pouch5 packaging is not recycled at all it still offers a 25% benefit compared to standard solutions. Assuming a 50% recycling level, the reduction of CO₂ emissions rises to 29% – reaching 39% in the hypothesis of 100% recycling.

ALTERNATIVE AND RENEWABLE RAW MATERIALS

Bio-based

Gualapack's portfolio of products for improved sustainability also includes laminates, pouches, caps and spouts in which fossil-origin PE has been entirely substituted 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.

Compostable solutions

With "compostable" being one of the three keywords in the EU's Plastics Strategy for 2030, Gualapack produces laminates for dry applications (powders, cereals, etc.) and lid films for single-use coffee capsules, certified compostable according to norm EN13432.

Such laminates have the advantage of returning to the soil in industrial composting sites, thereby averting litter and waste pollution, while contributing to the use of fewer fossil-origin raw materials in packaging.



COMPOSTABLE LIDS

Leveraging the know-how that in the past few years led to the development of a compostable top lid with high oxygen and moisture barrier performance, Gualapack has expanded its offer with a new compostable (via industrial compost) and transparent material, suitable as fresh pasta trays' top lid.

The design of the 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 has managed to create this highly transparent, multi-ply laminate with suitable barrier properties for fresh pasta, without the use of adhesives that would have lowered the quality of the compost obtained from the recovery. This success is due to the particular coupling technology applied, 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 the compostability tests and obtained the TÜV certification.



THE MASS BALANCE APPROACH

The collaboration between Gualapack and two of its major stakeholders – a supplier of raw materials and a brand owner – led to the creation of a spouted pouch that includes over 30% of post-consumer recycled plastic.

The concept behind the new product is linked to the so-called mass balance approach. Basically, 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 then 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 supply chain for this family of materials – from purchase to storage, use and sale – requires special management procedures capable of ensuring that the entire flow follows every step correctly. 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.

The project allowed Gualapack to create 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.

POUCH5: BEST PACKAGING AWARD 2021

The Best Packaging contest promoted by Istituto Italiano Imballaggio is Italy's key event to highlight the year's best packaging solutions, and increasingly showcase ethical and sustainable innovation.

In 2021, Pouch5 – our first flexible, high-performance stand-up pouch made in monomaterial and therefore recyclable within existing PP streams – won in two out of ten award categories, for Balanced and Safe packaging. These two prestigious accolades recognise and confirm our company's strong commitment to the environment.

Indeed, Pouch5 was 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. 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 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 pag 23 - Life Cycle Assessment).

We are proud to have received the Best Packaging award, for Pouch5's extraordinary features and more importantly for our ongoing environmental efforts. Our clients are right on board with us, responding with great interest to innovations like Pouch5, and so are end consumers, who increasingly prefer – among the many options on supermarket shelves – products that are easy-to-use but also respect the planet and its future.



Gualapack

The 2021 Best Packaging award goes to Pouch5!

OSCAR DELL'IMBALLAGGIO™
BEST 2021
PACKAGING

VINCITORE

EASYSNAP

In 2021, Gualapack expanded its product portfolio by becoming the majority shareholder of Easysnap Technology, renowned worldwide for its innovative system for easy-opening, single-dose packets. The acquisition strengthens and furthers the objectives shared by the two companies, towards the constant innovation of packaging in the name of sustainability.

The Easysnap packaging's design allows for the reduction of transport costs and related CO₂ emissions, because it 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



Thanks to joint research efforts by Gualapack and Easysnap, in 2021 we reached an advanced design stage for Papersnap: a type of packaging that essentially replicates Easysnap but with an even higher level of sustainability, because it is designed to be recyclable in the paper stream without compromising on the original technology's excellent barrier performance.

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. In this case, however, the use of plastic is limited thanks to the paper-based components, which required an additional design effort both from

Gualapack for the laminates and Easysnap for the filling machines.

Papersnap packets can also be produced with an oxygen and moisture barrier, and are suitable for both food and cosmetics: typical applications are honey, creamy foods with different densities, cosmetic creams and sanitising gels.

Gualapack and Easysnap have obtained the C-grade recyclability certification from Aticelca (the Italian technical association for cellulose and paper), ranking very close to grade B: we are confident that a further redesign will improve the result even further.

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 environmen-

tal 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 are also complemented by a sustainability assessment. 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.



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 carry out mapping observations and audits to identify potential risks in related suppliers, and require specific certifications and periodically check their validity.

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

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 regular validations through audits. 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.

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.

Economic aspects

We require suppliers' financial management to be balanced to the point of allowing 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.

THE CULTURE OF SAFETY

One of Gualapack's main goals is to become a leader in the culture of safety and health in the workplace, as well as in environmental protection. In line with its values, in 2021 the company continued the various initiatives it had started to identify safety guidelines for every plant, improve

the communication and management of accidents and near misses, and carry out cross-audits between different production sites. In particular, last year we published and distributed to all personnel the Group's Safety and Environment Manual, edited by the Safety Committee.

Knowing that 80% of accidents in industrial settings derive from people's improper behaviours, in the Manual we highlighted with great care the role that each one of us can play as a leader in spreading a culture of care for people and for the environment. In this process, we pinpointed 5 key actions:



Act

People are more likely to follow someone's example than they are to listen to generic instructions. Therefore, we must put what we say into practice and "walk the talk", be the first to embrace safer behaviours, and respect the rules even when they seem inconvenient. It's a great exercise that will make us ambassadors of safety, even outside the work environment.

Intervene

Our actions speak for us, and even not acting says a lot. Especially when we have a higher-ranking role, not saying anything means approving a certain action or behaviour: not intervening, indirectly, means we are accepting the situation.

Sow

Cultural changes are long-term processes: the fruits of our labour may take time to ripen, and in some cases will have to be picked and enjoyed by someone else. That's why we must be patient, knowing that only by starting the process we can activate a positive cultural change and give our contribution

Engage

This action stems from progressive enthusiasm in pursuing our goal: it increases the more we "believe in the cause" and it turns into tangible action by promoting dialogue, engaging other people, and spreading our vibrant interest for our objectives.

Share

It's always good to share with others our experiences, expertise and culture: that is how we can create synergies, pass on skills and reach results faster. Caring for health and safety and protecting the environment are crucial goals for us, because they generate a positive impact for everyone.

As we go on in our journey, we want to have more and more people helping us to generate positive change. We believe each one of Gualapack's collaborators, at every level of the organisation, should be a unique and original leader towards our achievement of great and important goals, such as the creation of a workplace that is healthy, safe and respectful of the environment.

GUALAPACK'S SUPPORT FOR FONDAZIONE SOCIAL

In the 2020-2021 pandemic period, while not veering away from its strategic direction, Fondazione Social focused on helping local third sector organisations in their efforts to overcome the crisis caused by the effects of Covid-19, strengthening the measures required to address communities' emerging needs.

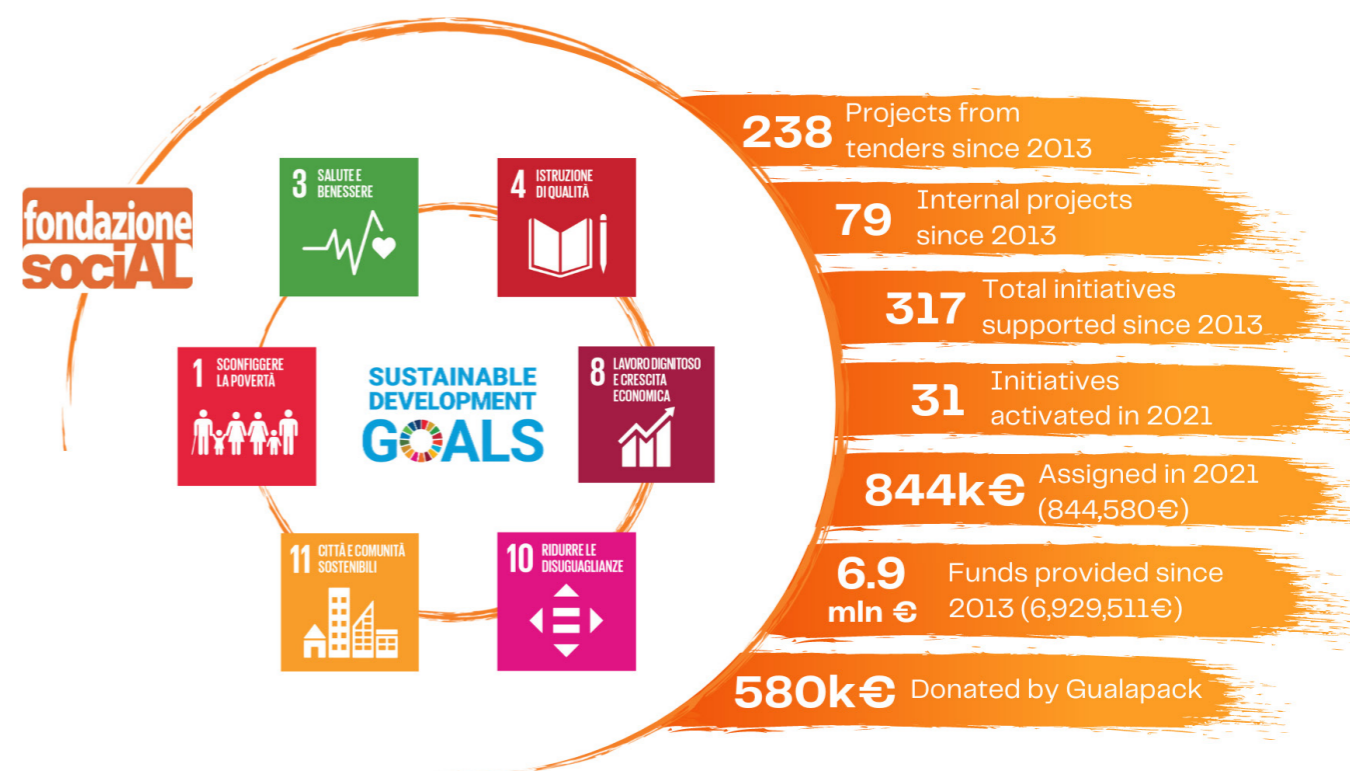
In addition to ongoing support for the growth of cultural and social projects

through the "2021 Call for Beneficiaries", Fondazione Social stepped up its commitment to new activities introduced during 2020-2021 for the next few years:

- The biennial "2022 Organisational Boost" call: a new contribution, independent of its traditional call, with the aim of effectively and promptly supporting third sector organisations in their capacity building processes;

- The second edition of the annual "Swipe it up" call for initiatives dedicated to younger generations, to trigger virtuous processes for change and development in the provinces of Alessandria and Asti, Italy.

