



2023 Consolidated sustainability report







# TABLE OF CONTENTS

4	Table of contents
6	Letter to the stakeholders
8	Methodological note
10	Highlights

## 01. HIPAC: the history and essence of the Group

14	Excellence in packaging
15	Analysis and trends in the business environment
16	Vision
16	Mission
17	Specialist in stretch film!
19	NetRoll® and DOUBLEDGE
19	Relations with a global audience
20	Our supply chain
23	The provenance of ancillary materials

## 02. Sustainable evolution: the HIPAC method

26	A multidimensional approach
26	OUR DNA: reducing product environmental impact
28	A commitment recognised by awards and certifications
29	Stakeholder mapping and engagement
32	Materiality analysis and matrix

## 03. Governance and Compliance: ensuring responsibility and innovation

36	The organisational structure of the Group
42	The Code of Ethics and the 231 Model
43	The HIPAC S.p.A. 231 Model
43	Relations with industry associations

44	Economic performance: value generated and distributed by the Group
46	Product and process quality: predominant aspect of business management
47	Management of non-conformities
47	Product certifications
48	HI SERVICE: TRAINING AND TECHNICAL ASSISTANCE FOR OUR CUSTOMERS
50	Innovation, research and development

## 04. Environment: beyond product eco-sustainability

54	Concrete action for environmental protection
54	Water resources: water use
55	Energy resources: management of purchased and self-produced energy
57	Carbon footprint: monitoring of the organisation's emissions
59	LCA study: measurement of product impacts
60	Raw materials, materials and waste: management of purchased resources and generated waste

## 05. Social: initiatives for empowerment and common growth

66	People: an asset to protect and enhance
66	The composition of the workforce
68	Equal opportunities: El Plan de Igualdad at IBERHIPAC
69	Responsible management of personnel selection and retention activities
71	Professional and personal growth: tailored programs and training plans
73	Healthy and safe environments: a civic imperative
73	Risk assessment
74	OHS training
74	Occupational medicine, injuries and work-related ill health
75	Attention to the local community and commitment to common development

## 06. ESG: improving our sustainability profile with concrete targets

## 07. GRI content index



# LETTER TO THE STAKEHOLDERS

GRI 2-22

Dear stakeholders,

I am delighted to present the second edition of the HIPAC Group Sustainability Report. In addition to illustrating our activities in 2023, the report is a useful tool for sharing the results of our commitment to the continuous improvement of our environmental, social and governance (ESG) performance, which we pursue in an diligent and transparent manner.

The document has been drawn up in accordance with the Global Reporting Initiative (GRI) standards and illustrates the HIPAC Group's corporate sustainability strategy, whose goal is responsible, ethical and positive action for the development and protection of people, the environment and the global economy.

The drive for innovation, which has always been part of our DNA, is one of the decisive elements that have enabled us to become an international role model in the industrial packaging sector: a vocation, translated into planned, effective actions, that we intend to project into the future and one that has led us naturally to embrace the combination of corporate growth and sustainable development.

Of particular significance in this context are our investments in cutting-edge technologies to ensure efficient management of natural resources, support for innovative research and development projects and promotion of an occupational safety culture, as well as the enhancement of skills and the protection of talent.

I am excited to share these important achievements with you and to involve you in our goals to meet future challenges.

Finally, I would like to take this opportunity to thank you for your constant support and dedication: working together for a common goal is the key to true success.

**Daniele Giorlando**  
Managing Director HIPAC Group





# METHODOLOGICAL NOTE

GRI 2-1 | GRI 2-2 | GRI 2-3 | GRI 2-4

This is the second sustainability report of the HIPAC Group (hereinafter also referred to as "the HIPAC Group", "the Group", "HIPAC", "Hipac SpA"); a document that will be prepared and published on an annual basis.

The information set out in the report is based on data that has been collected and processed to ensure an understanding of the Group's environmental, social and economic activities, the results achieved, and the trend and impact produced by its activities. Specifically, the activities described affect the following Group entities:



GIPAC S.p.A.



HIPAC S.p.A.



IBERHIPAC S.A.



HIPAC ROMANIA S.r.l.



The Sustainability Report is published on the Group's official website:

<https://www.hipac.com/it/download/>.

If you require further information on the contents of the report, please write to the following e-mail address:

[sustainability@hipac.it](mailto:sustainability@hipac.it).

This Sustainability Report was prepared with the methodological support of



This consolidated Sustainability Report has been prepared on a voluntary basis and is not a consolidated Non-Financial Disclosure (NFD); the Group does not currently fall within the scope of Legislative Decree no. 254 of 30 December 2016, under which, in implementation of Directive 2014/95/EU, preparation of an NFD is a mandatory requirement for public-interest entities exceeding certain quantitative thresholds. It has been prepared in accordance with the GRI standards through selection of the GRI Sustainability Reporting Standards indicators published by the Global Reporting Initiative (GRI). The set of indicators used is illustrated in the "GRI Content Index" section of this document.

The preparation of the Sustainability Report follows the principles of the GRI standards, namely: **significance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.**

The sustainability areas described were analysed and reported using the performance indicators selected after the HIPAC Group's material topics were identified through the materiality analysis, described in detail in the section 'Materiality analysis and matrix'. The content of the Report refers to 2023, consistently with the financial year considered for the Group's business and financial reporting (closing at 31/12).

To ensure the comparability of the Group's performance, the data are presented with specific evidence, where possible, of the impacts generated over the three-year period 2021-2023. This is also to facilitate internal assessment and improve over time the environmental, social and governance (ESG) performance of the Group and each operating company.

In cases where a review of previous disclosures was necessary, any corrections to data provided in the previous Sustainability Report are indicated and explained when the updated information is presented.



# HIGHLIGHTS



**1991**

Year of incorporation



**3**

Factories on an area of  
**87,000 m²**



**57**

Countries served,  
with an export % of  
volumes sold of **53.5%**



## Certifications

UNI ISO 9001:2015  
UNI EN ISO 14001:2015  
UNI EN ISO 50001:2018  
UNI ISO 45001:2018  
ISO 14024 Plastica Seconda Vita  
ISCC International Sustainability  
& Carbon Certification  
AENOR certification



## Acknowledgements

Sustainability Award (2021 - 2022 - 2023)  
Top 100 Performers  
PRS Green Label



**106.2 tCO<sub>2</sub>e**

Avoided thanks to self-generation  
from photovoltaic systems



**€ 105 mln**

Economic value generated



**2**

Photovoltaic installations  
in Italy and Spain



**95.5%**

Recovered waste



**185**

Employees at 31.12.2023



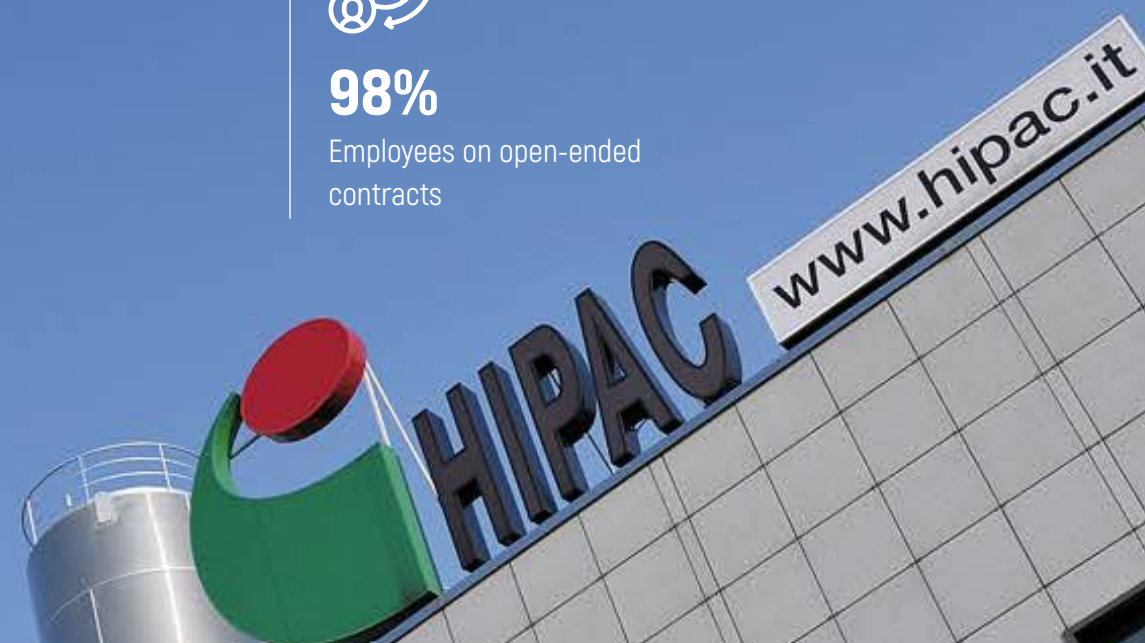
**98%**

Employees on open-ended  
contracts



**48%**

Female employees compared to total  
employees in clerical roles



## **01. HIPAC: the history and essence of the Group**

"I am proud of this organisation,  
and convinced that it will continue  
to grow thanks to the extraordinary  
level of professionalism of the  
people who work here".

## EXCELLENCE IN PACKAGING

The HIPAC Group was founded in 1991 by the Giorlando family, who decided to establish the Hipac SpA company as a role model for the production and marketing of high-quality, innovative, sustainable and functional stretch film for the packaging and protection of industrial goods.

HIPAC stands for High Performance Packaging, an expression that identifies the Group's constant focus on the **research and development of specific, high-performance products** that meet the requirements of the markets it serves and its customers. This clear strategic direction, combined with the expertise of an experienced and qualified team of employees, has enabled the Group to become one of Europe's leading stretch film producers.

Our Group comprises:

- HIPAC S.p.A.: founded in 1991, headquartered in Cazzago S. Martino (Brescia) and operates mainly in Italy and Central and Northern Europe;
- IBERHIPAC S.A.: founded in 1999, headquartered in Saucedilla (Cáceres - Spain) and operates in the Iberian peninsula and Southern France;
- HIPAC ROMANIA S.r.l.: founded in 2005, headquartered in Dragomirești-Vale and covers Eastern Europe.



## ANALYSIS AND TRENDS IN THE BUSINESS ENVIRONMENT

The industrial packaging sector has close ties with manufacturing and industrial activities, consequently its performance is influenced by international economic contingencies.

While the growth of the manufacturing sector and the continued globalisation of trade can have a positive effect by increasing demand for industrial packaging, political conflicts can fuel economic instability and affect access to international trade routes, with possible disruptions or limitations to sea, rail or air transport, causing difficulties for import and export operations.

In addition, recent developments in European and national environmental legislation, including the introduction of the Plastic Tax and the new proposal for an EU Packaging and Packaging Waste Regulation (PPWR), are further factors influencing market performance.

For all these reasons, product innovation is an essential factor in maintaining and improving market position. Today more than ever, this must necessarily focus on research into new sustainable solutions to reduce the environmental impact of packaging by using recycled material and material from renewable sources.

Industry trends and market requirements confirm the importance of the projects launched by the Group to optimise the environmental impact of its products, along with the path taken to integrate Environmental, Social and Governance criteria (ESG) into its business strategy, in order to monitor over time and improve its performance from the sustainability perspective.





## VISION

"Sustainability, safety and efficiency will drive the industry of the future".

This awareness reflects the need for responsible management of these issues, for the benefit of the Group's development, for the well-being of society and for the protection of the Planet.

In this context, the HIPAC Group will continue to be a role model in the industrial packaging sector through the use and development of innovative sustainable technologies.

## MISSION

We produce high-performance technical stretch film and develop innovative, customised solutions for the protection of industrial products that guarantee stability of goods and cost savings per packaging unit.

We are **driven by ethics and a passion for our work** and we build a professional, genuine, human relationship with our customers based on mutual trust.

We believe in a sustainable future where people and the environment are at the centre of economic development.

## VALUES

- Trust
- Innovation
- Sharing
- Future
- Ethics
- Passion

## FROM PRODUCT INNOVATION TO CONTINUOUS TRAINING: THE HIPAC PHILOSOPHY

The Group has a clear objective: to continue to be a role model in the packaging industry. To succeed in this, we invest in the following areas:

- **research and development:** using the scientific method and creativity to continue to improve and develop new products;
- **product innovation:** providing our customers with state-of-the-art, high-performance solutions that meet even the most demanding requirements;
- **respect for the environment:** developing technologies, processes and products with a low environmental impact;
- **market focus:** bringing production closer to people, through responsible management of our three production plants;
- **continuous training:** ensuring skills development for all our resources;
- **occupational safety:** fostering a culture of safety in the workplace on a daily basis.

