

IPACKCHEM's 2017-2018 contribution to the United Nations 2030 Agenda of







































EXECUTIVE STATEMENT

Corporate responsibility is integrated into IPACKCHEM's day-to-day activities and our approach is based on IPACKCHEM's values, vision and mission. Corporate responsibility is guided by our strategy, general ethical principles, the code of conduct guidelines and our purchasing and operating principles.

Our Sustainability programme has been based on key themes: Good corporate governance and ethics, Dialogue with our key stakeholders, Environmental management, Sustainable innovation and sourcing, Human capital development, Customer product stewardship and our contribution to Society.

I am particularly proud of our teams, truly dynamic and participating players, working towards the achievement of our long-term goals.

In the context that places the plastics industry as a growing and constantly evolving sector, IPACKCHEM is converting business opportunities into operations through more product efficiency and integration of new technological innovations (weight reduction, bio sourcing and recycling of raw materials, etc.).

In addition, IPACKCHEM will continue to expand its operations in new geographical areas where customer demand of high-performance plastic packaging is increasing. In the future, IPACKCHEM will strengthen its sales and competitiveness and reduce its impacts through deployment of innovative solutions, sharing of good operational practices and customer collaborative approach.

As an international group, IPACKCHEM cannot only create value for its business along the value chain and the Group gives contribution to its local communities and society at large. The Sustainable Development Goals (SDGs), launched by the United Nations in 2015, are an excellent vehicle for driving this change. They represent an action plan for the planet and society to thrive by 2030.

Our vision for a new way of doing business – one that delivers growth by serving society and the planet – is strongly aligned with the SDGs.

Jean-Philippe MORVAN

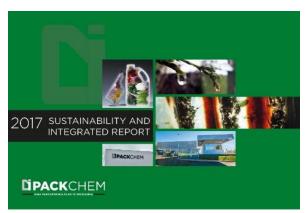
IPACKCHEM Group CEO

November 2018

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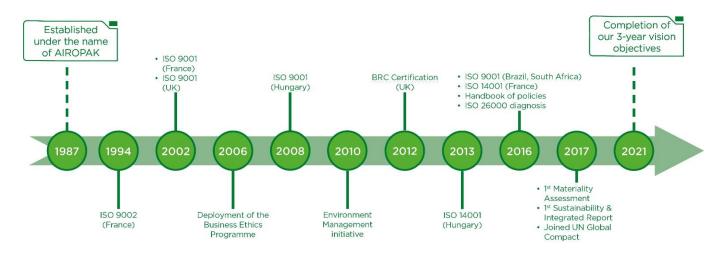
1. IPACKCHEM's CSR STRATEGY



To know more about IPACKCHEM's CSR Strategy and its commitments, please refer to the <u>"2017 Integrated and Sustainability Report"</u> available online on IPACKCHEM's website. To ensure a good understanding by every employee or stakeholder of the Group, a Digest (executive summary of the report) is available in 7 languages: <u>English</u>, <u>French</u>, <u>Portuguese</u>, <u>Russian</u>, <u>Hungarian</u>, <u>German</u>, <u>Chinese</u>

These publications feature all aspects related to IPACKCHEM' sustainable approach.

On this "2017-2018 contribution to the 2030 Agenda of SDGs" report, we highlight the major & recent evolutions from 2017.



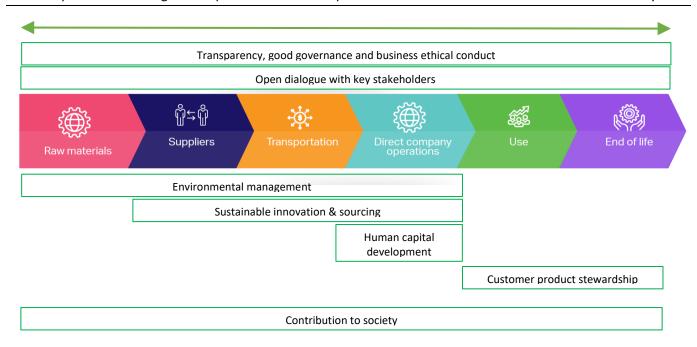
2. ANALYSIS OF MAJOR IMPACTS on STAKEHOLDERS

In the context that places the plastics industry as a growing and constantly evolving sector, IPACKCHEM is converting business opportunities into operations through more product efficiency and integration of new technological innovations (weight reduction, bio sourcing and recycling of raw materials, etc.).