SOCIAL INITIATIVES



ITALY

Work in carpentry

The project strives to help young people aged 16 and over, who belong to vulnerable categories and want to find employment and integrate into local communities. It offers them a training woodworking course, comprising theoretical lessons and practice, leading to an internship at companies in the sector. The goal is to provide participants with the knowledge necessary to secure jobs as carpentry workers.

Rete Ecologica Cittadina

The value proposition of the Urban Ecological Network (in Italian, Rete Ecologica Cittadina or REC) project is based on the full recovery of urban green spaces, with the activation of a network of ecological corridors to increase biodiversity in cities and thus increase communities' resilience. REC's goals are to open new spaces for socialisation,



to promote innovative forms of environmental education such as outdoor teaching, and to activate training internships and work grants for vulnerable subjects in collaboration with CISSACA (Alessandria's consortium of social services).



ROMANIA

Renovation of the nursery school in Arad

The nursery school in Arad was inaugurated in February 2021 after completing its renovation. For taking part in its modernisation with new facilities, Gualapack Nadab had the honour of receiving a distinction of merit from the Royal House of Romania.

The award was presented by Margareta, Custodian of the Crown of Romania, in the presence of the President of the Arad County Council and other authorities and representatives of local volunteer associations.

Support with Care

As part of the Support with Care project, Gualapack Nadab celebrated the renovation and modernisation of the Department of Paediatrics 2 of the Emergency Clinical Hospital in Arad.

This is currently one of the most beautiful paediatrics departments in Romania. It consists of 6 rooms with 15 beds, 5 bathrooms, 2 playgrounds, and a food and beverage area – entirely updated according to European standards.



MEXICO

Over the course of 2021, as the pandemic extended, we continued to supply hundreds of masks and cleaning products to local facilities such as schools, municipal offices and centres that help people in need.

The San Luis Temalacayuca school library

Donating books to libraries is a way to enrich the collections available to schools and to encourage students to read more. In 2021, 120 books were donated to the San Luis Temalacayuca school in collaboration with a local bookstore, which provided a selection of suitable titles based on the age of the children. The initiative was received with great enthusiasm by both students and school staff.

Banco de Alimentos Cáritas Puebla

In November 2021, a campaign to collect rice was launched in collaboration with the Colegio Karol Wojtyla institute in Tehuacán, which led to a donation of around 7.000 kilos of rice for the Banco de Alimentos Cáritas Puebla.

Banco de Alimentos Puebla is a private and apolitical non-profit charitable foundation, which has been collecting and distributing food safely and reliably to the region's vulnerable population for over 25 years. It is supported by private companies, educational institutions and individual entrepreneurs who wish to collaborate with this great project.





COSTA RICA

Teletón Costa Rica

Teletón Costa Rica is a charity television event that has been held every year since 1984.

It is organised by Club Activo 20-30 International de San José and enjoys widespread visibility thanks to press media, radio and television stations across the country.

In this Teletón, unlike the others in the region, funds raised are not only used to build and maintain rehabilitation centres for children, but also to better

equip certain areas of the National Paediatric Hospital. In addition, the program provides aid to paediatric units in other public facilities in the country, such as the National Hospital for Geriatrics and Gerontology and the National Blood Bank.

This year, Gualapack Costa Rica participated in the event with a donation and also invited employees to make their contribution.

Damas Voluntarias Hospital Max Peralta Volunteer Association

The Damas Voluntarias Hospital Max Peralta Volunteer Association is a non-profit community organisation that, through various activities, seeks to offer a better quality of life to hospitalised patients and their families.

In 2021, Gualapack Costa Rica donated to the association a supply of pressure gauges, which are necessary medical equipment for people with respiratory conditions who no longer need hospitalisation but are still recovering at home. The volunteers and the hospital staff identified which patients could use this

equipment, and then assigned the gauges as needed.



UKRAINE

Support for local hospitals

During 2021, Gualapack Ukraine – through Technologia Foundation, a charity that supports several children’s hospitals, orphanages and other social service programs in the Sumy area – contributed to the purchase and startup of medical equipment including oxygen generators.

Furthermore, the company also supported the renovation of the medical research laboratory of the Paediatric Hospital of Saint Zinaida in Sumy and the purchase of the equipment it needed.

Support for children in need

Tying in with the activities carried out by Technologia Foundation, a number of initiatives were launched to provide food and craft materials to summer camps for children, support local orphanages with food, toys and medicines, and buy and install specialist equipment at the local child rehabilitation centre.



CHILE

Emparejar la cancha

“Emparejar la cancha” means bridging the gap between two players: it is an expression taken from the world of sport, used when two opposing teams are in unequal conditions that can directly influence the outcome of the match.

This social responsibility initiative by Gualapack Chile, in collaboration with the Padre Semería Foundation, Homes of Love, has allowed us to support vulnerable children in the municipality of La Pintana, in the Santiago Province. With Emparejar la cancha, in fact, it is possible to make a small periodic contribution so that a child can access educational and cultural opportunities thanks to the recreational activities offered by the “Buen Camino” after-school program. In addition, Gualapack Chile has committed to match other donations and thus double the funds raised and delivered to the foundation.

Supporters can choose from four levels of contribution: Monthly Student Scholarship, Experimenter Scholarship (with educational and socio-emotional support), Adventurer Scholarship (with access to thematic rooms and technological support),

and Explorer Scholarship (including food and school materials). The after-school activities include artistic and expression workshops, science and ecology lessons, and sensory activation initiatives in dedicated spaces.



BRAZIL

Food kits and hand sanitisers

Gualapack Brasil has strengthened its commitment to support local social initiatives, making a donation to the Iperó - SP Solidarity Fund for the purchase of food kits for the community in the area.

In addition, the company donated hand sanitisers produced by Gualapack and its partners, which were distributed to health units that provide emergency care to the socially vulnerable population and families living in the region.

The initiative was carried out with the direct participation of employees and managers.



Campanha do Agasalho - The warmth of an act of solidarity

In 2021, as every year, Gualapack Brasil joined the Campanha do Agasalho, Winter Clothing Donation Campaign initiative, for the collection of warm clothes and blankets for the needy communities of the region.

All the items collected were delivered by our employees directly to families living in situations of social vulnerability: a sign of solidarity and altruism that is renewed every year, with the joy of seeing so many people come together to help those less fortunate.



KEY PERFORMANCE INDICATORS



FOREWORD ON THE METHOD

The Gualapack Sustainability Report was prepared according to the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI). The indicators (KPIs) presented were chosen in line with the United Nations' 2030 Agenda Sustainable Development Goals (UNSDGs).

The production sites included in the perimeter of the monitored KPIs are the same as the past year.

It has been decided to do not include the newly acquired plants in the course of 2021 (the two Teruel plants in Brasil, as well as Easysnap plant in Modena and the plant in Belarus)

Key to reading the Gualapack sustainability report

- Indexes and KPIs (Key Performance Indicators) 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 finished product over time, expressed in metric tons, was adopted as the common denominator. Total production 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 (tons), and which therefore are dimensionally different from the outputs of the other plants.
- 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. Let us start here by remembering that 2021 as a whole was still affected by the consequences of the Covid-19 pandemic, albeit to a lesser extent than 2020, and that the last months of the year posed significant challenges in sourcing raw materials, which influenced the production flow and, consequently, the efficiency of our plants.

Notes and guidelines for the interpretation of KPIs

The common denominator expressed in metric tons of finished product 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 bringing 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.

CERTIFICATIONS OVERVIEW PER PLANT





		ISO 9001	ISO 14001	ISO 45001	ISO 50001	BRC PACKAGING	FSC	SEDEX	ECOVADIS	ISCC
Plant	Country	Quality management	Environmental management	Health & Safety management	Energy management	Food Hygiene management	Certified forest products	Responsible supply standard	CSR	Chain of custody for plastic materials
EMEA										
Alessandria	Italy	●	●	●	●	●		●	●	●
Piacenza	Italy	●	●	●	●	●	●	●	●	●
Carmagnola	Italy	●		●		NA	NA	●	●	NA
Nadab Pouches	Romania	●	●	●		●		●	●	
Nadab Laminates	Romania	●	●	●		●			●	
CIS										
Sumy	Ukraine	●	●	●	●	●		●		
LATAM										
Cartago	Costa Rica	●	●	●		●				
Santiago	Chile	●	2023	2023		●				
BRAZIL										
Iperò	Brazil	2022	2022	2022		●		●	●	
Two factories were acquired in 2021 (Brazil Teruel) certified ISO 9001 e SEDEX										
NORTH AMERICA										
Tehuacán	Mexico	●	2023	2023			FSSC 22000			

KPI OVERVIEW




ENVIRONMENTAL INDICATORS

INDICATOR*	DESCRIPTION	GRI CODE	GRI CODE DESCRIPTION	SDG's	DESCRIPTION SDG's	Reference	EMEA 2020	EMEA 2021	GROUP 2020	GROUP 2021
Products with Improved Environmental Impact	turnover improved products/ turnover all products (%)	306-2	Percentage of products sold and their packaging materials that are reclaimed by category		Ensure sustainable consumption and production patterns	Global (*)	-	-	5%	6.5%
CO ₂ Emissions	tons CO ₂ /tons finished product	305-4	GHG emissions intensity		Take urgent action to combat climate change and its impacts	Global (*)	0.546	0.472	0.482	0.434
Energy Consumption	kWh/tons finished product	302-3	Energy intensity		Ensure access to affordable, reliable, sustainable and modern energy for all	Global (*)	945.23	907.91	918.88	889.17
Low emission electricity	% of low emission electricity on total electricity consumed	302-5	Reductions in energy requirements of products and services		Ensure access to affordable, reliable, sustainable and modern energy for all	Global (*)	59.12%	70.32%	39.39%	45.73%
Water Consumption	tons H ₂ O/tons finished product	303-5	Water consumption		Ensure the availability and sustainable management of water and sanitation for all	Global (*)	6.94	5.86	4.96	4.12
Total Waste	tons total waste/tons finished product	306-2	Management of significant waste-related impacts		Ensure sustainable consumption and production patterns	Global (*)	0.216	0.203	0.186	0.171
Waste to Landfill	% waste to landfill of total waste produced	306-2	Management of significant waste-related impacts		Ensure sustainable consumption and production patterns	Global (*)	15.74%	3.44%	29.46%	17.97%
Natural Gas Consumption	m ³ /tons finished product	305-4	GHG emissions intensity		Take urgent action to combat climate change and its impacts	Global (*)	178,32	161.99	128.37	118.47