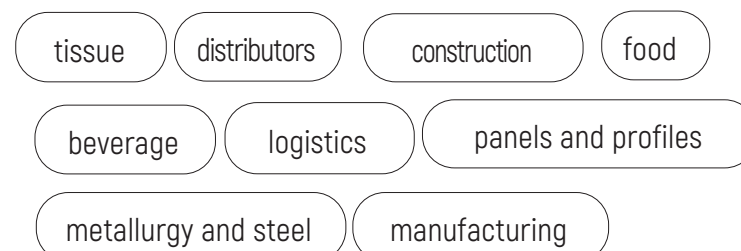
## SPECIALIST IN STRETCH FILM!

GRI 2-6

At the beginning of our entrepreneurial adventure, we took a specific decision, which we have maintained over time with great perseverance: **to specialise in only one packaging sector**, the production of stretch film.

Our know-how is not limited to in-depth knowledge of the product: studying and understanding the specific needs of our customers, who are always looking for optimal solutions for the safe packaging and transportation of their goods, is equally important.

The industries we know in depth, which can count on our support, include:



The stretch films we produce are the result of a combination of carefully thought-out and responsible decisions to ensure the rational use of energy resources, the reduction of paper and plastic consumption, and the adoption of techniques and materials that allow us to provide high-quality packaging solutions with a low environmental impact.

Our commercial offer includes a range of traditional stretch films alongside more **sustainable and innovative** solutions, such as premium films available in RELIVE, RENEW and RESOLVE versions, made respectively from recycled raw materials, renewable non-fossil raw materials and non-compostable biodegradable raw materials.



Our stretch films can be divided into three main families:

- **traditional film:** standard, high-strength stretch film for manual use and semi-automatic medium/low-performance wrapping machines;
- **premium film:** technical stretch film with reduced thickness compared to conventional film, for manual use and high-performance wrapping machines;
- **collation stretch:** technical stretch film for cold shrinkwrappers, the sustainable alternative to conventional heat shrink film for secondary packaging.

We are constantly working to find new packaging solutions that respond more and more effectively to our customers' needs. In 2023 we expanded the premium film family with the **112 Super Power Plus film**, which, by reducing thickness and maintaining the stability and safety of the loading unit, can reduce packaging costs by up to 25%.

Another innovation is the possibility for customers to identify the most suitable product for their needs via a **guided configuration service**<sup>1</sup> directly

1. The guided configuration service is on the following link: <https://www.hipac.com/it/configuratore/>.

on the website, supported by our consulting service. Also available is the possibility of tailor-made stretch film for specific customer requirements, and **additional, customised services** such as: colouring, printing on film and additives with anti-UV, anti-corrosive, anti-static substances, and low-temperature film, suitable for packaging products that need to be stored at low temperatures.

## NETROLL® AND DOUBLEDGE

### NETROLL

NetRoll® was introduced in 2007 as a revolutionary answer to traditional rolls, because it comes without the classic cardboard tube. The absence of the tube makes it possible to reduce waste, atmospheric emissions and the use of natural resources for its production and disposal, and also to optimise logistical operations by enabling larger quantities of product to be transported.

### DOUBLEDGE

DOUBLEDGE is stretch film with reinforced edges; it allows a further reduction in film thickness, resulting in less product usage in terms of weight.

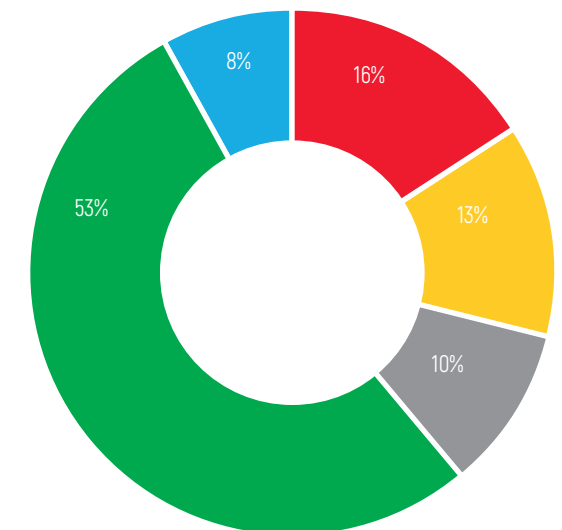
## RELATIONS WITH A GLOBAL AUDIENCE

GRI 2-6 | GRI 418-1 | GRI 2-25

The location of our production sites – in Italy, Romania and Spain – reflects a specific business strategy to bring demand closer to supply, simplify logistical and administrative processes, and respond quickly and definitively to all customer requirements.

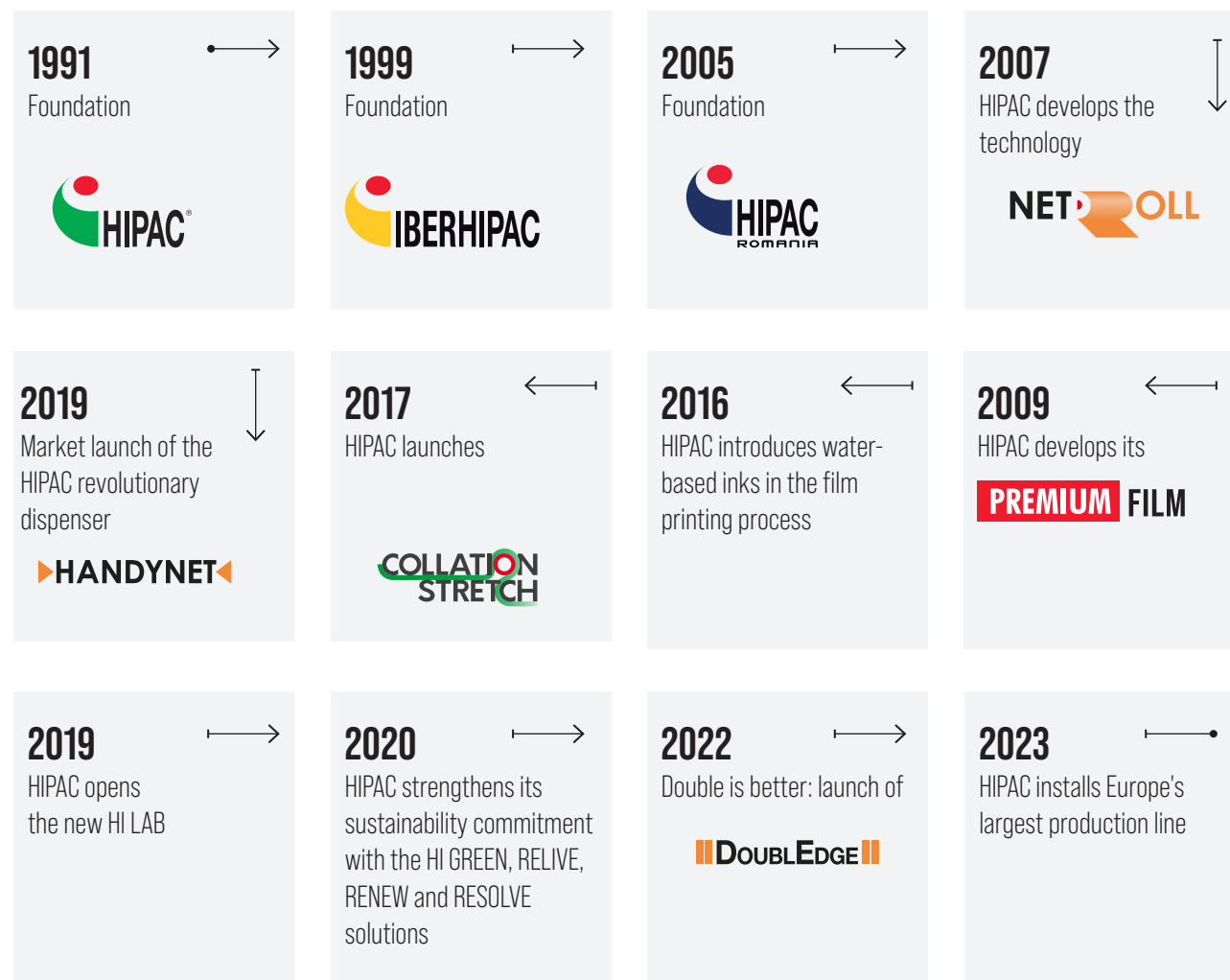
Our Group serves more than 57 countries worldwide and customers in and outside Europe: distributors, large organisations, small users, with whom we have built up a **relationship based on mutual trust** over the years.

Where our customers come from



- 53% EU
- 8% Non-EU
- 16% Italy
- 13% Spain
- 10% Romania

## BRAND HISTORY





The decision to attend **international trade fairs** allows us to present new products and showcase the solutions in our business offer to a huge global audience consisting of potential customers, business partners and other operators in the packaging industry. We believe that attendance at these events is crucial for establishing ties with customers from different parts of the world, exploring the latest innovations and learning about the latest trends in the industry, in order to consolidate our market position.

In May 2023 we attended **Interpack**, Europe's most prestigious packaging trade fair; in May 2022 we were at **IPACK IMA** in Milan, the international trade fair for processing and packaging materials and technologies for the food and non-food world. At these events, we presented the latest products developed by HIPAC R&D, which are in line with the growing demand for environmental sustainability.

We guarantee adherence to the principles of **integrity and fairness**, compliance with regulations and codes of business conduct, for the entire duration of the contractual relationship.

We respect and pay careful attention to the personal data and privacy of our actual and potential customers, continuously updating the indications we provide to employees. Thanks to this approach, in the three-year period 2021-2023 there were no privacy breaches.

**Customer satisfaction is an essential factor for our Group**, which we monitor annually through the **Customer Satisfaction Report**, as required by ISO 9001 certification.

This tool allows us to examine our strengths and areas for improvement, highlighting what our consumers appreciate and what they would like to improve about our products and services.

According to the 2023 survey, the high quality of the Group's products, its reliability and its broad business offer continue to be among the elements most appreciated by our customers.

Finally, through the internal **Report Management** procedure, we track and try to understand any customer dissatisfaction and its causes.

This constant monitoring enables us to identify problems early and improve the Group's operations over time. In 2023, the percentage of complaints to products delivered was 0.3%.

## OUR SUPPLY CHAIN

GRI 2-6 | GRI 204-1

Our supply chain is composed of suppliers from different categories:

raw materials suppliers

retailers, brokers, distributors

ancillary materials suppliers

service providers

Transparency and fairness are hallmarks of the relationships we have established with our supply chain over the years, from which technical collaboration projects for the development of new polymers have been formed in some instances.

**Suppliers play a crucial role for our Group:** they are fundamental in guaranteeing the quality of our products and the continuity of our operations, but at the same time we recognise that their activities have environmental and social impacts that must be monitored in order to ensure responsible and sustainable procurement.

This last consideration, together with other business requirements, led us in November 2022 to formalise our **Sustainable Procurement Policy**<sup>2</sup>, which outlines the criteria for the selection and evaluation of suppliers over time, and the values underpinning our relationship with them.

Specifically, our structured supply chain management process requires each supplier to ensure:

- compliance with current regulations, laws and standards and respect for human rights;
- protection of the health and safety of their employees and the community;
- adoption of responsible environmental protection policies, based on ISO 14001 (or equivalent);
- satisfaction of quality requirements and the ability to respond to different needs in a timely and flexible manner;
- promotion of innovation and research into improved technical solutions;
- protection of the security and integrity of data and information exchanged, in all applications and storage;

2. The Sustainable Procurement Policy can be found on this link: [Sustainable-procurement-policy\\_Group.pdf \(hipac.com\)](#).

- integration of management system principles based on ISO 45001 (or equivalent) to promote continuous performance improvement;
- a commitment to fostering and consolidating a safety culture that promotes responsible behaviour among workers.

The Policy also clearly sets out the principles that for us are non-negotiable, such as the protection of labour and human rights, honesty and integrity, occupational health and safety and environmental protection.

Finally, we invite every member of our supply chain to report any breaches by their employees of the principles laid down in the policy using the e-mail address [231.odv@hipac.it](mailto:231.odv@hipac.it).

During 2023, we asked all our suppliers of auxiliary raw materials to sign the HIPAC Sustainable Procurement Policy, which they did.



## THE PROVENANCE OF ANCILLARY MATERIALS

Since local suppliers can only marginally satisfy the volumes required by the HIPAC Group, the purchase of raw materials necessarily takes on an international dimension. Therefore, sourcing from local suppliers<sup>3</sup> focuses on ancillary materials, which include tubes, packaging consisting of boxes, corners, interlayers, pallets, spare parts for production equipment and NetRoll® dispensers.

At Group level, we recorded a slight decrease in budget allocations to local suppliers in 2023, mainly due to an increase in spare parts purchases for our production facilities in HIPAC Italy. These components are often particularly expensive; therefore, their purchase influences the percentage of budget not allocated to local suppliers (for HIPAC Italy 95.5% in 2023, compared to 99.4% in 2022).