In addition, IPACKCHEM continues to expand its operations in new geographical areas where customer demand of high-performance plastic packaging is increasing. In the future, IPACKCHEM strengthens its sales and competitiveness and reduces its impacts through deployment of innovative solutions, sharing of good operational practices and customer collaborative approach.

VALUE CHAIN

The following picture shows where are the major impacts created by IPACKCHEM and the strategies developed by the Group to minimize negative impacts and maximize positive contributions to stakeholders and the Society.



3. MATERIALITY AND INTEGRATED STRATEGIC ROADMAP

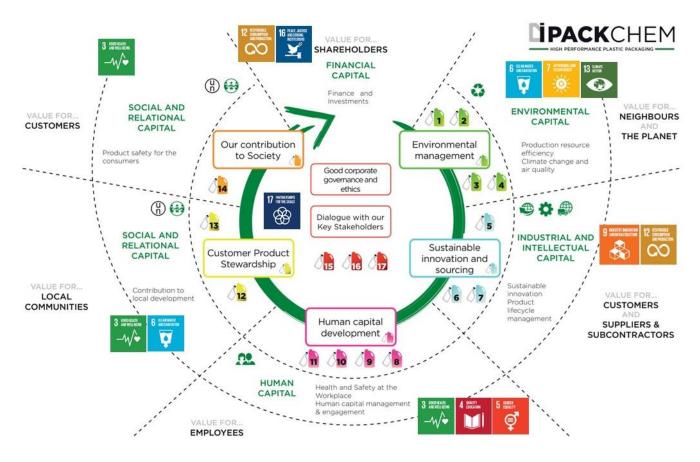


In 2016, IPACKCHEM carried out an ISO 26000 diagnosis to assess the maturity of its Corporate Responsibility approach. IPACKCHEM pursued the stake identification with a materiality assessment based on the GRI (Global Reporting Initiative) standards.

IPACKCHEM launched a survey to prioritise the relevant issues for its activities from the most critical stakeholders. An international benchmark on sustainability frameworks (such as GRI) as well as on main industrial players in the field, helped to identify the most material issues among the sector.

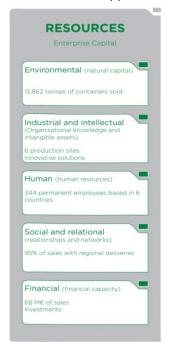
A consultation of main stakeholders has been launched to prioritise the most material stakes on governance, economic performance as well as environmental, social and civic corporate responsibility. This work helped to define the most strategic issues for the company. 20 priority issues have been defined as the most material for the development of IPACKCHEM activities and to respond to its stakeholders' expectations.

In 2017, an integrated strategic roadmap was built to develop the CSR deployment action plan. IPACKCHEM has identified SDGs that are aligned with its business strategy.



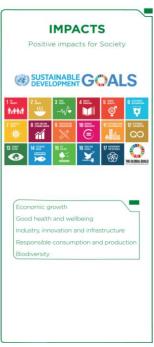
4. VALUE CREATION MODEL

IPACKCHEM's value creation model shows the resources the Group relies on to produce and create value for its stakeholders. It highlights the importance of its workforce, of natural resources and of its capacity to innovate. As an international group, IPACKCHEM cannot only create value for its business and the Group gives contribution to its local communities and society at large. The Sustainable Development Goals (SDGs) provide a comprehensive framework to support our business in understanding global needs and developing appropriate business solutions.