SOCIAL INDICATORS

Accident Frequency Index	number of accidents x 10 ⁶ /number of labor hours	403-9	Work-related injuries		Ensure healthy lives and promote well-being for all at all ages	Global	3.64	0.00	7.94	4,77
Accident Severity Index	number of days lost by temporary disability x 10 ³ /number of labor hours	403-9	Work-related injuries		Ensure healthy lives and promote well-being for all at all ages	Global	0.13	0.00	0.14	0.06
Training Hours	annual training hours per employee (h)	404-1	Average hours of training per year per employee		Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Global	7.05	8,56	23.31	21.00
Social Initiatives	number of social initiatives carried out per year (n)	413-1	Operations with local community engagement, impact assessments, and development programs		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Global (**)	-	-	33	37

FINANCIAL INDICATORS

ROI (Return of Investment)	Net income/Investment	201-1	Direct economic value generated and distributed		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Gualapack	-	-	8.2%	6.2%
NFP/EBITDA	NFP/EBITDA	201-1	Direct economic value generated and distributed		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Gualapack	-	-	0.8	1.18
NFP/Equity	NFP/Equity	202-1	Direct economic value generated and distributed		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Gualapack	-	-	0.19	0.26

(*) = Carmagnola plant excluded (**) = excluding the initiatives promoted by Fondazione SociAL

ENVIRONMENTAL INDICATORS

CO₂ emissions

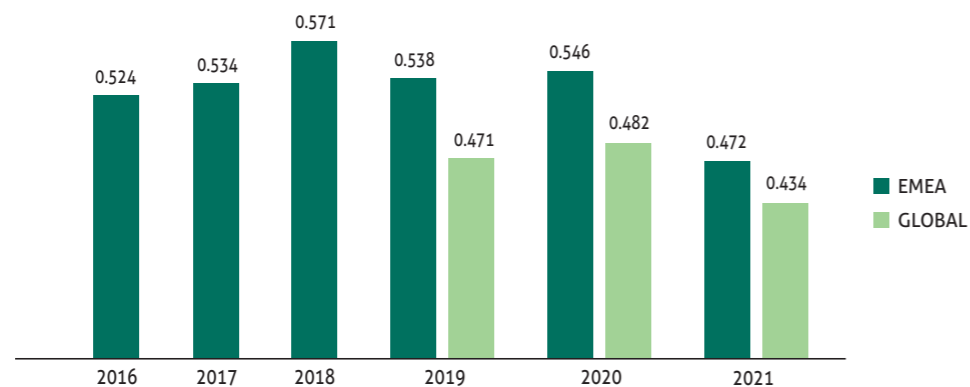
Climate change is one of the most urgent issues of our times and is closely connected to greenhouse gas emissions. Gualapack has committed to the goal of significantly reducing the emissions generated by its production activities, by making increasingly better and more rational use of energy at its various sites. To this end, last year we established a working group

with the main goal of achieving the progressive decarbonisation of our production plants.

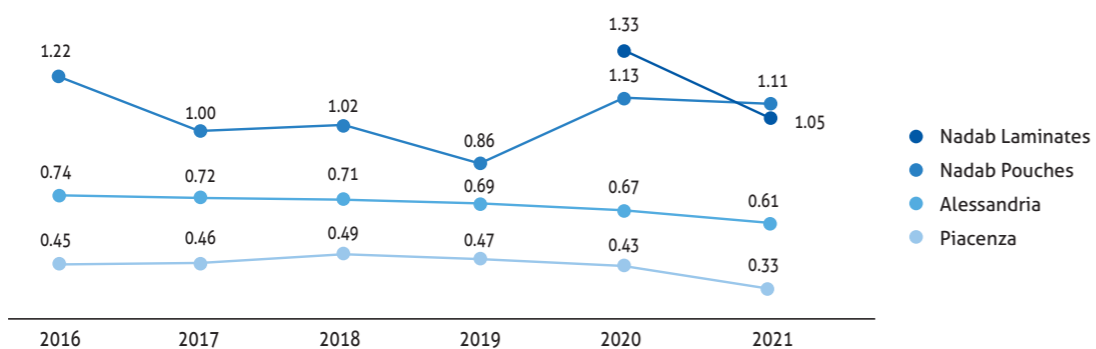
The indicator we monitor in this case considers the consumption of energy supplied by the network, of fossil fuels (methane and LPG) and of diesel fuel for transport. The CO₂ equivalent emitted is calculated taking into

account specific emission factors for the various regions where we are present; finally, the total is divided by the total finished product. In 2021, this KPI recorded a remarkable reduction both at global and EMEA level, thanks to all production sites achieving positive results – in some cases in excess of 20%.

CO₂ / Total finished product (ton / ton)



CO₂ / Total finished product by plant, EMEA (ton / ton)



Electricity consumption

Electricity is the main energy vector for Gualapack's various sites. Consumption is extensively monitored, across all the main industrial activities (production lines), auxiliary services (thermal plants, compression plants, solvent recovery) and general services (lighting, air conditioning, offices and laboratories).

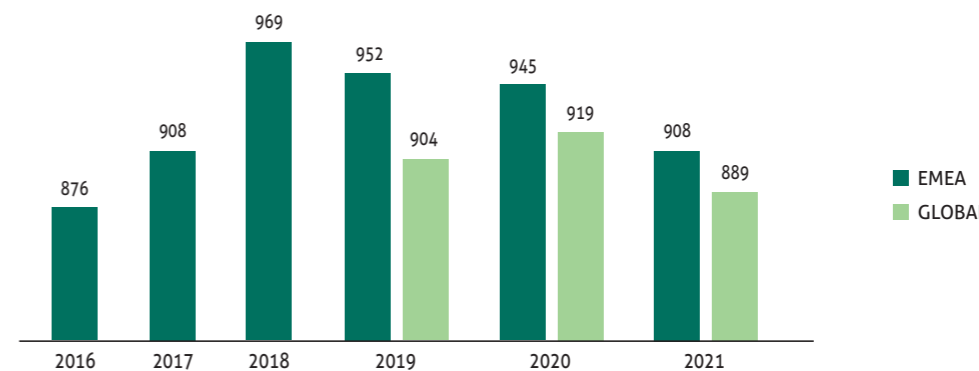
The indicator considered in this case is calculated as the ratio of total electricity consumed per total fini-

shed product manufactured in the various plants. The parameter is easy to measure and can be improved with various activities that leverage technical solutions (improving efficiency, for example by adopting inverter technologies or replacing old systems with new ones offering better performances) or simply people's behaviours, encouraging gradual energy savings. In 2021 our Alessandria, Italy plant achieved the ISO 50001 certification, and the progressive in-

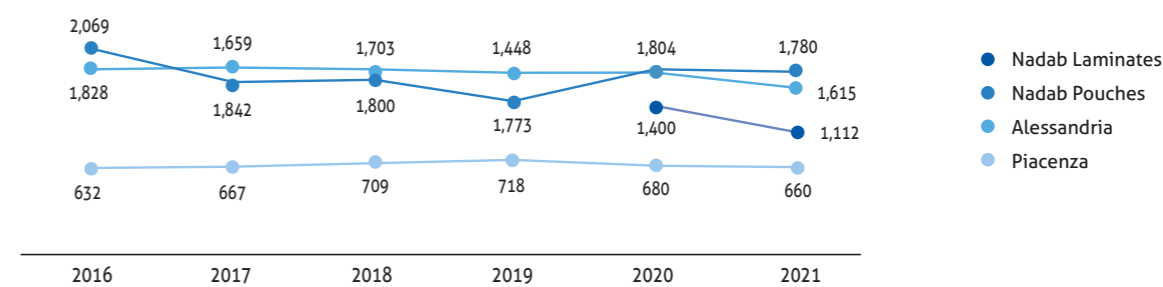
roduction of energy management systems has led to a higher awareness throughout the organisation. Indeed, last year we recorded a noteworthy drop in this indicator, both at EMEA and at global level.

The Alessandria site's performance was particularly impressive, mostly thanks to the installation of a new refrigeration unit with magnetic levitation groups, which cut down consumption by over 80%.

Electricity / Total finished product (kWh / ton)



Electricity / Total finished product by plant, EMEA (kWh / ton)



Share of renewable electric energy

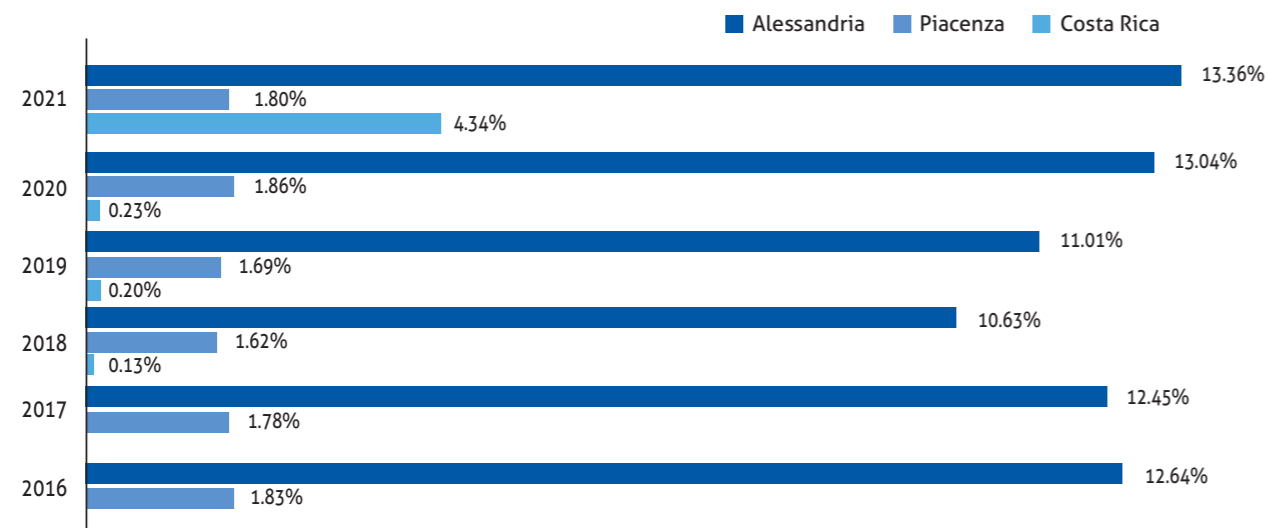
The following chart presents the percentage of energy obtained from renewable sources compared to the total energy consumed, over the years. The KPI is calculated by including the photovoltaic plants installed at the sites in Alessandria and Piacenza, Italy

and in Costa Rica – where electricity production significantly increased with a further investment and plans to expand in 2022.