*Share of expenditure on local suppliers for ancillary materials*

	2021		2022		2023	
	€	%	€	%	€	%
<b>Total budget spent on HIPAC local suppliers</b>	<b>2,451,346.9</b>	<b>99.8%</b>	<b>2,893,785.3</b>	<b>99.4%</b>	<b>3,324,796.6</b>	<b>95.5%</b>
Budget spent on HIPAC suppliers	2,456,259.6		2,910,581.4		3,480,850.8	
<b>Total budget spent on IBERHIPAC local suppliers</b>	<b>1,893,929.0</b>	<b>98.4%</b>	<b>2,388,570.0</b>	<b>98.4%</b>	<b>1,824,397.0</b>	<b>99.1%</b>
Budget spent on IBERHIPAC suppliers	1,923,790.0		2,428,533.0		1,840,903.2	
<b>Total budget spent on HIPAC ROMANIA local suppliers</b>	<b>1,389,603.2</b>	<b>86.9%</b>	<b>2,209,771.0</b>	<b>95.7%</b>	<b>2,331,708.6</b>	<b>94.5%</b>
Budget spent on HIPAC ROMANIA suppliers	1,599,207.7		2,309,613.7		2,468,281.3	
<b>Total budget spent on local suppliers</b>	<b>5,734,879.2</b>	<b>95.9%</b>	<b>7,492,126.3</b>	<b>98.0%</b>	<b>7,480,902.3</b>	<b>96.0%</b>
<b>Total expenditure for suppliers</b>	<b>5,979,257.2</b>	<b>100.0%</b>	<b>7,648,728.1</b>	<b>100.0%</b>	<b>7,790,035.2</b>	<b>100.0%</b>

3. Local suppliers are suppliers operating in the countries where our plants are located (Italy, Spain and Romania).



## 02. Sustainable evolution: the HIPAC method

"We need to make recycling a way of life".

## A MULTIDIMENSIONAL APPROACH

At HIPAC, sustainability takes the form of initiatives guided by a precise strategic approach whose goal is the responsible, ethical and positive development of the planet and its inhabitants.

They include research and development projects for the realisation of high-performance, low-impact solutions, together with action to **maximise our commitment** to improving our ESG performance over time, given the multidimensional nature of sustainability.

This report details our strategies, the actions we have taken, the initiatives we have completed, the awards we have received and the objectives we have set, for the sole purpose of reporting and sharing the Group's commitment to corporate sustainability.

## OUR DNA: REDUCING PRODUCT ENVIRONMENTAL IMPACT

With a strong focus on reducing its environmental footprint, our Group has established itself as a role model in the stretch film industry.

Our work to protect the environment is rooted in the production of goods with a low environmental impact based on the criteria of: reduction, recycling, reuse and renewability. Together, these factors characterise the DNA of the HIPAC Group.

### REDUCTION

We apply this concept to our products, reducing the thickness of films without compromising their performance and saving customers money, and to our processes, in order to conserve natural resources. For example, the HIPAC Group has ISO 50001 certification to ensure responsible and conscious use of electricity, continuously improving its energy performance.

### RECYCLING

We have joined material recovery and recycling chains, aware of the need to take action to guarantee the informed use and disposal of plastic, which remains a valuable material for protecting products.

For several years we have been using CONAI's EcoD Tool, a web-based packaging eco-design system that helps us with the environmental assessment of packaging, providing fundamental support in reducing environmental impact in terms of GWP (CO<sub>2</sub> emissions), GER (energy consumption) and Water FP (water consumption).

### REUSE

At HIPAC, reuse is equivalent to valorising a resource; everything can be reused, where possible materials should be put to new uses. Over the years we have turned this conviction into a solid principle that underpins our production. The 555 NetRoll® REC60 stretch film and the Handynet reusable dispenser fully embody this principle.



This was confirmed in 2023 by **RELOOP**, the new circular economy project for the recycling of stretch film, developed to make the packaging manufacturing process even more sustainable. With RELOOP we have laid the foundation for the development of an innovative system that enables all stretch film users to generate value from their waste, so eliminating waste, reducing CO<sub>2</sub> consumption and protecting the environment.

The collection of stretch film waste will involve a **Plastic Second Life**-certified partner.



The waste will then be regenerated into raw material for the production of new stretch film, bringing our circular economy project to a close.

### RENEWABILITY

The adoption of alternative sources to traditional raw materials is one of our best practices for a responsible and sustainable transition. By making film from renewably sourced polyethylene, we can guarantee the same technical quality as traditional film from fossil sources, but with a much smaller carbon footprint.



Products made with this approach, in the **RENEW** range, include:

- the RE51 stretch film, containing 51% bio-based LLDPE obtained from sugar cane crop waste and with **I'm green** certification;
- the **ISCC**-certified REN stretch film containing up to 100% bio-based LDPE, in compliance with the international ISCC Plus standard.





## A COMMITMENT RECOGNISED BY AWARDS AND CERTIFICATIONS

The value of our programs to reduce the environmental impact of our products and improve the Group's ESG performance over time has been recognised by important awards and certifications.

The **Sustainability Award**, promoted by Kon Group and its main partner Azimut, is given to Italian entrepreneurs who have distinguished themselves in sustainable development, environmental respect and social responsibility through significant innovations in their processes, systems and products. Our Group has been one of the recipients of this prestigious award since 2021 (2021, 2022, 2023).

Our dedication to sustainable practices measured by objective ESG reporting metrics has also earned us **Top 100 Performer** recognition; an award that testifies to our efforts to integrate sustainability into our operations and prioritise environmental and social responsibility.

Thanks to the adoption of CONAI's EcoD Tool, from 2017 to 2022 we were among the winning companies of CONAI's **Ecopack** competition for packaging eco-design in the circular economy, which selects the most innovative and environmentally sustainable packaging solutions.

In 2022, the sustainable value of our 555 NetRoll® REC60 stretch film was recognised on several occasions:

- it was one of the finalists for the **Best Packaging 2022** award organised by the Istituto Italiano Imballaggio, in partnership with CONAI and Ipack-Ima 2022. The 2022 edition highlighted solutions that stood out for environmental prevention, circularity, eco-design levers recommended by CONAI, and technological innovation based on the Ipack-Ima guidelines;

- it was one of the winning products in the '**Silver Winner**' category of the **Packaging Innovation Award** organised by Dow Chemical. Our film was judged to be an example of technological progress and sustainability, as a product that is thinner than traditional films, contains PCR and has no cardboard tube.

In 2023, we renewed our **Plastica Seconda Vita** certification issued by the IPPR Istituto per la Promozione delle Plastiche da Riciclo for the products:

- REC60 with 60% PCR;
- REC30 with 30% PCR;
- REX 60 with 60% PIR;
- REX 30 with 30% PIR.

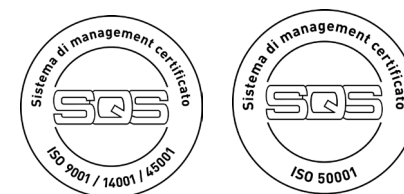


These solutions from the RELIVE range were also endorsed by the Belgian organisation Valipac, which promotes recyclability and circularity by awarding an economic incentive to customers who purchase packaging with a minimum of 30% PCR from qualified suppliers registered on the Valipac website<sup>4</sup>.

The Spanish counterpart of **Plastica Seconda Vita** certification is **AENOR** certification, which IBERHIPAC obtained in 2023 for the following products:

- REC60 with 60% PCR;
- REC30 with 30% PCR;
- REX 60 with 60% PIR;
- REX 30 with 30% PIR.

4. For more information, go to: <https://www.myrecycled-content.be/companies/hipac-spa/>.



Finally, our Collation Stretch NetRoll® REC60 (ultra-thin film for cold shrinkwrapping, without a cardboard tube and with 60% post consumer recycled plastic) won a prestigious place among the finalists of the 2023 **Plastic Recycling Awards**; a European competition for product and process innovation in plastics recycling.

## STAKEHOLDER MAPPING AND ENGAGEMENT

GRI 2-29

At HIPAC, the interests, expectations and needs of stakeholders are **indispensable and decisive resources** for our business strategies.

Since the first year of the Sustainability Report, our stakeholders have been involved in activities to identify sustainability issues (or material topics) of significance for our Group, to which greater attention should be paid.

Our approach is prompted by the desire to ensure informed and responsible decision-making, and to obtain insights from parties with different interests and perspectives with respect to our Group, for the identification and updating of our material topics.

In 2023, we organised an online survey, inviting our stakeholders to express their views – using a numerical scale – on the sustainability topics found to be potentially significant for our industry.

In 2024, we asked our stakeholders specific questions, in order to ascertain their level of awareness of our commitment to sustainability and invite them to select the environmental, social and governance topics they consider most important.

Specifically, we involved **8 categories of stakeholders** and obtained a response rate of **54%**. According to the results, 67% of the respondents were aware of the publication of the Sustainability Report in 2023; 81% were aware of the environmental certifications implemented by the Group and 69% were aware of our focus on social issues.

With regard to sustainability, among environmental topics waste management, air emissions and climate change were those most frequently addressed by the stakeholders.

Among social topics, occupational health and safety together with welfare and occupational well-being attracted the most attention from stakeholders; finally, the governance topics of greatest interest were innovation, research and development, and customer satisfaction.

The chart and table below show the main **categories of stakeholders** with whom we interface, their interests in the Group and how they are engaged, highlighting the stakeholder groups involved in the identification of material topics, described in the section "Materiality analysis and matrix".

## HIPAC: stakeholder categories and interests

### ASSOCIATES

- Brand reputation
- Economic performance
- Strategic objectives
- Governance
- Data and information confidentiality

### CUSTOMERS

- Product quality
- Innovation and research and development
- Circular economy and sustainability
- Technical assistance
- Brand reputation
- Data security

### BANKS

- Financial soundness and economic performance
- Brand reputation
- Legal compliance
- Strategic objectives

### TRADE ASSOCIATIONS

- Legal compliance
- Development of sector issues

### STATUTORY AUDITORS/SB

- Legal compliance
- Transparency
- Governance

### EMPLOYEES

- Corporate welfare
- Equal opportunities/inclusion
- Career development
- Ongoing training
- Data and information confidentiality

### SUPPLIERS OF GOODS

- Economic performance
- Brand reputation
- Data security

### UNIVERSITIES

- Promoting the careers of deserving young people
- Sharing of technical skills

### CERTIFICATION BODIES

- Focus on sustainability and validation issues
- Continuous improvement



## Stakeholders: activities and engagement

Stakeholders	Engagement	Interests	Methods	Frequency
<b>Banks</b>	Yes	- Financial soundness and economic performance - Brand reputation - Legal compliance - Strategic objectives	Meetings	Per event
<b>Employees</b>	Yes	- Corporate welfare - Equal opportunities/inclusion - Career development - Ongoing training - Data and information confidentiality	- Employer branding - Individual assessment meetings - Expectations/internal climate surveys - Company events - Code of Ethics - Training and awareness-raising activities, professional development opportunities	Constant
<b>Statutory Auditors/SB/Independent Auditors</b>	Yes	- Legal compliance - Governance transparency	Meetings, exchange of documentation, audits	Per event
<b>Management</b>	Yes	- Brand reputation - Economic performance - Strategic objectives - Governance - Data and information confidentiality	- Employer branding - Individual and collective assessment meetings - Expectations/internal climate survey - Code of Ethics	Constant
<b>Trade associations</b>	No	- Legal compliance - Development of sector issues	Meetings	Monthly
<b>Suppliers of goods</b>	Yes	- Economic performance - Brand reputation - Data security	- Regular meetings - Sharing of Code of Ethics - Participation in industry events and fairs	Constant
<b>Customers</b>	Yes	- Product quality - Innovation, research and development - Circular economy and sustainability - Technical assistance - Brand reputation - Data security	- Customer Service - Social networks - Apps - Direct service channels - Press releases, website - Complaint handling, dispute management - Trade fairs - Periodic visits - Training	Constant
<b>Owners/Partners</b>	Yes		- Shareholders' meetings - Regular meetings - Communication of financial results	Constant
<b>Universities</b>	No	- Fostering the careers of deserving young people - Exploiting technical skills	Specific conventions and collaborations	Per event
<b>Certification bodies</b>	Yes	- Focus on sustainability and validation issues - Continuous improvement	Audits, meetings	Per event