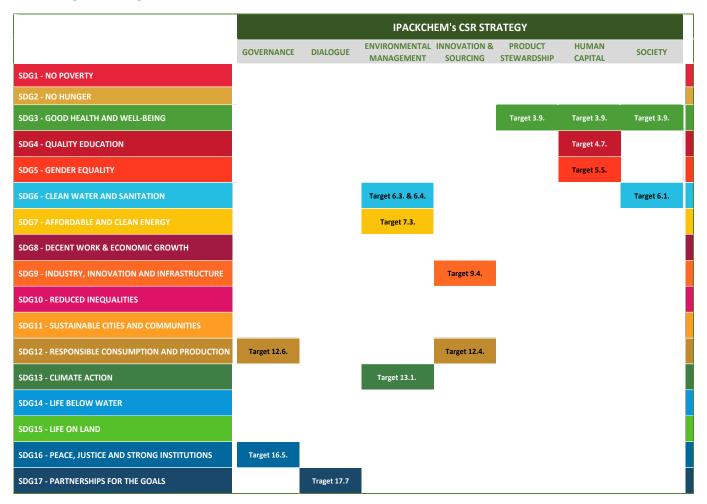


5. SDGS' CONNECTIVITY TABLE

IPACKCHEM Group has defined strategic goals that support the SDGs targets and apply at all geographies. IPACKCHEM directly contributes to the achievement of 10 strategic Sustainable Development Goals.



SDGS' Targets are aligned with IPACKCHEM's activities:

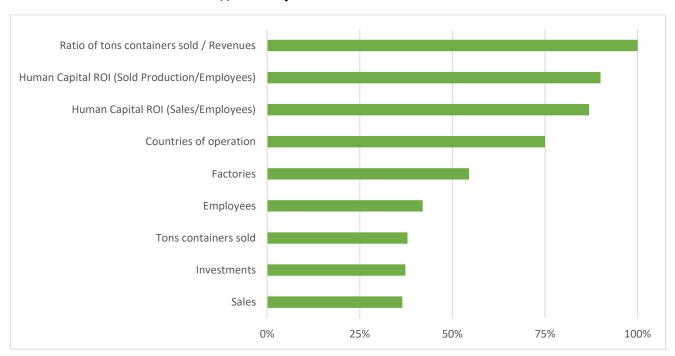


IPACKCHEM releases the reporting of the results of its CSR approach for the first year in 2017. This report describes the progress and results of responsibility work in 2017-2018. It includes some information from July 2017 to June 2018. In order to ensure the clarity of its approach, IPACKCHEM presents the annual values of historical progress over the past 4 years and the targeted objective by 2021.

Key Performance Indicators (Scope: Group)

GRI	Indicators	Unit	2015	2016	2017	2018	2021
102-4	Countries of operation	Number	5	5	6	6	8
102-8	Employees	Number	189	318	344	378	900
102-4	Production sites	Number	5	5	6	6	11
102-4	Sales	M€	50	60	68	73	200
102-4	Investments	M€	2,2	8,4	4,3	5,6	15
102-4	Operating working capital	M€	7,9	9,8	11,5	13,5	32,5
102-4	Tons containers sold	Metric tons	12 140	13 743	15 862	17 057	45 000
102-4	Ratio of tons containers sold / Revenues	Ton / M€	243	229	233	234	225
102-8	Permanent Employees	Number	189	318	344	378	900
102-8	Employees Temporary workforce	Number	21	47	47	36	80
102-4	Human Capital ROI (Sales/Employees)	K€/pers.	265	189	198	193	222
102-4	Human Capital ROI (Sold Production/Employees)	T/pers.	64	43	46	45	50

Achievement rate for 2018 results // 2021 objectives





Ensure healthy lives and promote wellbeing for all at all ages

SDG Targ	SDG Targets		ACKCHEM goals
3.9.	By 2030, substantially reduce the number of deaths and illnesses from	1 1 1	
	hazardous chemicals and air, water	all O	Reduce hazardous chemicals and toxicity
	and soil pollution and contamination	0	Improve the air quality by reducing fluorine emissions
		0	Monitor fluorine emissions from scrubbers
		0	Monitor final discharges related to fluorination activities