The cogeneration plant installed in Piacenza is also worth mentioning here:

with an electrical power of 7.2 MW and simultaneous production of thermal energy of approximately 3.5 MW, it is sufficient to cover the site's energy needs and to ensure approximately 15% fewer greenhouse gas emissions compared to conventional solutions.

Renewable source electricity / Total electricity (%)



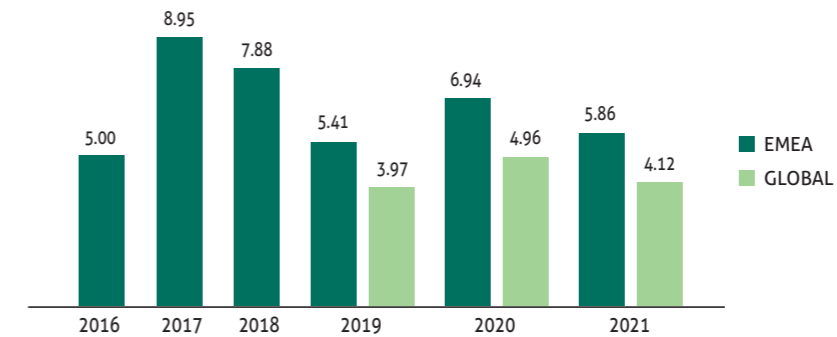
Water consumption

Responsible water management is one of Gualapack's most important commitments in the area of environmental sustainability. Our approach aims to minimise withdrawals, manage the quality of wastewater, and promote our collaborators' awareness about the need to safeguard this resource also through virtuous behaviours that reduce waste.

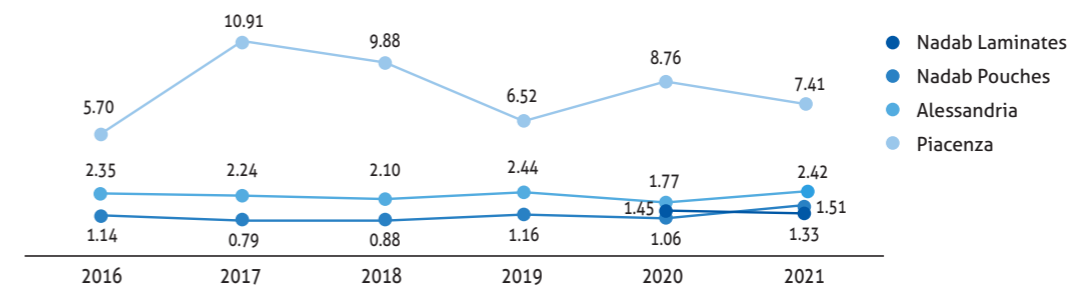
In this case, the highest consumption is related to cooling systems such as evaporative towers, the production of steam (thermal energy), and the use of plumbing fixtures and appliances. The site in Piacenza, located in an area that is not particularly vulnerable in terms of water resources, is the plant using the most water – mostly used for cooling, and then released back into

the environment without significantly altering its quality. The indicator – which expresses the ratio of water used over finished product – shows marked improvement in 2021, both at global and at EMEA level.

Total Water consumption / Total output (ton / ton)



Total water used / Total finished product by plant, EMEA (ton / ton)



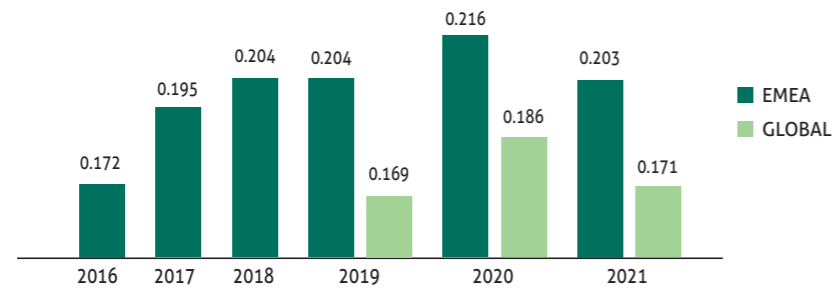
Total waste generated

Across all sites, we carefully manage and constantly monitor the generation of waste – which falls within the “special waste” category and is almost completely not hazardous. The indicator is calculated as the ratio between the quantity of generated waste and finished product, and in

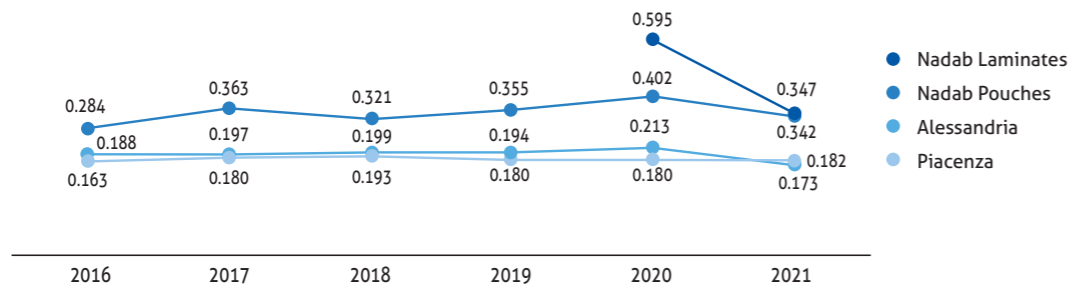
2021 bounced back to the levels recorded before the sensible rise we saw in 2020. This positive result can be noted both at global level and in the EMEA area – where Nadab Laminates’ new plant, in particular, was able to align with our other sites’ performance.

At the moment, we are focusing especially on activities that limit waste during startups, reducing both the time and the amount of material needed, and on optimising orders’ sequence programmes.

Total Waste / Total output (ton / ton)



Waste / Production by plant, EMEA (ton / ton)



Landfill waste

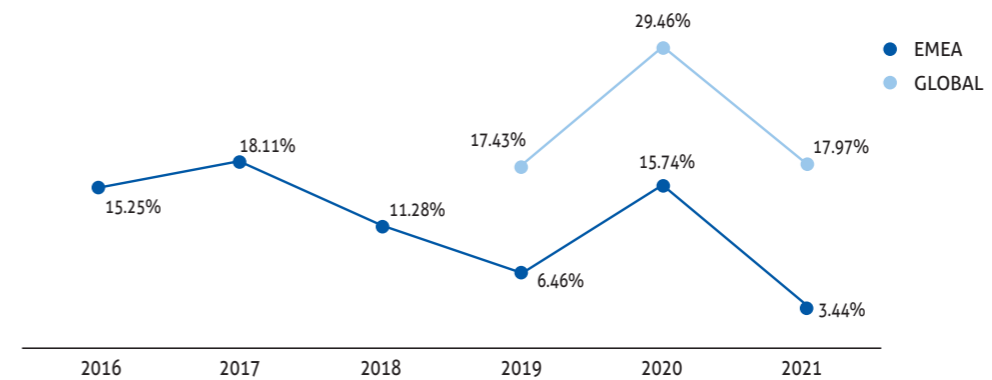
Gualapack continues to uphold its commitment to progressively reduce the share of waste that ends up in the landfills, by carefully sorting materials to favour recovery, recycling and waste-to-energy processes if necessary. The indicator in this case is calculated as

the amount of landfill waste over total waste generated, and in 2021 recorded hugely positive results both at global and at EMEA level.

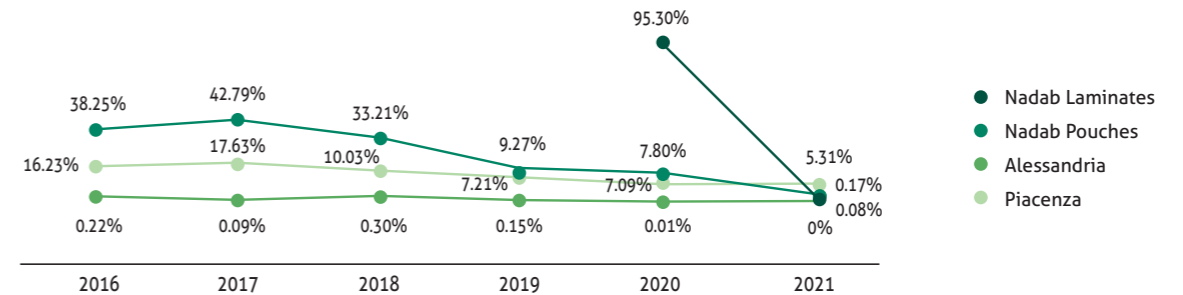
In particular, we must highlight Nadab Laminates’ excellent performance:

the site was able to reduce its waste-to-landfill to almost zero, thanks to the activities it implemented – internally as well as externally – for the recovery of inks, scrap adhesives and washing residues.