# MATERIALITY ANALYSIS AND MATRIX

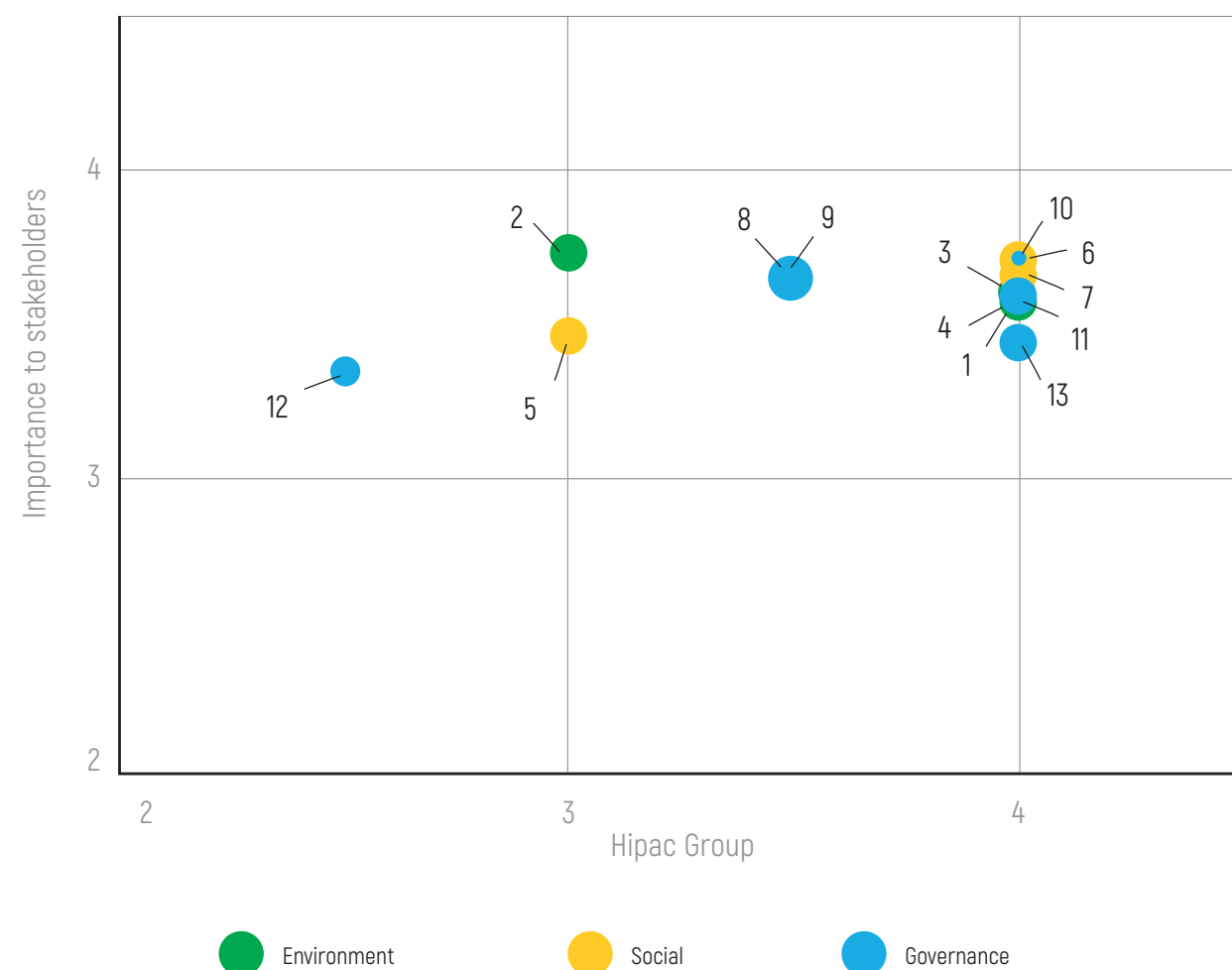
GRI 3-1 | GRI 3-2

Collecting the perceptions of our stakeholders enabled us to identify the key material topics for the Group, i.e., the factors that reflect the significant economic, environmental and social impacts generated by our business activities.

The process of identifying material topics involved different activities, such as:

- 1. **the analysis of potentially significant topics in our business sector:** this activity involved ESG issues and was conducted by consulting the public documents of competitors;
- 2. **the engagement of the main internal and external stakeholders:** this activity was carried out as detailed in the section "Stakeholder mapping and engagement" and enabled us to build the materiality matrix shown below.

The HIPAC Group's materiality matrix



Specifically, the engagement activity conducted in 2023 in which stakeholders expressed a rating based on a numerical scale from 1 (topic not of interest) to 4 (priority topic) is directly linked to the positioning of the topics in the matrix, while the engagement activity conducted in 2024 is directly reflected in the size of the infographic representing the material topics.

The matrix shows a close alignment between stakeholder expectations and needs (y-axis) and the Group's strategic lines (x-axis).

The most significant topics relate to the three areas of sustainable development. Specifically, in the area of governance, innovation, customer satisfaction and business transparency were the most significant; in the area of the environment, energy management, atmospheric emissions, climate change and materials management were of greatest interest; finally, in the area of social topics, occupational safety and employee skills development were the most significant.

## The correlation between the Group's material topics and the SDGs

The identification of the material topics of significance to our Group allowed us to highlight the correlation between them and the SDGs established by the United Nations' 2030 Agenda. The purpose of this activity was to identify the SDGs of greatest relevance to the Group (in relation to its activities) and to **work diligently and transparently** in order to achieve the global sustainability challenges.

Material topics and their correlation to the SDGs

Area	Topic	SDGs
E	1 Energy management	7 8 12 13
E	2 Waste management	12 13
E	3 Materials management	8 12
E	4 Atmospheric emissions and climate change	12 13 15
S	5 Welfare and occupational well-being	3 5 8
S	6 Occupational health and safety	3 8 16
S	7 Development of employees' skills	4 5 8 10
S	8 Quality and safety of products/services	8 9 12 16
G	9 Customer satisfaction	12
G	10 Innovation, research and development	9 12 13
G	11 Business transparency and integrity	8 12 16 17
G	12 Supply chain management	8 12 13 16
G	13 Responsible governance	5 8 12 16

## 03. Governance and Compliance: ensuring responsibility and innovation



**Economic value generated**  
€ 105 mln



### Certifications

- UNI ISO 9001:2015
- UNI EN ISO 14001:2015
- UNI EN ISO 50001:2018
- UNI ISO 45001:2018
- ISO 14024 Plastica Seconda Vita
- ISCC International Sustainability & Carbon Certification
- AENOR certification



# THE ORGANISATIONAL STRUCTURE OF THE GROUP

GRI 2-1 | GRI 2-9 | GRI 2-11 | GRI 405-1

Our Group is made up of several companies that operate independently but synergetically, combining strengths, resources and aspirations to contribute together to business growth.

The companies in the HIPAC Group:



**GIPAC S.p.A**  
parent company based in  
Cazzago San Martino



**HIPAC S.p.A**  
subsidiary with registered office in  
Cazzago San Martino



**IBERHIPAC S.A.**  
subsidiary with registered  
office in Saucedilla, Spain



**HIPAC ROMANIA S.r.l.**  
subsidiary with registered  
office in Dragomiresti-Vale,  
Romania.

In each Group company, the governance body is the Board of Directors (BoD), which has full powers of ordinary and extraordinary administration and sets corporate objectives, strategies and policies.

At HIPAC and GIPAC, the control function is the responsibility of the Board of Statutory Auditors, which monitors compliance with the law and the articles of association, alignment with the principles of correct administration, the fitness for purpose of the organisational, administrative and accounting structure, and the internal control system.

The GIPAC, IBERHIPAC and HIPAC ROMANIA companies also have an independent auditor, who conducts an independent and professional audit on the reliability of their accounts, thereby increasing the transparency and credibility of financial and accounting disclosures.

HIPAC GROUP





## GIPAC S.P.A.

At 31.12.2023, the Board of Directors of the Parent Company GIPAC S.p.A. consisted of 5 members and was chaired by Simone Giorlando. 40% of the directors are women and 80% are over 50 years old.

BOARD OF DIRECTORS	ROLE
Giorlando Simone	Chair
Giorlando Serafino Daniele	Director
Giorlando Aurora Maria	Director
Giorlando Alessandra	Director
Giorlando Giacomo	Director

The GIPAC control bodies are the Board of Statutory Auditors, consisting of five members, 80% of whom are over 50 years of age, and the independent auditor, who is responsible for auditing the company's accounts.

Board of Statutory Auditors	ROLE
Posa Glauco	Chair
Barzanò Antonella	Statutory Auditor
Parma Ambrogio	Statutory Auditor
Boiocchi Marco	Alternate
Fortunato Davide Alberto	Alternate

## HIPAC S.P.A.

The Board of Directors of the Italian subsidiary HIPAC S.p.A., in office until the approval of the financial statements as at 31.12.2023, consists of three members. 67% of the directors are women and all are over 50 years old.

BOARD OF DIRECTORS	ROLE
Giorlando Aurora Maria	Chair
Giorlando Serafino Daniele	Executive Director
Giorlando Alessandra	Executive Director

The Board of Statutory Auditors, also in office until the approval of the financial statements as at 31.12.2023, consists of five members, all of whom are men and over 50 years of age.

Board of Statutory Auditors	ROLE
Pizio Luca	Chair
Posa Glauco	Statutory Auditor
Parma Ambrogio	Statutory Auditor
Boiocchi Marco	Alternate
Fortunato Davide Alberto	Alternate

## IBERHIPAC S.A.

The Board of Directors of the Spanish subsidiary IBERHIPAC S.A. consists of four members, of whom 50% are women and all of whom are over 50 years of age.

BOARD OF DIRECTORS	ROLE
Giorlando Simone	Chair
Giorlando Serafino Daniele	Deputy Chair and Managing Director
Giorlando Aurora Maria	Executive Director
Giorlando Alessandra	Executive Director

IBERHIPAC S.A. has engaged Sociedad de Auditoría ABACO - Auditores e Consultores S.L. to audit the accounts.



## HIPAC ROMANIA S.R.L.

The Board of Directors of the Romanian subsidiary HIPAC ROMANIA S.r.l., in office for an unlimited period of time, consists of 4 members, of whom 50% are women and all of whom are over 50 years old.

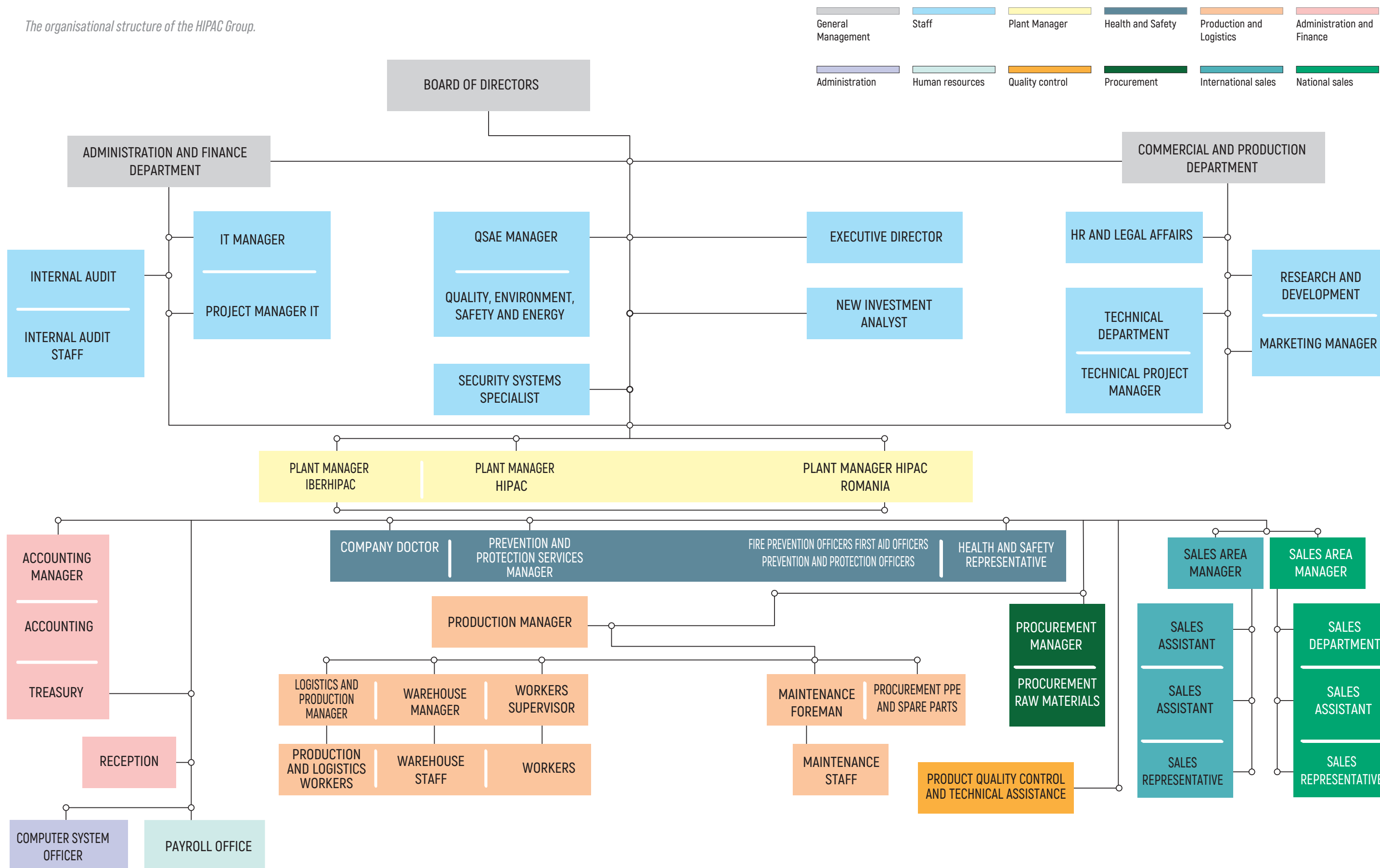
BOARD OF DIRECTORS	ROLE
Giorlando Simone	Chair
Giorlando Serafino Daniele	Director
Giorlando Aurora Maria	Director
Giorlando Alessandra	Director

HIPAC ROMANIA S.r.l. has engaged Crowe Romania, a company created from the merger of Finexpert and Boscolo Audit & Advisory, to audit the accounts.