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
404-1	Employees trained in emergency procedures per year (permanent + temporary staff)	Group	Number	78	87	109	182	450
403-1	Plants with Health and Safety manager or health and safety committees	Group	%	67%	80%	100%	83%	100%
404-1	Employees at risk with valid hazardous products training	Group	%	80%	84%	84%	89%	100%
403-2	Lost hours by safety accidents (permanent staff)	Group	Number	322	483	304	2 422	1 000
403-2	Absenteeism (permanent staff)	Group	%	3,6%	4,7%	3,7%	3,4%	2,5%
416-2/417-2	Recalls of products	Group	Metric tonnes	0	0	0	0	0



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG Ta	argets	IPACKCHEM goals
4.7	By 2030, ensure that all learners acquire the knowledge	IPACKCHEM commits to develop employee skills and
	and skills needed to promote sustainable development,	increase their engagement
	including, among others, through education for	 Enhance the skills of employees
	sustainable development and sustainable lifestyles,	o Promote labour right and human rights within the
	human rights, gender equality, promotion of a culture of	company
	peace and nonviolence, global citizenship and	 Make the employees more engaged through
	appreciation of cultural diversity and of culture's	participative management.
	contribution to sustainable development	

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
404-1	Training hours per employee (permanent)	Group	Number	11	12	18	26	24
308-1 414-1	New suppliers that were screened using CSR criteria	Group	%				NEW	100%
205-3	Employees having signed the Business Ethics Programme	Group	%	81%	49%	43%	39%	100%
401-1	Turnover (permanent staff)	Group	%	15%	11%	12%	14%	8%



Achieve gender equality and empower all women and girls

SDG Ta	argets	IPACKCHEM goals
5.5.	Ensure women's full and effective participation and	IPACKCHEM supports the principles of equal opportunities
	equal opportunities for leadership at all levels of	at work
	decision-making in political, economic and public life	 Promote women in management positions

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
405-2	Men (permanent staff)	Group	%	82%	86%	87%	86%	80%
405-2	Women (permanent staff)	Group	%	18%	14%	13%	14%	20%
405-2	Men in management positions	Group	%	80%	84%	84%	85%	80%
405-2	Women in management positions	Group	%	20%	16%	16%	15%	20%



Ensure availability and sustainable management of water and sanitation for all

SDG T	argets	IPACKCHEM goals
6.1.	By 2030, achieve universal and equitable access to safe and affordable drinking water for all	IPACKCHEM commits to bring assistance for an access to safe drinking water Support charity organisations and associations to give a better access to safe drinking water
6.3.	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	IPACKCHEM commits to optimise environmental industrial impacts on air, water and soil while sustainably improving competitiveness O Manage effectively use of resources into industrial processes O Reduce waste going to landfill and increase recyclability
6.4	Target 6.4. By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	IPACKCHEM commits to optimise environmental industrial impacts on air, water and soil while sustainably improving competitiveness O Monitor and report on materials and water consumption and efficiency

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
306-2	Collected Hazardous waste	Group	ppm	790	1 174	1 016	1 415	600
303-1	Water withdrawn	Europe	M3/produced tonne	0,25	0,3	0,25	0,29	0,25

A KPI will be created to sustain the 6.1 SDG Target.



Ensure access to affordable, reliable, sustainable and modern energy for all

SDG Targets		IP	ACKCHEM goals
7.3.	By 2030, double the global rate of improvement	IP/	ACKCHEM commits to combat climate change by reducing energy
	in energy efficiency	со	nsumption
		0	Reduce and optimise energy consumption and use

Key Performance Indicator

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
302-1	Electrical Consumption efficiency	Group	KWh/ produced tonne	1 848	1 855	1 841	1 839	1 800



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

SDG T	argets	IPACKCHEM goals
9.4.	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries acting in accordance with their respective capabilities	to foster sustainable innovation Create offers with an integrated sustainability approach

Key facts

- During 2018, the IPACKCHEM production sites successfully did the migration to 2015 version of ISO 9001 et 14001 certifications (where applicable)
- First ISO 14001 certification in South Africa
- The Hungarian Peremarton site is targeting the ISO 45001 (work-safety audit) for the year 2019.