Waste to Landfill / Total Waste (%)



Waste to landfill / Total waste by plant, EMEA (%)



SOCIAL INDICATORS

Methane consumption

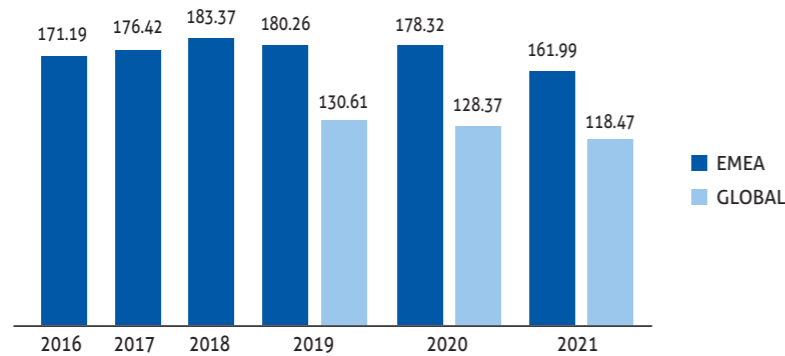
Methane is an important energy vector, especially for our EMEA sites. It is used to generate thermal energy (both to heat workspaces and for the production process) and to generate electricity in Piacenza's cogeneration plant: over 60% of our total methane consumption is destined to this use, which guarantees a combined production of electricity and thermal

energy (steam) with extremely high overall performances.

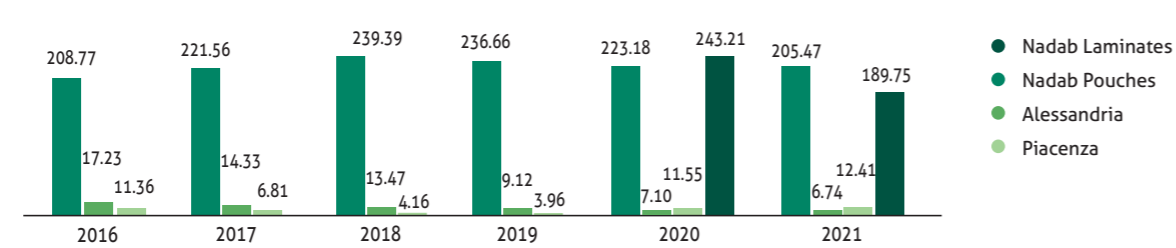
In 2021, we confirmed the positive trend recorded in previous years for this KPI – calculated as the ratio of methane consumption over total finished product – with a remarkable improvement at both global and EMEA level. The new Nadab Laminates site

achieved an excellent performance, reducing its indicator by over 20%: this is an even more noteworthy result if we consider that methane represents, in this case, one of the main energy sources, being used to generate thermal energy for both the production process and air conditioning.

CH4 Consumption / Total output (Smc / ton)



CH4 / Production by plant, EMEA (Smc / ton)



Injury frequency rate

The health and safety of employees, contractors and visitors in the workplace are a core value and a priority of Gualapack.

As regards this KPI, which quantifies the number of injuries per million hours worked, we know that people's behaviour is crucial. For this reason, in 2021 we invested to continue with great enthusiasm all the training, awareness-raising and activities to

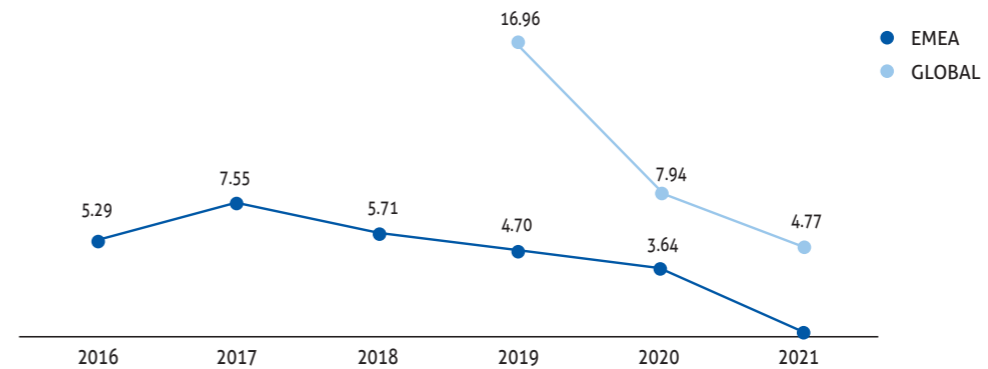
disseminate a culture of health and safety described in the previous chapters, with the express purpose of promoting safe behaviours both at work and at home, to eliminate accidents and especially the more serious ones.

To this end, we also continued to manage near misses and recordable cases, and carried out behavioural audits engaging all staff. Furthermore, we completed our Health, Safety and

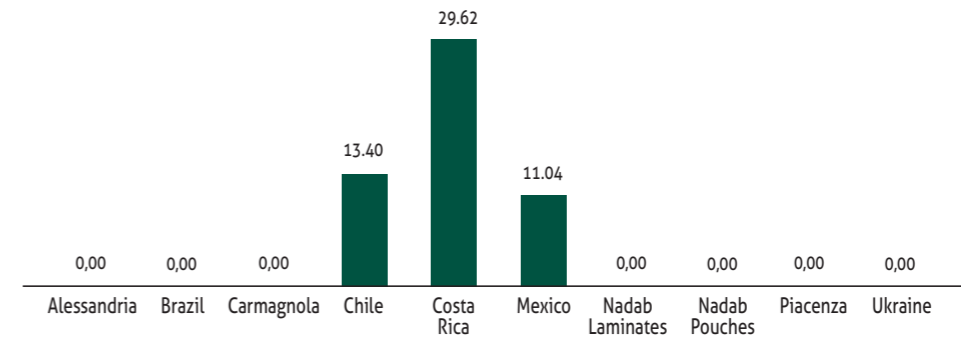
Environment Manual, intended for all workers, and many sites completed the certification process for their health and safety management system according to the UNI ISO 45001 standard.

Thanks to these efforts, made by everyone, in 2021 we were able to confirm a positive trend, with decreasing injuries.

Injury frequency rate (n° of injuries / 1,000,000 h)



Injury frequency rate by plant (n° of injuries / 1,000,000 h)



Injury severity index

The injury severity index is calculated as the number of days of injury per thousand hours worked, and aims to objectively represent the severity of the accidents that occur. This KPI is generally correlated to technical aspects such as the complexity of machines and equipment, the safety devices present, and the dangerousness of the substances and preparations used. In this sense, the

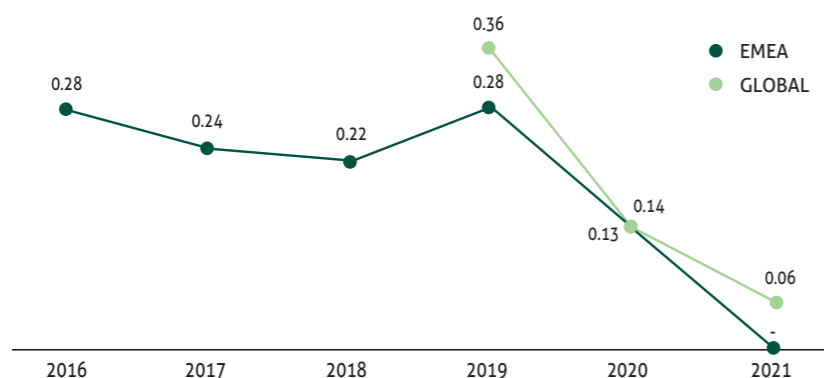
harmonisation of safety procedures among the various sites and the dissemination of the best practices and technologies available – as detailed in the Health, Safety and Environment Manual published last year – have been highly effective.

Our main actions to improve this indicator are geared towards the continuous improvement of machines'

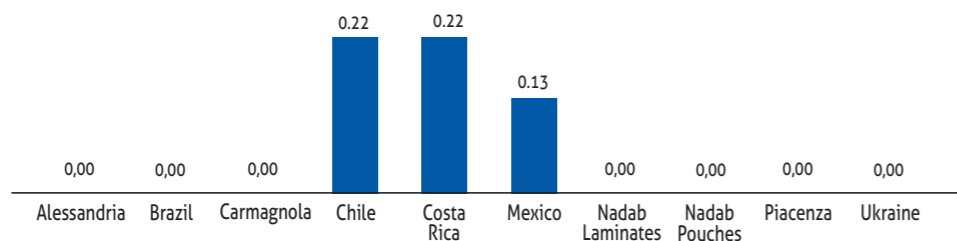
safety, the safe management of dangerous substances – and especially flammable liquids, with the fire and explosion risks connected to them – and the reduction of interference with the mechanised handling of loads.

Like previous years, 2021 recorded a remarkable improvement in the injury severity index, both at the global and at the EMEA level.

Injury Severity Index (n° of days of injury / 1,000 h)



Injury Severity Index by plant



Hours of training

This KPI measures the number of hours dedicated to training for each employee in one year. 2021 was still affected by the pandemic, yet our projects and activities for training and skill development did not stop.

In Italy we organised courses on smart selling: having to avoid or limit business travel to meet clients, our team learned about new digital strategies and methods to present, negotiate, sell and even develop new business. Furthermore, we also carried out a specific training for an energy team dedicated to achieving

the ISO 50001 certification. In Latin America we organised several courses to improve the level of technical skills for process standardisation, also to guarantee key roles would always have a backup. In Mexico we developed training sessions specifically to strengthen the versatility of our technicians and operators involved in production, as well as dedicated leadership programs for managers' growth via an online platform. In Brazil and Ukraine, we invested in particular in some specific courses on employee health and safety, and on the continuous improvement of processes.

Furthermore, in all the regions where we are present, we continued with the special training initiatives focused on sustainability we have launched in the past few years, creating a solid foundation to bring together teams of "champions" that can act as true ambassadors, fostering everyone's engagement and participation in our efforts for sustainability. We cannot say more at this point as this is still a work in progress, but it will certainly be one of our main training activities for 2022.