For a better understanding of the different realities that make up the HIPAC Group, the organisational structure is represented below. Although all the Group entities are operationally independent, the quality and innovation, administration-accounting, legal and human resources areas actively cooperate.



The organisational structure of the HIPAC Group.





# THE CODE OF ETHICS AND THE 231 MODEL

GRI 2-26

The social, cultural, environmental and economic characteristics of the areas and markets we serve directly influence the way we operate. Every nuance or difference is an added value for our Group, a factor that stimulates its operations and sometimes fuels the start-up of studies and projects to enhance or safeguard our socio-environmental characteristics. The Group's values, an integral part of our Code of Ethics, derive from all the aspects that have emerged over the years and are shared with all the realities and people we come into contact with.



## • LEGALITY AND PROFESSIONAL ETHICS

We ask our employees to comply with international, national and local regulations and professional ethical rules in their activities, and with the Group's ethics and compliance policies.



## • HONESTY AND INTEGRITY

Our interpersonal relationships, partnerships and collaborations – along with the professional practices we adopt on a daily basis – are based on the principles of fairness and transparency.



## • LOYALTY

We undertake to fulfil our commitments and not to create expectations about actions or commitments that we cannot perform or fulfil.

*The values of the Code of Ethics*

Breaches of the Code of Ethics, whether ascertained or alleged, are reported by individual employees through their direct supervisor, or through the **whistleblowing system**. For this, we have set up a specific e-mail address for all reports ([231.odv@hipac.it](mailto:231.odv@hipac.it)).

Since the implementation of the 231 Model, HIPAC protects individuals who report illegal or fraudulent activities within the organisation.

In 2023, following the entry into force of Legislative Decree no. 24 of 10 March 2023, we adapted our internal whistleblowing measures by including the code of conduct in the 231 Model. The model attaches great importance to the scope of application, to the establishment of internal reporting channels and their management, to the use of these channels, to reporting procedures, and to the timing and handling of the reports received.



## • LABOUR PROTECTION

We reject all forms of discrimination: age, gender, race, nationality, health, sexual, political and religious orientation. Furthermore, our recruitment and human resources management policies are free of any form of discrimination.



## • RESPECT FOR PEOPLE

We insist on absolute respect for people's rights, dignity, particular characteristics and for all cultures. Our Group attaches the utmost importance to respect for others and tolerance.



## • ENVIRONMENT

We monitor our emissions and the impact of our business operations on the environment, while encouraging the development of innovative techniques and processes for the recovery and recycling of materials and the reduction of use of natural resources.

A digital reporting platform, managed by an independent third party, has also been set up on the Group's website. This platform uses an encryption protocol that guarantees the anonymity of the whistleblower.

During the period covered by this report (2021-2023), we received no reports of potential bribery incidents in any Group company, nor did we record any proven cases of corruption.

## THE HIPAC S.P.A. 231 MODEL

In 2021, we decided to regulate and define the corporate structure and the sensitive processes of the Group's Italian company by implementing a system of internal control procedures and activities contained in the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/01 ("OMM", "the 231 Model"). The purpose of the 231 Model is to set up an organisational structure with an internal control system to prevent commission of the offences listed in the Decree.

We consider the 231 Model a valuable tool to help ensure **fairness and transparency** in the conduct of our corporate and business activities. In this regard, we have included a specific clause on the adoption of the 231 Model in procurement contracts and externally communicated the adoption of the Model in a page in the News section of our website.

Pursuant to Legislative Decree 231, in 2021 we appointed a Supervisory Board (SB), whose role is to supervise the correct implementation of the 231 Model by verifying compliance and promoting awareness of it within the company.

In recent years, the SB has met several times to verify the company's compliance with the management of current situations and to analyse regulatory updates to assess their possible applicability to the HIPAC Group. In 2021, for example, the SB analysed the fitness for purpose of the company's

protocol for managing the Covid-19 pandemic, updated the Risk Assessment Document (RAD) and appointed a crisis committee to monitor the evolution of the pandemic. In 2022, the SB Board met mainly to analyse any internal situations of non-conformity and assess possible improvements. During 2023, the Sb supervised a review of the whistleblowing procedure in accordance with recent updates. It also verified the suitability of the Code of Ethics and the 231 Model as tools for the purposes of the Decree.

In the three-year period covered by this Sustainability Report, the composition of the SB remained unchanged.

# RELATIONS WITH INDUSTRY ASSOCIATIONS

GRI 2-28

Since 2015, as the HIPAC Group, we have been a member of EUMOS<sup>5</sup>a non-profit association whose aim is to improve security along the entire supply chain. Through the contributions of its members, EUMOS works on the development and updating of logistics security standards in Europe. As a member, we have been recognised as a **contributor to increased transport safety** through our commitment to reducing road accidents in Europe.

With regard to the individual subsidiaries, HIPAC S.p.A. is part of Confindustria and Federazione Gomma Plastica, as well as a member of the IPPR Istituto per la Promozione delle Plastiche da Riciclo and the CONAI consortium.

IBERHIPAC S.A. is part of ANAIP, Asociacion Española de Industriales de Plásticos, and HIPAC ROMANIA S.r.l. is a member of Confindustria Romania.

5. For more information, go to: <https://eumos.eu/supporting-members-by-activity/>.

# ECONOMIC PERFORMANCE: VALUE GENERATED AND DISTRIBUTED BY THE GROUP

GRI 201-1

In 2023, the HIPAC Group generated economic value in terms of sales and service revenues of EUR 107 million, of which 93% related to sales and services in the EU.

The result was down on the previous year, mainly due to the reduction in raw material costs, which had a direct impact on the sale prices of our products. The revenue decline also reflected market dynamics in the sector during the year. To meet future challenges, we believe that our business strategy, focused on the promotion of HI-Green products, will enable us to remain competitive in Europe.

Country	€
EU Sales	97,689,488
Non-EU Sales	7,378,391
EU Services	2,192,658
Total	107,260,537

*Revenues from sales and services before customer discounts and premiums*

In our Group, the generation of economic value is closely linked to the way it is distributed to stakeholders.

Consequently, starting with the profit and loss account items for the period under review (financial years ending 31.12.2021, 31.12.2022 and 31.12.2023), we

have determined economic value generated and distinguished between economic value distributed and economic value retained. Specifically:

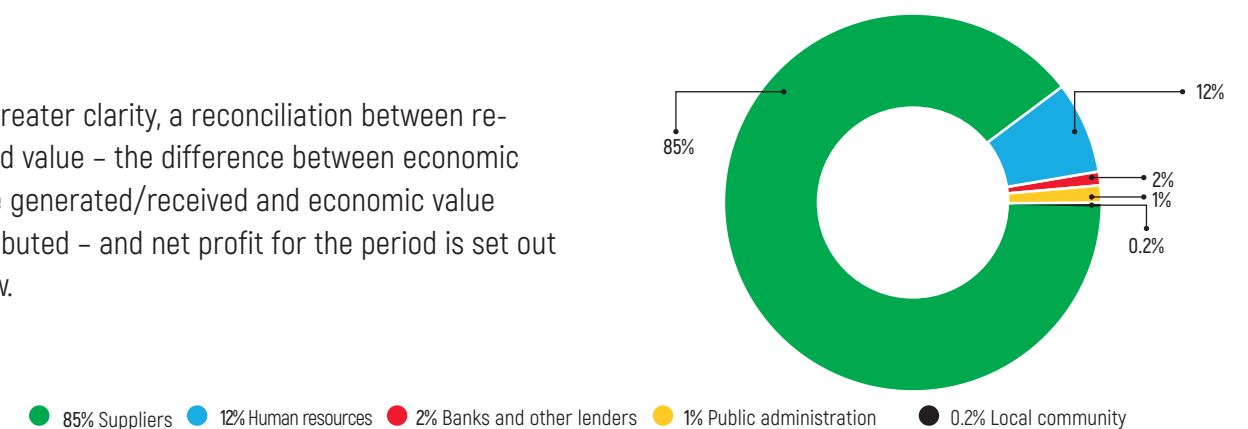
- **economic value generated** refers to the value of production, which includes net revenues from the provision of services and other revenues and income;
- **economic value distributed** includes costs, reclassified by stakeholder category;
- **economic value retained** is the difference between economic value generated and distributed.

In 2023, we generated economic value of EUR 104,760,339, and distributed economic value of EUR 95,696,421 (90.1% of the value generated and received), among our stakeholders.

Economic value directly generated and distributed						
	2021	% on tot.	2022	% on tot.	2023	% on tot.
Economic value generated and received	122,354,458	100.0%	139,030,299	100.0%	106,164,466	100.0%
Economic value generated	122,248,666	99.9%	137,274,544	98.7%	104,760,339	98.7%
Economic value received	105,792	0.1%	1,755,755	1.3%	1,404,127	1.3%
Economic value distributed	108,945,217	89.0%	128,687,859	92.6%	95,696,421	90.1%
Suppliers	93,978,681	76.8%	115,311,096	82.9%	81,143,514	76.4%
Human resources	9,817,612	8.0%	10,180,752	7.3%	11,666,038	11.0%
Banks and other providers of finance	1,087,894	0.9%	1,329,450	1.0%	1,891,467	1.8%
Public authorities	3,918,966	3.2%	1,703,919	1.2%	803,076	0.8%
Local community	142,064	0.1%	162,642	0.1%	192,326	0.2%
Economic value retained	13,409,241	11.0%	10,342,440	7.4%	10,468,045	9.9%

Economic value distributed 2022

For greater clarity, a reconciliation between retained value – the difference between economic value generated/received and economic value distributed – and net profit for the period is set out below.



	2021	2022	2023
Economic value retained	13,409,241	10,342,440	10,468,045
Economic value not allocated	(252,606)	3,070,948	6,231,447
Change in work in progress, semi-finished products and finished goods	(901,033)	(290,650)	692,614
Other revenues	(920,293)	(977,314)	(626,664)
Costs for services	102,974	214,111	234,760
Amortisation of intangible assets	294,763	335,234	405,462
Depreciation of property, plant and equipment	3,919,070	3,851,361	4,236,771
Write-downs of receivables included in current assets and cash and cash equivalents	9,410	12,726	11,924
Changes in inventories of raw, ancillary and consumable materials and goods	(2,872,649)	(406,741)	1,210,706
Sundry operating expenses	137,496	204,806	61,837
Foreign exchange gains and losses	(22,344)	(6,574)	4,037
Write-downs of equity investments	-	133,989	
Profit for the year	13,661,847	7,271,492	4,236,598



# PRODUCT AND PROCESS QUALITY: PREDOMINANT ASPECT OF BUSINESS MANAGEMENT

GRI 2-27

At HIPAC, we guarantee products manufactured in accordance with procedures and processes that comply with sector legislation and certified through the **QSAE** (Quality, Safety, Environment and Energy) **integrated management system** based on the UNI EN ISO 9001, 14001, 45001 and 50001 standards.

With UNI EN ISO 9001 we have certified the company's Quality Management System, which also includes container weighing activities for the determination of the "Verified Gross Mass of the container" (VGM), in accordance with the 2016 SOLAS 74 amendments<sup>6</sup>.