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
103-3	ISO 14001 Certified sites	Group	Number	1	2	2	4	5
103-3	ISO 9001 certified sites	Group	Number	3	5	5	5	11
301-2	HDPE resource efficiency	Group	%	98,9%	97,9%	97,3%	97,3%	98,0%

A KPI will be created to sustain the GHG emission reduction and efficiency.



Ensure sustainable consumption and production patterns

SDG Ta	argets	IPACKCHEM goals
12.4.	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their lifecycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	IPACKCHEM commits to ensure a high level of security for its products and scrupulously fulfil all regulatory requirements for the transport of dangerous goods Optimise lifecycle management Promote the reuse of materials Develop the ecological packaging product offer and offer eco-premium packaging solutions Increase the use of bio-sourced raw materials or alternative HPDE that are produced locally
12.6.	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	IPACKCHEM commits to have responsible and efficient corporate governance Report regularly and publicly on progress against IPACKCHEM commitments

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
301-2	HDPE resource efficiency	Group	%	98,9%	97,9%	97,3%	97,3%	98,0%
301-1/308-1	Raw polymer from bio- sourcing	Brazil	%	NA	NA	0,5%	2,5%	10%
102-54/55	Release of public reporting	Group	Yes/No	1	1	Yes	Yes	Yes



Take urgent action to combat climate change and its impacts

SDG Ta	argets	IPACKCHEM goals
13.1.	Strengthen resilience and adaptive capacity to climate-	IPACKCHEM commits to combat climate change by
	related hazards and natural disasters in all countries	reducing energy consumption
		 Optimise energy consumption and use

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
305-3	CO2 emissions from scrubber	France	Tons	3,5	3,6	5,3	5,1	ND
302-1	Renewable energy	Group	%	NA	NA	Brazil	Brazil	



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

SDG Ta	argets	IPACKCHEM goals
16.5.	Substantially reduce corruption and bribery in all their forms	IPACKCHEM's commitments to international declarations and conventions are included in the principles that the company endorses. IPACKCHEM commits to conduct its business accordingly to applicable laws, sector regulations and companies policies Make available and understandable IPACKCHEM ethical rules and legal requirements and Company anti-corruption rules to all employees Deployment of a strong system of corporate values

DEPLOYMENT OF THE BUSINESS ETHICS PROGRAM

IPACKCHEM's commitments to international declarations and conventions are included in the principles that the company Endorses. The most important are:

- The <u>UN Universal Declaration Principles on Business and Human Rights</u>
- The International Labour Organization (ILO) Tripartite Declaration of Principles on the Fundamental Rights and Principles at Work
- OECD Guidelines for Multinational Enterprises
- The UN Sustainable Development Goals which principles were endorsed by IPACKCHEM'CEO in 2017
- The International Chemical Industry's Responsible Care Charter



In 2017, IPACKCHEM embraced the goals of the chemical industry's voluntary <u>RESPONSIBLE CARE®</u> initiative. Launched by ICCA, Responsible Care is the global chemical industry's unifying commitment to the safe management of chemicals.





We are a signatory to the Global Compact since 2017 and we affirm our support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption. Our Business Ethics Programmes covers each of the 10 principles.



Business Ethics Programme digital learning

In 2018, the Business Ethics Programme -already available in English- was translated in French, Hungarian, Portuguese and Russian. During 2018, a digital and interactive e-learning journey was designed to embed all the principles and values of the Business Ethics Programme. In September 2018, Jean-Philippe Morvan, CEO of IPACKCHEM Group invited 57 managers to take actively part in the Business Ethics e-learning module to ensure they understand what constitutes Business ethics at IPACKCHEM and to comply with relevant Group policies. A minimum score of 90% for the final exam is necessary to be certified. As of November 2018, 100% of the IPACKCHEM's managers have been successfully passed the exam and are now certified.

In 2017, the **Business Ethics Programme** was revised to enlarge the scope of our ethical behaviour principles to all our value chain. The Business Ethics Programme is a common reference document for all our managers and employees around the world as well as for all our different stakeholders: customers, suppliers and contractors, host countries, local communities, business partners and shareholders. Our business partners are expected to apply standards that are equivalent to ours, in particular towards their employees. Business ethics involves the development of standards grounded in values, the implementation of practices to reinforce these values and a system based on transparency.



Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
102-18	Independent Supervisory Committee members	Group	%	25%	25%	17%	17%	33%
205-1/205-2	Conflict of interest	Group	Number	0	0	0	0	0
307-1/419-1	Monetary value of significant fines for non-compliance with laws and regulations	Group	€	0	0	0	0	0
415-1	Political contributions	Group	€	0	0	0	0	0
205-1/205-2	Operations assessed for risks related to non-ethical practices	Group	%	NA	NA	NA	NA	100%
205-3	Employees having been trained online in the Business Ethics Programme	Group	%				100%	100%



Strengthen the means of implementation and revitalize the global partnership for sustainable development

SDG Ta	argets	IPACKCHEM goals
17.7	Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed	IPACKCHEM commits to play a key responsible role where it operates and develop its global footprint The dialogue with stakeholders is the key for the sustainable development of IPACKCHEM. Contribute through a direct economic impact (local recruitment, local sourcing, local taxes and financial assistance) Reduce discrimination due to Ethnic criteria

Key Performance Indicators

GRI	Indicators	Scope	Unit	2015	2016	2017	2018	2021
201-1	Sales with regional deliveries	Group	%	95%	95%	94%	95%	95%
416-1	Customer satisfaction (On-Time In-Full deliveries)	Group	%	97%	90%	91%	93%	95%
201-1	Taxes paid locally	Group	М€	1,6	2	1,9	1,9	ND

7. GRI CONTENT INDEX



IPACKCHEM reports on its corporate responsibility actions in accordance to the Global Reporting Initiative (GRI) principles for reporting on sustainable development. A GRI content index is prepared in accordance with the GRI 2016 standards: Core option. Our 2018 GRI CONTENT INDEX is available online at www.ipackchem.com

8. UN GLOBAL COMPACT INDEX



SUBJECT	PRINCIPLE	Support documents
MATTER		
Human	Businesses should support and respect the protection of	Business Ethics Programme
Rights	internationally proclaimed human rights	SDGs report: SDG 3/16
	Businesses should make sure that they are not complicit in	Business Ethics Programme
	human rights abuses	SDGs report: SDG 16
Labor	Businesses should uphold the freedom of association and	Business Ethics Programme
Standards	the effective recognition of the right to collective	SDG 4
	bargaining	
	Businesses should uphold the elimination of all forms of	Business Ethics Programme
	forced and compulsory labor	SDGs report: SDG 16
	Businesses should uphold the effective abolition of child	Business Ethics Programme
	labor	SDGs report: SDG 16
	Businesses should uphold the elimination of discrimination	Business Ethics Programme
	in respect of employment and occupation	SDGs report: SDG 5/16/17
Environment	Businesses should support a precautionary approach to	Business Ethics Programme
	environmental challenges	SDGs report: SDG 6/9/12/13
	Businesses should undertake initiatives to promote greater	Business Ethics Programme
	environmental responsibility	SDGs report: SDG 6/9/12/13
	Businesses should encourage the development and	Business Ethics Programme
	diffusion of environmentally friendly technologies	SDGs report: SDG 6/9/12/13
Anti-	Businesses should work against corruption in all its forms,	Business Ethics Programme
Corruption	including extortion and bribery	SDGs report: SDG 16

9. MORE INFORMATION

www.ipackchem.com

https://www.unglobalcompact.org

https://sustainabledevelopment.un.org/content/documents/10638Rapport%200DD%20France.pdf

http://sdgcompass.org/business-indicators/

https://www.globalcompact-france.org/documents/sdg-compass-guide-des-odd-a-destination-des-entreprises-70

http://unctad.org/meetings/en/SessionalDocuments/ciiisard81 en.pdf

7. CONTACT



ENVIRONMENTAL NOTE

Corporate responsibility is at the core of practices in terms of communication. IPACKCHEM globally commits to:

- o Improve its environmental performance
- o Reduce its carbon footprint
- Make responsible use of natural resources
- Eliminate all negative impacts of its activities on threatened forests In line with the engagement.

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