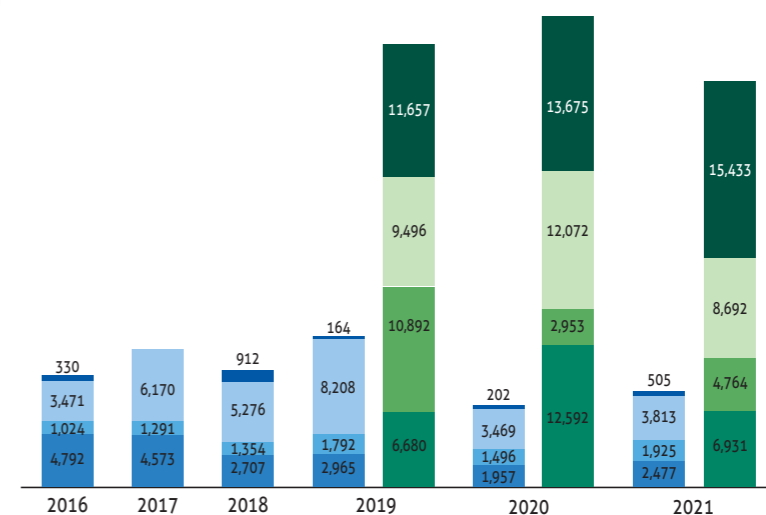
Training hours by topic

EMEA

- Sustainability
- Professional skills
- Product Quality & Hygiene
- EHS

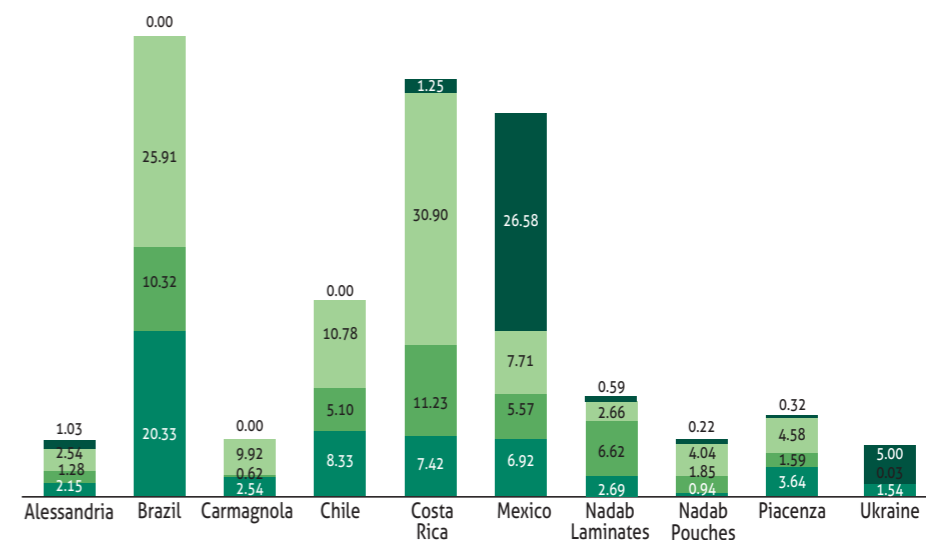
GLOBAL

- Sustainability
- Professional Skills
- Product Quality & Hygiene
- EHS



Average training by topic

- Sustainability
- Professional Skills
- Product Quality & Hygiene
- EHS



SOCIAL INITIATIVES

This KPI measures the number of social initiatives carried out during the year.

2021 was a year of recovery, after the lockdown period due to the Covid-19 pandemic, but still required great commitment to volunteer and solidarity initiatives, to cope with the persistent risk of contagion by donating masks and sanitising products. In Italy, the commitment to

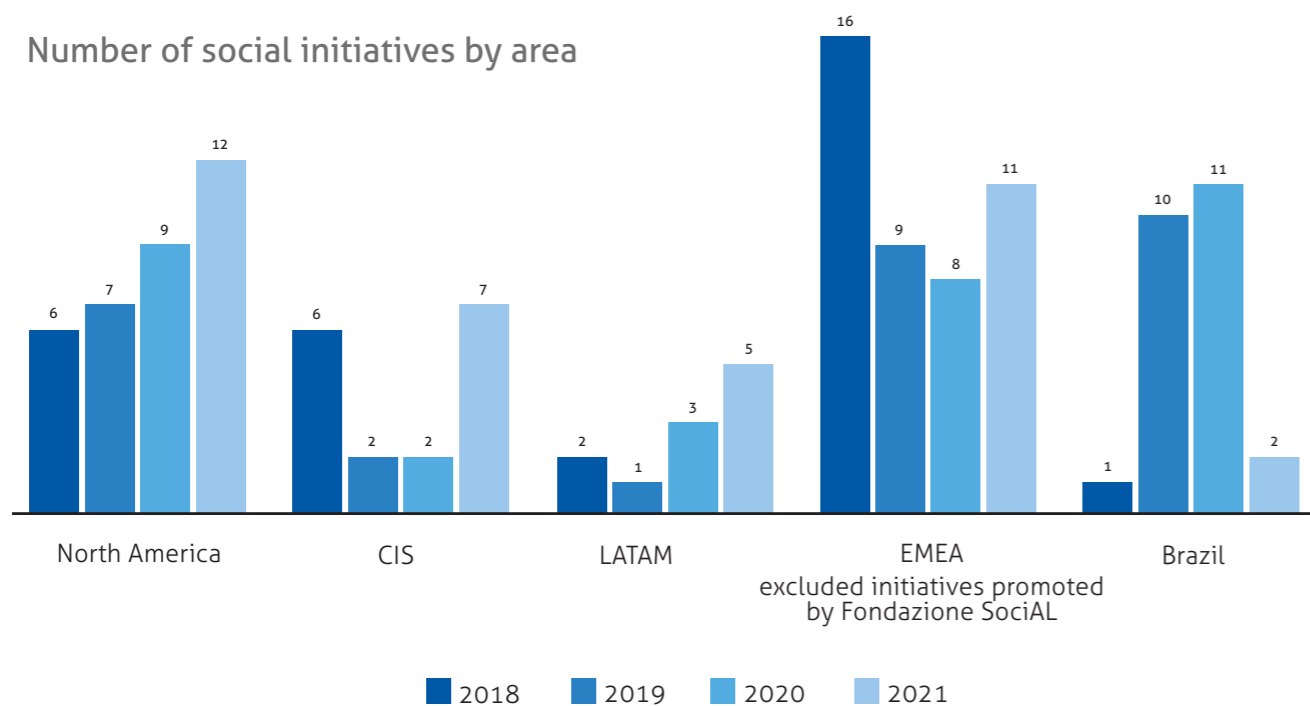
support Fondazione SociAL continued, just as in other regions the companies in the Group maintained their commitment to fund and organise social projects in their own territories.

In all the countries, investments focused in particular on supporting the part of the population in greater difficulty, schools and hospitals, with particular attention to activities

for children, with initiatives for the renovation of paediatric hospitals in Romania and Ukraine and toys, books and entertainment spaces donated to children in almost every region.

Once again, the bond with local associations and other companies in the area was strengthened, spurred by the desire to work as a team and to be united towards a common goal.

Number of social initiatives by area

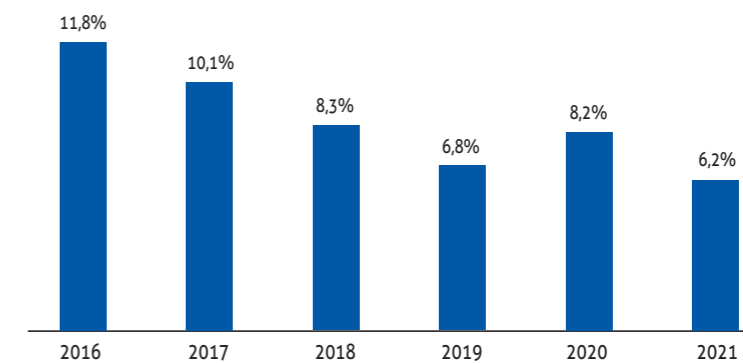


FINANCIAL INDICATORS

Economic sustainability

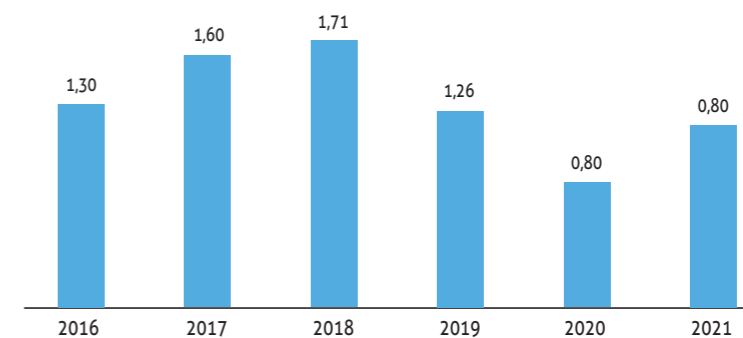
ROI (%)

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



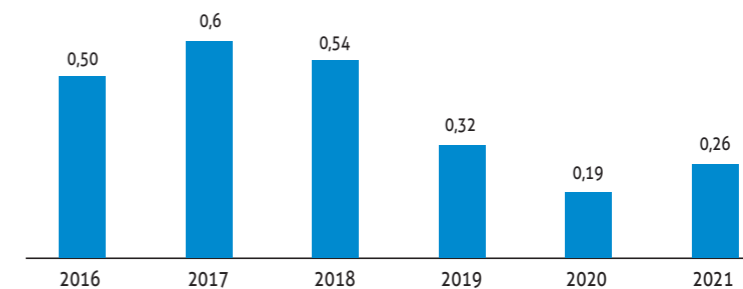
NFP/EBITDA (€ / €)

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.

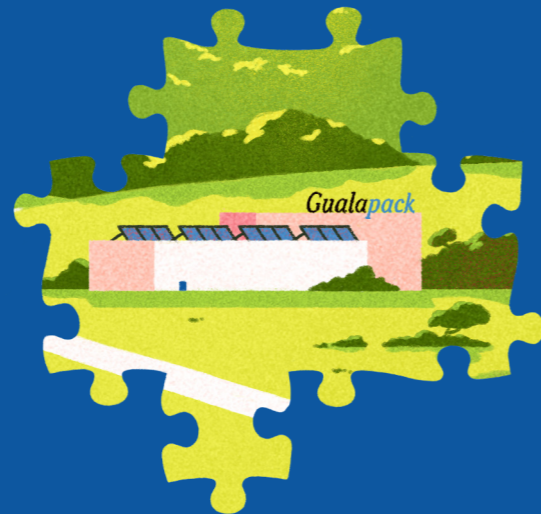


NFP/EQUITY (€ / €)

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



PLANTS



EMEA GUALAPACK 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.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Installed a new, high-performance water heating system.
2. Implemented a new energy monitoring system to optimise consumption.
3. Built a project to identify further opportunities to make production processes more efficient and lower their carbon emissions.
4. Updated the refrigeration unit, replacing old systems and installing a magnetic levitation magnetic bearing centrifugal chiller.
5. Implemented and certified an energy management system in line with standard ISO 50001:2018.