**Our QSAE Management System is based on clear and specific principles:**

- **constant focus on customer satisfaction**, in terms of quality, safety and compliance with international regulations and standards;
- **continuous innovation of products**, to improve their economic impact and reduce their consumption and cost per unit of packaging;

6. The SOLAS (Safety Of Life At Sea) Convention is an international agreement drawn up by the International Maritime Organisation (IMO). The amendments that came into force on 1 July 2016 require certified procedures for weighing activities to determine the verified gross mass of the container in accordance with Method 2.

- **increased investment and R&D activities**, through the HI LAB, our in-house laboratory with state-of-the-art instruments and technical experts for new product research and development and quality control;
- **continuous staff training** on the laws and good practices to be observed for safety, environmental protection and product and service quality;
- **environmental protection**, through the design of eco-sustainable products, the promotion of recovery and recycling activities, the adoption of low environmental impact technologies and measures for efficient use of available resources, both natural and energy;
- **promotion of health and safety in the workplace**, through technical organisational measures and regular health checks;
- **information and updating for stakeholders**, through transparent and continuous communication.

The company's QSAE Management System also includes factors that can contribute to the achievement of our strategic goals, which we review periodically.

The System's effectiveness and fitness for purpose is confirmed by the Audit Report, which validated its compliance with the reference standards and highlighted the Group's continuous and significant structural, infrastructural and R&D investment progress in recent years.

## MANAGEMENT OF NON-CONFORMITIES

In order to prevent, intercept and promptly remedy deviations from corporate practice and any anomalies, we adopt **an internal procedure for the management of any reports received**: on incoming material, during production, on the finished product (generally related to non-conformity of the material used, plant anomalies or human errors) and during the transportation of goods (assigned to third parties).

In addition, our non-conformity management procedure examines events related to internal organisation, such as non-compliance with internal operating procedures or product/service operation, and health and safety aspects, through analysis of near misses and incidents.

In the three-year period 2021/2023 there were no cases of non-compliance with economic, environmental and social laws and/or regulations. Furthermore, no fines were imposed on our Group nor any restrictions by governments, regulators or public bodies regarding business operations or activities.



## PRODUCT CERTIFICATIONS

The quality of our products is validated by the certifications obtained by the individual Group companies over the years.

HIPAC S.p.A. obtained **Plastica Seconda Vita** certification (the only Italian scheme among the six approved by the Circular Plastics Alliance - CPA)<sup>7</sup>, which was renewed in 2023 for the following products:

- REC60 with 60% PCR;
- REC30 with 30% PCR;
- REX 60 with 60% PIR;
- REX 30 with 30% PIR.

In 2021, these products obtained ISCC Plus certification<sup>8</sup>, a voluntary certification attesting to the traceability of bio-based and circular raw material content along the entire production chain.

In 2022, the Spanish subsidiary IBERHIPAC applied for **AENOR certification**; a goal achieved in the first half of 2023 for the following products:

- REC60 with 60% PCR;
- REC30 with 30% PCR;
- REX 60 with 60% PIR;
- REX 30 with 30% PIR.

7. The Circular Plastics Alliance (CPA) is an alliance of private companies, academia and public authorities formed to increase the use of recycled plastics, bringing the EU market for recycled plastics to 10 million tonnes by 2025.  
8. ISCC Plus certification is part of the International Sustainability & Carbon Certification scheme, and is a reliable standard for the circular economy and bio-economy.

## HI SERVICE: TRAINING AND TECHNICAL ASSISTANCE FOR OUR CUSTOMERS

Our customers can count on a range of services relating to the technical characteristics of products, for safe and efficient packaging.

With the help of our professional experts, we provide customers with a **comprehensive service**, including:

- **technical advice in the field**, to assess the correct functioning of wrapping machines and the initial quality of the packaging;
- an **in-depth study** on the optimisation opportunities offered by our premium films;
- a **detailed report**, to quantify the reduction in use of stretch film and the stability of the loading unit;
- **periodic check-ups** to verify the performance of the film in relation to the wrapping machine and guarantee the performance of our films over time;
- a **load acceleration test** in accordance with the international EUMOS 40509-20 standard;
- a **load retention force analysis test**, at customer sites and in compliance with the ASTM-D8314\_20 standard;

Thanks to our experience in the packaging and stretch film sector, we also collaborate with leading wrapping machine manufacturers in order to optimise the machine-film combination. Furthermore, we share our stretch film knowhow with customers and industry operators, in part through theoretical and practical training courses, in order to spread the sustainability and packaging safety culture.





# INNOVATION, RESEARCH AND DEVELOPMENT

Our investments in these areas reflect the determination of the Group, which is always ready to go beyond its existing knowledge to increase the potential of its plant, production and management, in line with the principles of digitalisation and sustainability.

## L13: Europe's largest production line

In 2023, we installed Europe's largest production line at our plant in Cazzago San Martino (Brescia, Italy).

The new L-13 line has a production width of six metres and uses high-performance multi-layer extrusion technology. It guarantees a high productivity of 3,800 kg/h and enhances technical innovations in sustainability, contributing to the development of new types of high-performance film.

Innovation in technology goes hand in hand with significant investment in R&D, which has always been a priority at HIPAC. Our research focuses on reducing the amount of plastic used for packaging, without compromising, and in fact improving where possible, load stability and the safety of the wrapped goods during storage and transportation.

## Technology combined with skills development

This is our starting point and reference for the environmental sustainability of film, together with the elimination of everything that is not strictly necessary for the product, such as the cardboard tube.

In practice, our R&D activities involve the testing of new polymers to improve technical films and research into all production and plant sets to enhance performance, as well as the identification and development of new application areas where stretch film is a better and more sustainable alternative to existing packaging.

Our R&D is carried out by a team of specialised engineers at the HI LAB, the Group's central laboratory, which is equipped with state-of-the-art instruments for physical-mechanical analysis of stretch film.

In recent years, we have focused our R&D work on digital technological innovation to improve various aspects of our production, such as operational management, logistics flows, monitoring and consumption traceability.

## The new 112 premium film: the sustainable alternative to conventional Super Power films

One of the R&D team's latest successful innovations is the new 112 premium film (Super Power Plus), our sustainable alternative to conventional Super Power films, which has been developed specifically to deliver very high pre-stretch levels combined with very low thickness.

Stretch film can therefore help the environment: the adoption of this type of premium film results in



lower plastic consumption, a reduction in packaging costs of up to 25% and a considerable reduction in CO2 emissions.

The new 112 premium film made its international debut at Interpack, the world's leading packaging exhibition, held in Düsseldorf, Germany, from 4 to 10 May 2023.

Attendance at the top industry trade fairs is a key-point of our strategy, which is increasingly geared towards internationalisation and the promotion of its values and product innovations among all stakeholders.

## The DEA project and the new dispenser: ergonomics, workplace safety and pallet stability

With the construction of a new dispenser in 2023, we completed the Dispenser Eumos Application (DEA) project, set up to study all aspects of manual packaging and develop a method to improve and rationalise this type of application, which too often is left to the subjectivity of the human operator.

The final element in the project was the development of a durable, cost-effective and ergonomic dispenser to assist the operator in manual packaging operations and contribute to high occupational health and safety standards.

The work was conducted in-house, with the support of highly specialised product designers, and led to the development *ex novo* of a latest-generation dispenser<sup>9</sup> which, after its market launch, will be a natural extension of the operator's manual dexterity, improving performance and benefits in the short, medium and long term.

**In addition to the development of the dispenser, the DEA project encompasses many other elements including:**

<sup>9</sup> A patent application has been filed for the new dispenser (patent pending).

- the product, namely ultra-thin 555 rigid film. The film reel is lighter (1 kg or less) and easier to use. The NetRoll and/or RELIVE versions reduce the environmental impact of the film, which was quantified through an LCA study conducted in collaboration with the University of Parma;
- the correct method of packaging, thanks to an optimisation study and the production of a practical video tutorial for industry operators;
- load safety, certified by slide acceleration tests in accordance with the Eumos 40509-20 standard;
- the positive impact on the health and safety of manual packaging workers, including a reduction in musculoskeletal injuries and disorders, monitored through the LEA postural analysis system and the Rapid Upper Limb Assessment (RULA) ergonomic standard.



2023 SUSTAINABILITY REPORT

## 04. Environment: beyond product eco-sustainability



- **106.2 tCO<sub>2</sub>e** avoided through self-generation of energy from photovoltaic systems



- **2 photovoltaic plants** in Italy and Spain



- **Sustainability Award** recognition



- **95.5%** recovered waste



## CONCRETE ACTION FOR ENVIRONMENTAL PROTECTION

We have always pursued environmental sustainability through resource optimisation, packaging efficiency, waste reduction, reuse and recycling of materials.

Our Group's commitment to safeguarding the environment is reflected in **concrete action**, such as the adoption of management systems compliant with international standards, the adoption – in 2022 – of **an oasis to protect biodiversity and pollinators** through the **3Bee** regeneration projects, the formulation of effective water management policies, and further activities illustrated in the following sections.

## WATER RESOURCES: WATER USE

At HIPAC, **water consumption** is mainly related to sanitary facilities in the offices and to the cooling of the equipment in the Italian and Spanish sites.

Our water supply is drawn from wells and aqueducts; in Spain, water is mainly drawn from wells.

In order to conserve water resources and leave potable water for priority uses, the Spanish headquarters use non-potable water to irrigate the garden surrounding the building.

Details of water withdrawals for the three-year period 2021-2023 are shown below.

	Unit of measurement	2021	2022	2023
Water from the aqueduct	m3	22,556	27,485	25,050
Water drawn from wells	m3	34,464	40,262	41,243
Total	m3	57,020	67,747	66,293

Water drawn from wells is used at the equipment cooling towers. Details on water withdrawals and use in the period under review are shown below.

	Unit of measurement	2021	2022	2023
Water drawn from wells	m3	49,683	60,903	58,804
Water use	m3	16,959	17,894	17,554
Total water consumed	m3	32,724	43,009	41,250

## ENERGY RESOURCES: MANAGEMENT OF PURCHASED AND SELF-PRODUCED ENERGY

GRI 302-1

We are aware of the environmental impact of energy consumption, and consider continuous improvement of our energy performance to be of paramount importance. For this reason, we have implemented a **UNI EN ISO 50001-compliant energy management system**, which gives us a clear, up-to-date view of the organisation's consumption and facilitates immediate identification of energy efficiency solutions.

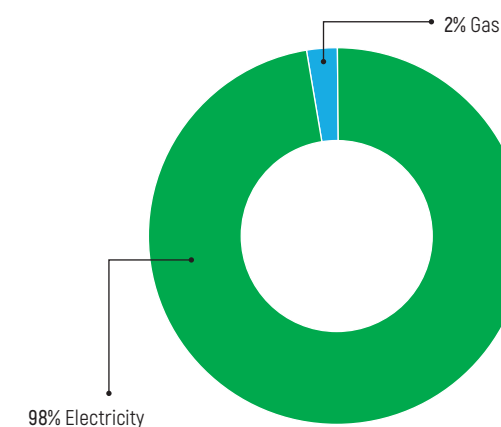
As part of ISO 50001 certification, we carry out regular internal audits to assess the effectiveness of the management system, potential improvements and their technical-economic feasibility.

In addition, we have set up **an internal energy management team** consisting of: the Quality System Manager, the Chief Technical Manager and the Project Manager.

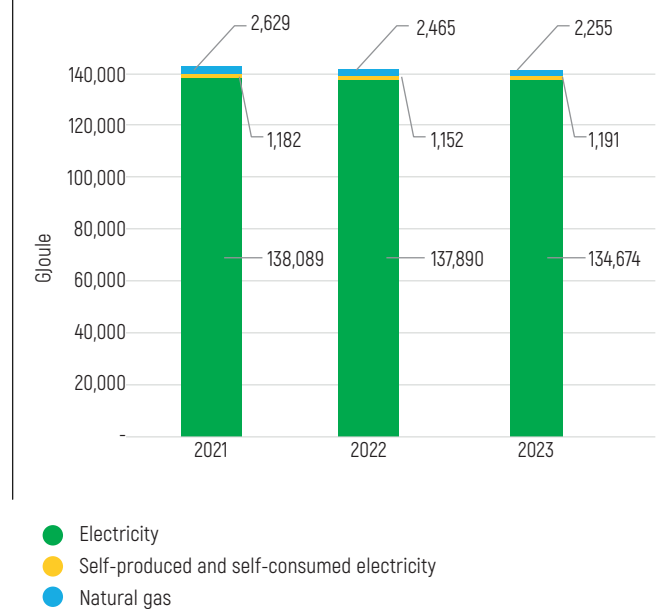
We use the following energy vectors for our activities:

- electricity, used for production lines and office lighting;
- natural gas, used for heating at HIPAC ROMANIA.