SAFETY

1. Reduced the risks tied to manual handling of loads: put in place collaborative robots for bag and straw with electrical handling (eliminating manual handling).

PLANNED ACTIVITIES


ENVIRONMENT


1. Plan to alter the hot runner system in the injection process in the injection moulding department, aimed at reducing energy consumption.


SAFETY

1. Re-launch the program to reduce the risks tied to manually moving loads in a structured way, revising the time-methods mapping of working operating procedures (ergonomics, technical and organisational aspects) and manufacturing new electrical collaborative robots.




 Country: **Italy**


 Employees: ~ **270**

 Size : **40,000 m²**

 Year of foundation : **1986**

 Plant Manager: **Marco Giuliacci**

 Products: **Injection moulded spouts and caps, pre-made pouches**

 Certifications: **ISO 9001:2015, ISO 14001:2015, BRC Global Standard for Packaging and Packaging materials, Issue 6, ISO 45001:2018, ISO 50001:2018 ISCC Plus, SMETA 4-pillars, Sedex, Ecovadis**

MAIN ACHIEVEMENTS

- 13.8% of the total energy used is generated using renewable sources
- 11% reduction of the electricity used per unit of product, compared to the previous year
- 80% reduction of the electricity used for the refrigeration units, per unit of product



EMEA GUALAPACK 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 blown film extrusion and lamination using adhesives or extruded PE, as well as slitting. In addition, it carries out applied research.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Renovated the thermal plant by replacing the existing diathermic oil boilers with new, direct-fired ones – leading to the following benefits: elimination of diathermic oil and of the energy consumption associated with it; elimination of the risks tied to management and disposal; increase of the boilers' performance, with lower gas consumption and CO₂ emissions; simpler technology and maintenance of the plant and lower risk of downtime.
2. Installed new air conditioning systems for the print area, reducing energy and resource (water) consumption.
3. Put in place a plan to identify further opportunities to increase efficiency and decarbonise production processes.
4. Installed a machine-side ink cooling system to reduce waste

SAFETY

1. Removed old systems in the print and lamination departments, renovating the respective areas.
2. Identified safe pathways to eliminate the interferences between people walking and the mechanised handling of loads.
3. Replaced the spent solvent distillation system, to improve performance and safety in the management and handling of flammable liquids.
4. Updated the technology used for the rotogravure and slitting processes, improving machinery's safety.
5. Refurbished the medium-voltage network and low-voltage switchboards of two electrical substations, leading to an improved electrical and EMF risk.

PLANNED ACTIVITIES

ENVIRONMENT

1. Evaluate the renovation of the cogeneration plant, by replacing the steam generator system and alternators in order to increase performance.
2. Carry out a feasibility study to add new sections to the photovoltaic system, towards decarbonisation.
3. Install new extrusion and coupling systems designed for completely recyclable materials (monomaterial).
4. Replace current medium-voltage transformers with high-efficiency transformers, consequently reducing transformation losses

SAFETY

1. Complete the forklift/pedestrian anti-collision system in all areas of the plant, warehouses and production departments.
2. Improve the analysis of near misses and redefine behavioural audits to reach set targets.
3. Coat floors with resin and renovate various areas in the plant, to improve housekeeping and reduce the risks related to mechanised load handling.

Country: Italy

Employees: ~ 380

Size: 84,000 m²

Year of foundation: 1925 (purchased in 2002)

Plant Manager: Gian Domenico Cappello

Products: PE blown film extrusion, graphics & cylinder engraving, rotogravure printing, lamination, slitting

Certifications: ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BRC Global Standard: "Packaging and Packaging Material", Issue 6; ISO 50001:2018; ISCC plus; FSC®Chain-of-Custody; SMETA-4-Pillars, Sedex, Ecovadis

MAIN ACHIEVEMENTS

- 100% self-produced energy, using a high-performance cogeneration plant and photovoltaic system to cover the site's entire energy demand
- 12% reduction in the CO₂ emissions per unit of product, compared to the previous year.
- 47% reduction in the share of waste destined to the landfill, compared to 2018



EMEA GUALAPACK CARMAGNOLA

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

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Altered the heating system by installing an energy-saving control unit that can be managed via computer.

SAFETY

1. Progressively reorganised the storage areas and eliminated old machinery.
2. Tidied up and cleaned the warehouses, scrapping old machinery to free up areas in the factory.

PLANNED ACTIVITIES

ENVIRONMENT

1. Install glass insulation against the factory's heat dispersion.

SAFETY

1. Continue minimising accidents, analysing near misses and spreading a culture of health and safety.

Country: Italy

Employees: ~ 25

Size : 5,000 m²

Year of foundation : 1989

Plant Manager: Fulvio Laguzzi

Products: Filling lines, machines for spout applications

Certifications: ISO 9001:2015, ISO 45001:2018, SMETA 4-pillars, 3-A Sanitary Standard, AEO, Sedex, Ecovadis

MAIN ACHIEVEMENTS

- Over 40% reduction in the CO₂ emitted per machinery unit produced, compared to the previous year
- Approximately 50% reduction of waste generated per machinery unit produced



EMEA GUALAPACK NADAB POUCHES

The Gualapack Nadab Pouches plant in Chisineu Cris, Romania, was founded in 2010 as a backup production site for the plant in Alessandria, Italy, to meet the growing market demand and to provide clients with better continuity of service. The factory manufactures pre-made flexible pouches and plastic profiles made via an extrusion process, required to pack the pre-made pouches produced.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Replaced paper towels with 100% recycled paper ones.
2. Carried out an energy audit.
3. Completed a project to increase the diameter of laminate reels, in order to reduce waste and increase productivity.

SAFETY

1. Launched a campaign to raise awareness for accident prevention.
2. Improved the risks tied to the use of forklifts with the installation of automatic door opening systems.
3. Achieved the ISO 45001 certification for the health and safety management system.
4. Improved the safety of the loading and unloading areas by eliminating the interference between trolleys and pedestrians.
5. Developed 22 projects to improve occupational safety, following the awareness campaign carried out.

PLANNED ACTIVITIES

ENVIRONMENT

1. Launch a specific campaign for the recycling of paper used in offices.
2. Reduce laminate consumption waste by checking the end of the reel.
3. Study the energy efficiency of the compressed air system.
4. Implement straw rotary machines to reduce electricity consumption.

SAFETY

1. Replace the physical covers on two machines in the straw department with new models able to cover the whole machine.
2. Implement a special maintenance project, possibly leading to the replacement of machine guards to improve safety.
3. Replace the lift truck fleet with new models equipped with the latest generation of management and protection systems.

Country: **Romania**

Employees: ~ **280**

Size: **26,000 m²**

Year of foundation: **2011**

Plant Manager: **Aniela Mladin**

Products: **Pre-made pouches, profile extrusion**

Certifications: **ISO 9001:2015, BRC Global Standard: "Packaging and Packaging Material", Issue 6, ISO 14001:2015, ISO 45001:2018, Smeta-4-Pillars, Sedex, Ecovadis**

MAIN ACHIEVEMENTS

- 15% reduction of the waste generated per finished product, compared to the previous year
- 11 social initiatives
- Accident frequency rate: zero



EMEA GUALAPACK NADAB LAMINATES

The Nadab Laminates plant was inaugurated in November 2019. It manufactures multi-ply laminates destined to conversion into pouches at the Nadab Pouches plant next door. Its layout, with a total area of 37,000 m², 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.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Reduced waste solvent disposal thanks to the recovery of used and spent solvent by means of a distillation system.
2. Achieved the ISO 14001 certification for the environmental management system.
3. Reduced the material used for the packaging of finished products through an automated system.
4. Improved mixed waste management by separating the last layers of laminate from the cardboard mandrel.

SAFETY

1. Achieved the ISO 45001 certification for the health and safety management system.
2. Launched a campaign to raise awareness for accident prevention.
3. Improved the risks tied to the use of forklifts with the installation of automatic door opening systems.
4. Improved the safety of the loading and unloading areas by eliminating the interference between trolleys and pedestrians.
5. Implemented 17 projects to improve occupational safety, following the awareness campaign carried out.

PLANNED ACTIVITIES

ENVIRONMENT

1. Launch a specific campaign for the recycling of paper used in offices.
2. Reduce cardboard waste and transport by adopting vertical packing of laminate reels, with a positive impact on CO₂ emissions.
3. Create a mixing station for adhesives and paints to reduce waste.

SAFETY

1. Create a mixing station for adhesives and paints to reduce the manual handling of chemical products.
2. Replace the lift truck fleet with new models equipped with the latest generation of management and protection systems.

Country: **Romania**

Employees: ~ **70**

Size : **37,000 m²**

Year of foundation : **2019**

Plant Manager: **Aniela Mladin**

Products: **Rotogravure printing, lamination, slitting**

Certifications: **ISO 9001:2015, BRC Global Standard: "Packaging and Packaging Material", Issue 6, ISO 14001:2015, ISO 45001:2018, Ecovadis**

MAIN ACHIEVEMENTS

- Accident frequency rate: zero
- Over 800 metric tons of acetate recovered from ink waste and solvent recovery systems



EASYSNAP

Easysnap Technology is the Italian company, founded in 2002, that created Easysnap®, a single-dose packaging with a patented opening system that is groundbreaking and unique in the world.

Easysnap® is made with automated machines designed and developed by Easysnap Technology, which is also the global exclusive distributor of the Easysnap® brand and of its intellectual property. The machine's versatile settings allow for different sizes and volumes of the Easysnap® packaging to meet different market needs depending on the product category, consumption mode and distribution channel. Since 2007, Easysnap Technology has reached most of the world's industrialised countries (United States, Canada, United Kingdom, Germany, Italy, France, Spain, Sweden, Turkey, Saudi Arabia, India, Japan, Australia and South Africa), where millions of Easysnap® units are manufactured every day.

The Easysnap Group 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. This business area is responsible for the Easysnap® brand, including its intellectual property, and the manufacture of packaging machines. Easysnap can replace any traditional single-dose packaging – including small cups, bottles and tubes – between 0.1 and 30 ml, offering many benefits in terms of flexibility and cost per unit. Easysnap Technology Srl is ISCC PLUS Mass Balance certified.
- Easysnap Co-packing Srl offers a complete co-packing service, and is divided into two separate business units: the food division and the beauty & pharma division. It is able to offer a complete packaging service for third-party clients for any kind of liquid product. It's the packaging and sales division for single-dose packets for the food, cosmetics and medical devices sectors.

- Country: **Italy**
- Employees: ~ **25**
- Size Labriola: **876 m²**
Size Ponte Alto: **350 m²**
+ **685 m² garden**
- Year of foundation: **2002 (purchased in 2021)**
- Plant Manager: **Gian Luca Fornasini**
- Products: **Design and assembly of packaging machines; packaging services for third parties**
- Certifications: **Easysnap Technology**
• **ISCC PLUS Mass Balance**
- Easysnap Co-packing**
• **BRC Food - Global Standard for Food Safety**
• **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**

CIS GUALAPACK UKRAINE

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.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Implemented a mapping of thermal dispersions in buildings with infrared cameras.
2. Completed the monitoring of lighting to optimise its management in the production areas, leading to energy savings.

SAFETY

1. Implemented a new ventilation system to improve the environmental remediation of auxiliary production spaces.

PLANNED ACTIVITIES

ENVIRONMENT

1. Install a system to monitor and control electricity use in production areas, to improve efficiency.
2. Optimise the operation of the compressor station, following a complete energy audit.

SAFETY

1. Complete a new system to store solvents, to reduce the risk of fire and explosion tied to the handling of hazardous liquids.



- Country: **Ukraine**
- Employees: ~ **360**
- Size: **13,000 m²**
- Year of foundation: **2014**
- Plant Manager: **Reva Valery**
- Products: **Pre-made pouches, multiply laminates, injection moulding**
- Certifications: **ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BRC Global Standard: "Packaging and Packaging Material", Issue 6; ISO 50001:2018; SMETA-4-Pillars, Sedex**

- MAIN ACHIEVEMENTS**
• **No injuries recorded in 2021**


• **22% reduction in waste per product, compared to the previous year**


• **Over 25% reduction in water use per unit of product, compared to the previous year**





BRAZIL GUALAPACK BRASIL

Formerly Tradbtor, 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**


 Employees: ~ **95**

 Size: **11,000 m²**

 Year of foundation: **1994** (purchased in 2015)

 Plant Manager: **Robson Albanes**

 Products: **Pre-made pouches, injection moulding**

 Certifications: **BRC Global standard for Packaging and Packaging Materials, Issue 6, Smeta-4-Pillars, Sedex, Ecovadis**

MAIN ACHIEVEMENTS

- Reduction in the number of accidents at work
- Approximately 100,000 kWh a year saved in environmental lighting
- 100% of employees have been trained on environmental, health and safety issues
- Visual management for environmental and safety issues implemented in the factory
- Creation and implementation of the Annual Environmental Calendar of actions and best practices

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Implemented waste sorting (plastic, metal and paper) and of a waste management system.
2. Launched a project for a more responsible use of water (water is treated and re-used for air conditioning and garden irrigation).
3. Followed procedures to strengthen and guarantee respect for environmental issues.
4. Launched an activity to increase all employees' awareness for environmental issues.

SAFETY

1. Improved process logistics.
2. Pursued continuous improvement of machinery's safety standards.
3. Installed lifelines on roofs.
4. Followed procedures to strengthen and guarantee respect for safety issues.
5. Launched a training programme to increase all employees' awareness for health and safety in the workplace.

PLANNED ACTIVITIES

ENVIRONMENT

1. Start monthly meetings with all employees on environmental issues.
2. Update training on environmental issues for all employees.
3. Implement and spread actions tied to environmental issues in the new plants acquired in Brazil.
4. Launch a programme to extend the environmental management system certification according to ISO 14001:2015 to the new plants acquired in Brazil.

SAFETY

1. Implement a programme to prevent accidents by raising all employees' awareness.
2. Update training on safety issues for all employees.
3. Implement and spread actions tied to health and safety issues in the new plants acquired in Brazil.
4. Launch a programme to extend the health and safety management system certification according to ISO 45001:2018 to the new plants acquired in Brazil.

BRAZIL GUALAPACK TERUEL

In 2021, Gualapack strengthened its presence in Brazil, in line with the strategic plan defined in 2020, by acquiring the Brazilian company Teruel. The company was founded in 1969 and was well established in the Brazilian 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.


The new Jaguariúna site features solutions and technologies that minimise environmental impact, such as treatment systems for volatile organic emissions and waste water, collection of rainwater for toilets, cleaning and irrigation, recovery of solvents for reuse in washing activities, solar thermal energy used for heating domestic water.


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 Iperô.

The site follows production processes certified according to the ISO 9001 standard. In addition, it has achieved the Sedex® ethical business certification.




 Country: **Brazil**

 Employees: ~ **165**

 Size :
Jaguariúna, San Paolo: 30,000 m²
Ouro Fino, Minas Gerais: 20,000 m²

 Year of foundation : **1969** (purchased in 2021)

 Plant Manager: **Fernando Fernandes**

 Products: **Printing on plastic, paper and cardboard, up to 8 colours; Lamination of flexible materials such as two types of plastic, plastic and paper, plastic and cardboard; Paper waterproofing; Paper embossing; Sheet metal cutting spools; Manufacturing finished banners with rigging and tip; Manufacture of rails with wooden support; Plastic application with flat mould or lamination with flat mould; Coating in extruded material; Resin application with registration.**


 Certifications: **ISO 9001, Sedex**



LATAM GUALAPACK COSTA RICA

Gualapack Costa Rica manufactures pre-made flexible packaging of the same type and intended use as Gualapack's. The first site of the Group in South America, it was founded in 2013 with the goal of establishing a strategic presence closer to local clients and markets.


 Country: **Costa Rica**

 Employees: ~ **55**


 Size: **9,800 m²**

 Year of foundation: **2013**

 Plant Manager: **Ricardo Soto Villalobos**

 Products: **Pre-made pouches, injection moulding, profile extrusion, filling lines**

 Certifications: **ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BRC Global standard for packaging and packaging materials, Issue 6**

 **MAIN ACHIEVEMENTS**

- Over 40% reduction of the KPI for total waste generation (total waste generated/total finished product)
- Over 15% reduction in the overall CO2 emissions per finished product (metric tons)
- Approximately 50% reduction in the frequency of accidents compared to the previous year

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Implemented an ongoing assessment of projects to make cooling systems more efficient.

SAFETY

1. Launched a safety campaign to reduce risks during activities on the roofs (anchor points and fall protection).
2. Implemented ongoing continuous improvement of machine guards.
3. Positioned safety nets on the shelves.
4. Revised and improved safety signage.
5. Carried out an activity to promote a healthy lifestyle for all staff (training, proper nutrition).
6. Carried out various emergency drills and simulations.

PLANNED ACTIVITIES

ENVIRONMENT

1. Increase the current photovoltaic system's capacity (a 22% increase is expected in 2022).
2. Implement an energy management system and certification according to ISO 50001.

SAFETY

1. Implement ergonomic improvements in administrative/office positions and for bag and straw machine operators.
2. Organise a public event to promote health and safety.
3. Launch an appropriate accident prevention campaign.

LATAM GUALAPACK CHILE

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.

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Improved procedures for waste management for the selection and sorting of production waste.
2. Implemented a continuous improvement programme to reduce machines' and production's waste.

SAFETY

1. Launched a safety plan to analyse people's behaviour in the production areas, evaluate critical situations and improve safety procedures.

PLANNED ACTIVITIES


ENVIRONMENT


1. Replace lighting with LED lights to reduce consumption.


SAFETY


1. Achieve the ISO 45001 certification for the site's health and safety management system.
2. Improve production equipment's passive safety systems.



 Country: **Chile**

 Employees: ~ **120**


 Size : **3,000 m²**

 Year of foundation : **2017**

 Plant Manager: **Esteban Sánchez Ramírez**

 Products: **Pre-made pouches, injection moulding**

 Certifications: **ISO 9001:2015, BRC Global Standard for packaging and packaging materials, Issue 6**


 **MAIN ACHIEVEMENTS**


- Over 50% reduction in the frequency of accidents compared to the previous year
- Implemented an extraordinary training plan following the HSE manual's guidelines





NORTH AMERICA EXCEL NOBLEZA

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 activities.


 Country: **Mexico**

 Employees: ~ **510**

 Size : **15,000 m²**

 Year of foundation :
1985 (purchased in 2017)

 Plant Manager:
Miguel Angel Herrero Pérez-Rioja

 Products:
Pre-made pouches, laminates, labels, shrink film, laminate pouches and high-barrier films

 Certifications:
**ISO 9001:2015
FSC 22000 v5.1
(Food Safety System Certification)**

MAIN ACHIEVEMENTS

- Improved waste management by reusing double-sided tape in the assembly area

- Implemented over 170 ideas for improvement suggested by employees

COMPLETED AND ONGOING ACTIVITIES

ENVIRONMENT

1. Launched a reforestation plan, planting 200 new trees in the peripheral areas of the production site.
2. Improved the accessibility of chimneys for the sampling of emissions released into the atmosphere.
3. Improvement of the hazardous waste storage area by creating an appropriate containment basin.
4. Started reusing double-sided tape in the assembly area.
5. Improved the environmental conditions in the polyethylene warehouse, with the installation of air extractors.
6. Replaced traditional lighting with LED lamps in various departments.

SAFETY

1. Installed the Anilox laser cleaning system to avoid the use of solvents and other chemicals and reduce the related risks, shifting from a manual washing system with solvents and acids to a more automated and safe process.
2. Created an adhesive mixing room to prevent fires due to the accumulation of volatile gases in the printing area.
3. Coated floors with epoxy paint in various departments.

PLANNED ACTIVITIES

ENVIRONMENT

1. Complete the reforestation plan by reaching a total of 600 new trees planted in the peripheral areas of the production site.
2. Change the bio-digester to increase the capacity of the production area.

SAFETY

1. Expand and condition the flexographic plate warehouse to improve safety in storage methods.
2. Build containment works on the perimeter of a shed to avoid flooding in the event of heavy rainfall.

Thanks to all those who have contributed to the elaboration of the Sustainability Report.





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