Breakdown of HIPAC consumption 2023



HIPAC Group energy consumption



We meet part of our energy requirement through self-generation, thanks to photovoltaic systems installed at the Italian and Spanish headquarters. The Spanish plant, installed in November 2023, is an 800 kWp photovoltaic system, while the photovoltaic system at the Italian headquarters has a capacity of 251 kWp.

In the future, we want to extend photovoltaic installations to all Group companies in order to increase our margin of energy self-sufficiency and mitigate our exposure to fluctuations in energy prices.

For years, we have been using a **real-time monitoring system** in order to monitor, measure and analyse the energy consumption and performance of our plants, and keep all energy parameters under control. The Group's energy consumption figures for the three-year period under review are fairly consistent.

#### Internal energy consumption in the organisation<sup>10</sup>

	Unit of measurement	2021	2022	2023
Electricity consumed	GJ	138,089	137,890	134,647
Of which electricity purchased from the grid	GJ	136,907	136,738	133,483
Of which electricity generated by photovoltaic plant - renewable source	GJ	1,203	1,180	1,223
Of which electricity generated and sold to the grid	GJ	21	28	33
Natural gas	GJ	2,629	2,465	2,255
<b>Total energy consumption in the organisation</b>	<b>GJ</b>	<b>140,719</b>	<b>140,355</b>	<b>136,929</b>



10. Source of conversion factors used:  
 • electricity: IPCC 2021 GWP 100;  
 • natural gas: Table 1 EEN Resolution 9/11.

## CARBON FOOTPRINT: MONITORING OF THE ORGANISATION'S EMISSIONS

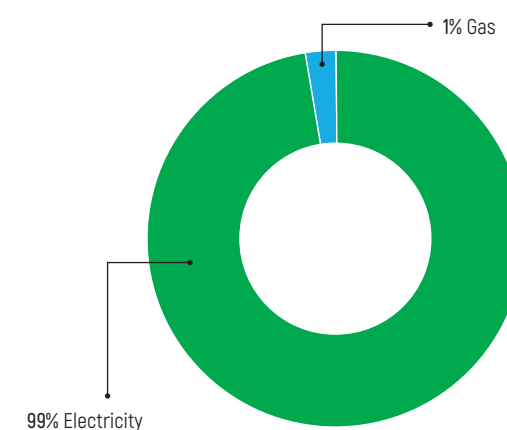
GRI 305-1 | GRI 305-2

We know how crucial it is today for an organisation to quantify its carbon footprint, to monitor trends in carbon dioxide emissions from business activities, to take effective action to reduce them and to contribute to achieving the UN's Net Zero goal.

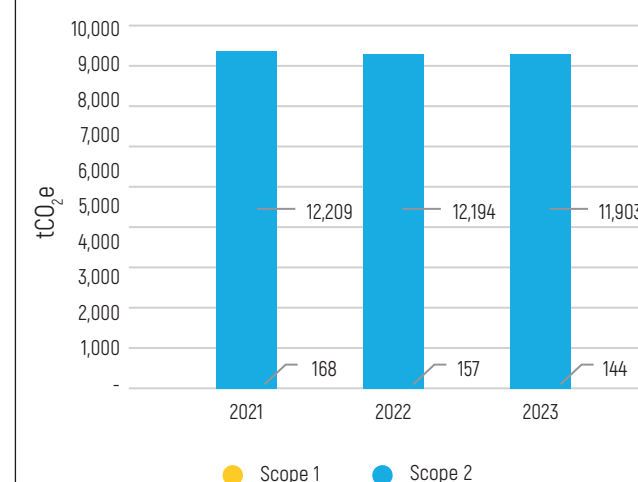
To determine the Group's carbon footprint, we quantified the emissions recorded during the three-year period covered by this report. This included direct emissions (Scope 1) and indirect emissions from the purchase of energy vectors (Scope 2) directly related to the consumption shown in the table **"The organisation's internal energy consumption"**.

The measurement of emissions showed that by covering part of our electricity requirement through self-generation from photovoltaics, **we avoided 106.2 tCO<sub>2</sub>e** in 2023.<sup>11</sup>

#### Composition of Scope 1 and Scope 2 emissions 2023



#### Scope 1 and Scope 2 emissions



11. Avoided emissions were calculated as the difference between the emissions that would have been caused by purchasing electricity from the grid and the zero impact that electricity production from photovoltaics has, as direct emissions.



## SCOPE 1

### Scope 1 GHG emissions<sup>12</sup>

	Unit of measurement	2021	2022	2023
Natural gas	tCO <sub>2</sub> e	168	157	144
<b>Total Scope 1</b>	<b>tCO<sub>2</sub>e</b>	<b>168</b>	<b>157</b>	<b>144</b>

## SCOPE 2

### Scope 2 GHG emissions<sup>13</sup>

	Unit of measurement	2021	2022	2023
Electricity purchased	tCO <sub>2</sub> e	12,209	12,194	11,903
<b>Total Scope 2</b>	<b>tCO<sub>2</sub>e</b>	<b>12,209</b>	<b>12,194</b>	<b>11,903</b>

*Emission details Scope 1 - Scope 2/Energy consumption of the HIPAC Group*

The regular measurement of emissions is instrumental in identifying effective action to reduce their magnitude and the Group's overall carbon footprint. The activation in 2005 of the shuttle service between the plant in Romania and the metro station is an example of this.

12. Source of emission factors used:

- natural gas: Ecoinvent 3.9.1 - Heat production, natural gas, at boiler condensing modulating <100kW | heat, central or small-scale, natural gas | Cutoff, U - IT - kgCO<sub>2</sub>eq/sm<sup>3</sup>;

13. Source of emission factors used:

- electricity: Ecoinvent 3.9.1 - Electricity, high voltage, production mix | electricity, high voltage | Cutoff, U - kgCO<sub>2</sub>eq/kWh.

## LCA STUDY: MEASUREMENT OF PRODUCT IMPACTS

In collaboration with the University of Parma, in 2023 we carried out a Life Cycle Assessment (LCA) study for five product types (Traditional, Premium, NetRoll version and with recycled materials), to examine how the products in question impact the environment during their life cycle and how this impact changes depending on whether they use recycled material, thin film, or the NetRoll version.

In 2024, we will continue to collaborate with the University of Parma on a joint research project to calculate the carbon footprint of packaging films, using a systematic approach. The aim of the project will be to develop a tool that can scientifically calculate the carbon footprint of our products, enabling us to improve our commitment to real and certified sustainability, and actively involve all our employees in the continuous improvement of our environmental practices.

# RAW MATERIALS, MATERIALS AND WASTE: MANAGEMENT OF PURCHASED RESOURCES AND GENERATED WASTE

GRI 306-2 | GRI 306-3 | GRI 306-4 | GRI 306-5

We monitor and quantify the materials we use in production on an annual basis, in order to improve their management by studying reduction, reuse and recycling solutions.

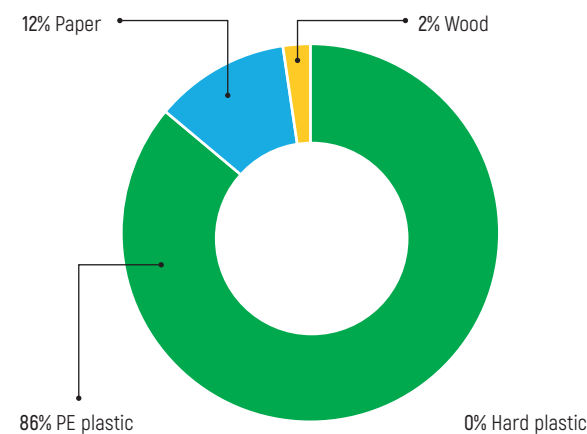
Our main purchases of raw materials and materials for production are as follows:

- raw materials consisting of virgin polyethylene plastic granules and recycled polyethylene granules;
- ancillary material, i.e., tubes for stretch film reels and packaging material (boxes, cardboard corners and interlayers, plastic dispensers and wooden pallets).

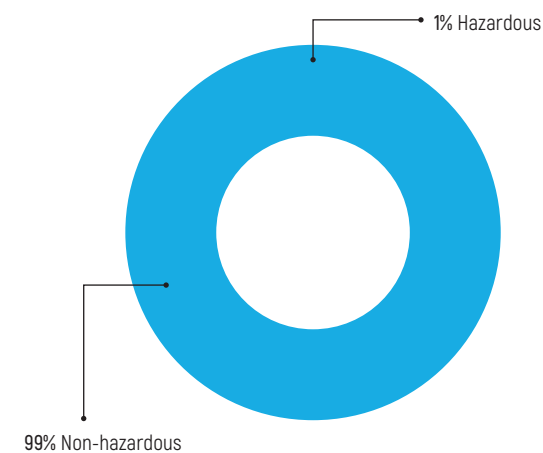
Taking into account the impact of purchased materials on the environment and people's health, and with a view to continuing to optimise our purchases, over the years we have taken a number of measures that have proved to be successful and appreciated by the public. They include the decision made in 2013 to replace solvent-based paints with water-based paints, as well as the decision to acquire pallets from our suppliers that can be reused in the sales stage. The latter decision **received the PRS Green Label in Italy and Spain**, an award given to players who actively promote the controlled reuse and shared use of CP-type pallets for the European polymer sector.



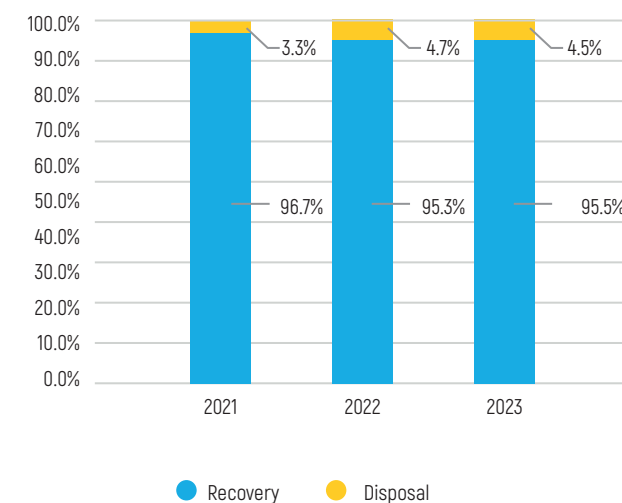
Materials purchased by the HIPAC Group



Waste by type



Waste by destination



With regard to the waste generated by our business operations, we are committed to responsible management, providing for its storage and deposit in specific areas prior to handover to authorised transporters and disposal firms.

Through the internal monitoring system, we collect and archive all information on waste attributable to our operations as a whole, from production to administration. The information collected by the system covers:

- the EWC code, with the specific characteristics and presumed storage before collection by the transporter;
- the actual unloading following collection by the transporter;
- the different disposal operations in chronological order, in order to have an overview of the total amount of waste disposed of or recovered at the end of the year.

During 2023, we produced 981 tonnes of waste, 98.9% of which was non-hazardous, and **recovered 95.5% of the waste produced**.



Type of waste				
	Unit of measurement	2021	2022	2023
Hazardous	tonnes	4	1	11
Non-hazardous	tonnes	958	902	970
<b>Total</b>	<b>tonnes</b>	<b>962</b>	<b>903</b>	<b>981</b>

Waste destination				
		2021	2022	2023
Recovery	tonnes	930	860	936
Disposal	tonnes	32	43	45
<b>Total</b>	<b>tonnes</b>	<b>962</b>	<b>903</b>	<b>981</b>

*Waste generated and disposed of by the HIPAC Group in the three-year period 2021-2023*

WASTE DIRECTED TO DISPOSAL					
EWG Code	Description	Unit of measurement	2021	2022	2023
NON-HAZARDOUS WASTE					
20 03 01	Unsorted municipal waste	tonnes	32	43	44
<b>Total waste directed to disposal</b>		<b>tonnes</b>	<b>32</b>	<b>43</b>	<b>44</b>

WASTE SENT FOR RECOVERY					
HAZARDOUS WASTE - SENT FOR RECOVERY					
EWG Code	Description	Unit of measurement	2021	2022	2023
08 03 12	Ink waste containing hazardous substances	tonnes	1.1	-	1.0
08 03 17	Spent printing toner containing hazardous substances	tonnes	0.1	0.0	0.0
13 02 05	Non-chlorinated mineral oil waste for engines, gears and lubrication	tonnes	0.4	0.5	0.4
13 02 08	Other engine, gear and lubrication oils	tonnes	1.6	0.8	-
15 01 10	Packaging containing residues of, or contaminated by, hazardous substances	tonnes	0.8	-	0.6
16 02 13	Discarded equipment containing hazardous components other than those included under 16 02 09 and 16 02 12	tonnes	0.1	-	0.2
16 06 01	Lead batteries	tonnes	0.2	-	0.1

17 06 03	Other insulation materials containing or consisting of hazardous substances	tonnes	-	-	8.4
20 01 21	Fluorescent tubes and other mercury-containing waste	tonnes	0.0	0.0	0.0
20 01 35	Discarded electrical and electronic equipment, other than that referred to under 20 01 21 and 20 01 23, containing hazardous components	tonnes	0.1	0.1	0.1
<b>Total hazardous waste sent for recovery</b>		<b>tonnes</b>	<b>4.2</b>	<b>1.5</b>	<b>10.8</b>

WASTE SENT FOR RECOVERY					
NON-HAZARDOUS WASTE - SENT FOR RECOVERY					
EWG Code	Description	Unit of measurement	2021	2022	2023
03 03 99	Waste not included in other categories	tonnes	116.4	93.3	92.3
07 02 13	Plastic waste	tonnes	-	6.5	6.5
08 03 18	Spent printing toner, other than those referred under item 08 03 17	tonnes	-	-	0.2
12 01 05	Filings and shavings of plastic materials	tonnes	16.8	11.8	-
15 01 01	Paper and cardboard packaging	tonnes	68.8	17.6	19.9
15 01 02	Plastic packaging	tonnes	247.7	261.7	253.9
15 01 03	Wood packaging	tonnes	240.9	257.8	343.3
16 02 14	Discarded equipment, other than that referred to under items from 16 02 09 a 16 02 13	tonnes	0.1	-	0.4
16 06 04	Alkaline batteries (except 16 06 03)	tonnes	-	0.0	-
17 02 01	Wood	tonnes	201.7	208.9	160.2
17 04 02	Aluminium	tonnes	0.1	-	-
17 04 05	Iron and steel	tonnes	32.1	1.4	48.8
20 01 36	Discarded electrical and electronic equipment other than that referred to under items 20 01 21, 20 01 23 and 20 01 35	tonnes	0.1	-	-
20 01 40	Metal	tonnes	1.2		
<b>Grand total</b>		<b>tonnes</b>	<b>925.9</b>	<b>858.9</b>	<b>925.5</b>

## 05. Social: initiatives for empowerment and common growth



• **185 employees**



• **98% employees on open-ended contracts**



• **48% female employees**  
compared to total  
employees in clerical  
roles



## PEOPLE: AN ASSET TO PROTECT AND ENHANCE

GRI 2-4 | GRI 2-7 | GRI 2-30 | GRI 405-1 | GRI 406-1

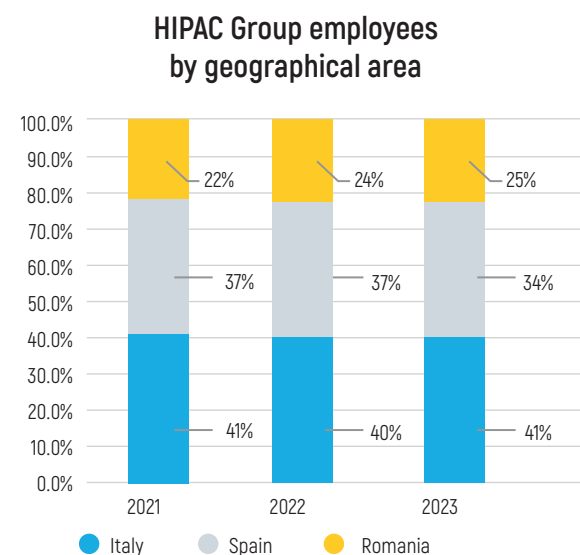
At HIPAC, people represent a distinctive value, which we aim to protect and enhance through personal and professional skills development programs, together with measures to create and maintain a fair, meritocratic and respectful working environment.

This approach is motivated by the awareness that the efforts of each individual contribute to the achievement of the Group's growth objectives (both in economic and sustainability terms), and to the achievement of recognition that highlights perception of our value in the industry and on the markets we serve.

In line with the materiality topics identified by the materiality analysis and in compliance with the GRI standards used in this report, this chapter describes the composition of the organisation's workforce and the initiatives undertaken to enhance the value of our personnel.

## THE COMPOSITION OF THE WORKFORCE

At 31 December 2023, our Group had 202 people (196 in 2022), of whom 185 are employees (187 in 2022) and 17 are collaborators (9 in 2022).



All employees in Spain and Italy are covered by the local national collective contract (CCNL); specifically, in Italy the Rubber-Plastic CCNL and in Spain the Quimicas CCNL.

At 31.12.2023, HIPAC had 75 employees, IBERHIPAC 62 and HIPAC ROMANIA 44.

In 2023, 98% of our employees were employed on an open-ended contract and 98% on a full-time contract. Women accounted for 48% of the white-collar workforce.

The following tables detail the composition of the Group's personnel. The data shown are expressed as head-counts, i.e., each resource equals one unit, regardless of the weekly hours of the employment contract (full-time/part-time).

### EMPLOYEES BY GENDER<sup>14</sup>

HIPAC Group	2021	2022	2023
Women	39	35	39
Men	116	152	146
<b>Grand total</b>	<b>195</b>	<b>187</b>	<b>185</b>

### EMPLOYEES BY GENDER AND TYPE OF CONTRACT

Fixed-term	2021	2022	2023
Women	5	3	37
Men	2	1	144
<b>Open-ended</b>			
Women	34	32	2
Men	154	151	2
<b>Grand total</b>	<b>195</b>	<b>187</b>	<b>185</b>

### EMPLOYEES BY GENDER AND FORM OF EMPLOYMENT

Full-time	2021	2022	2023
Women	37	33	36
Men	155	151	145
<b>Part-time</b>			
Women	2	2	3
Men	1	1	1
<b>Grand total</b>	<b>195</b>	<b>187</b>	<b>185</b>

### EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers		2	2		2	2		2	2
Junior managers	2	8	10	2	6	8	2	8	10
White-collar workers	37	37	74	33	39	72	37	40	77
Blue-collar workers		109	109		105	105		96	96
<b>Total</b>	<b>39</b>	<b>156</b>	<b>195</b>	<b>35</b>	<b>152</b>	<b>187</b>	<b>39</b>	<b>146</b>	<b>185</b>

14. In order to include a figure that was erroneously omitted in the previous report, the disclosure for the two-year period 2021-2022 has been revised in all the tables relating to the workforce.

EMPLOYEES BY PROFESSIONAL CATEGORY			
	2021	2022	2023
Senior manager	2	2	2
Junior manager	10	8	10
White-collar worker	74	72	77
Blue-collar worker	109	105	96
<b>Grand total</b>	<b>195</b>	<b>187</b>	<b>185</b>

EMPLOYEES BY AGE GROUP AND GENDER									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 29 years	4	8	12	3	3	6	6	5	11
30-50 years	28	105	133	23	104	127	23	90	113
> 50 years	7	43	50	9	45	53	10	51	61
<b>Grand total</b>	<b>39</b>	<b>156</b>	<b>195</b>	<b>35</b>	<b>152</b>	<b>187</b>	<b>39</b>	<b>146</b>	<b>185</b>

## EQUAL OPPORTUNITIES: EL PLAN DE IGUALDAD AT IBERHIPAC

In 2022, the Group's Spanish company, IBERHIPAC, signed its first **Plan de Igualdad**, signed by mutual agreement between the company and the workers' representatives. The aim of the Plan is to promote equal opportunities and combat gender discrimination.

At the same time, an Equality Committee was set up to monitor the action taken and identify any necessary corrective measures. In October 2023, the Committee met to report and evaluate the effectiveness of the measures envisaged under the Plan and the training provided, which consisted of 102 hours of training and involved 17 employees.

The Plan de Igualdad and the Committee are not the only initiatives organised by the Spanish company, which opposes all forms of sexual harassment or gender-based behaviour (inside the organisation) and has signed a protocol to prevent and combat sexual harassment.

## RESPONSIBLE MANAGEMENT OF PERSONNEL SELECTION AND RETENTION ACTIVITIES

GRI 401-1

Our personnel selection processes, and professional skills development processes, are based on **clear, homogeneous evaluation criteria**; moreover, they are managed with full respect for equal opportunities and without any discrimination relating to the private lives and opinions of candidates. For recruiting activities we use digital channels such as LinkedIn, and the "Work with us" recruitment section of our website, a valuable space that also receives spontaneous applications. In the case of searches for highly qualified profiles, we engage the services of external head-hunting agencies.

The choice of a candidate depends on careful analysis of a set of criteria that combine professional and behavioural factors (experience, professional skills, passion for the job, etc.).

For newly recruited resources, we provide mentoring and engagement with professionals who are experts in business practices, in order to pass on the HIPAC values that underpin our business model. In addition, every day we strive to **promote constant dialogue**, not only between new and experienced employees, but at all corporate levels, and we repudiate all forms of discrimination based on: political and trade union opinions, religion, racial or ethnic origins, gender, sexual orientation, marital, health or socio-economic status. This approach is reflected in the fact that – as in previous periods – no cases of discrimination occurred in the three-year period 2021-2023.

Another aspect to be highlighted is the activation of curricular and extra-curricular internships, organised in Italy with the University of Brescia and in Spain with specialised technical schools.

In order to reward the performance of our staff and promote **corporate welfare**, in 2021 we signed a second-level framework agreement with the Italian trade unions, for the payment of a production bonus against the achievement of three-year targets at Group level.

In 2023, we recorded a total of 26 new hires – 48% of whom under 30 years of age – and 28 terminations, mainly consisting of voluntary resignations or retirement.

These data coincide with the results of personnel turnover, which in 2023 reflect substantial retention of the people employed in the Group, arising from positive turnover of 14% and negative turnover of -15%, leading to a 1% decrease in the workforce compared to 2022.



BY GENDER		
Overall turnover	2022	2023
Men	-3%	-3%
Women	-10%	-6%
<b>Total</b>	<b>-4%</b>	<b>-1%</b>

BY AGE		
Overall turnover	2022	2023
Up to 30 years	-17%	117%
30-50 years	-3%	-6%
50 years	-4%	-4%
<b>Total</b>	<b>-4%</b>	<b>-1%</b>

NEW HIRES						
HIPAC Group	2022			2023		
	Women	Men	Total	Women	Men	Total
Up to 29 years	-	1	1	5	7	12
30-50 years	1	6	7	6	4	10
> 50 years	1	1	2	1	3	4
<b>Grand total</b>	<b>2</b>	<b>8</b>	<b>10</b>	<b>12</b>	<b>14</b>	<b>26</b>

TERMINATIONS						
HIPAC Group	2022			2023		
	Women	Men	Total	Women	Men	Total
Up to 29 years	1	2	3	1	4	5
30-50 years	5	6	11	7	10	17
> 50 years	-	4	4	2	4	6
<b>Grand total</b>	<b>6</b>	<b>12</b>	<b>18</b>	<b>10</b>	<b>18</b>	<b>28</b>

Turnover						
HIPAC Group	2022			2023		
	Women	Men	Total	Women	Men	Total
Positive turnover - new hires	5%	5%	5%	34%	9%	14%
Negative turnover - terminations	-15%	-8%	-9%	-29%	-12%	-15%
<b>Total</b>	<b>-10%</b>	<b>-3%</b>	<b>-4%</b>	<b>6%</b>	<b>-3%</b>	<b>-1%</b>

## PROFESSIONAL AND PERSONAL GROWTH: TAILORED PROGRAMS AND TRAINING PLANS

GRI 2-4 | GRI 404-1

We offer our employees specific professional growth programs tailored to their personal aptitudes and designed to foster the development of their personal and professional profiles, to motivate them and to confirm the owners' recognition of their importance.

Each resource is the protagonist of a **training plan**, structured according to the needs of the organisation, team and individual. For each employee, we develop an individual training sheet, consisting of general training courses and specific technical courses based on the job description.

In the three-year period 2021-2023, in addition to compulsory health and safety training, we involved our employees in training activities for the dual purpose of strengthening hard skills and soft skills; these activities included theoretical training and practical courses for correct application in the field of the notions learnt.

Specifically, we provided:

- **technical training** for production workers;
- **sales training** for sales personnel, on the social selling index and other sales techniques;
- **technical-administrative training** for staff affected by specific regulatory updates and related obligations (e.g., plastic tax);
- the dissemination of useful notions for an understanding of the issues and tools involved in the organisation's **digital and sustainable transition**;
- the promotion of an **inclusive work culture**.

Details on total hours of training provided in the reporting period are shown below; the figures exclude health and safety training and hours for coaching of new hires, which are shown in later sections.

#### NUMBER OF EMPLOYEES

	Unit of measurement	2021			2022			2023		
	HC	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers		-	2	2	-	2	2	-	2	2
Junior managers		2	6	8	2	6	8	2	5	7
White-collar workers		37	39	76	33	39	72	37	43	80
Blue-collar workers		-	109	108	-	105	104	-	96	96
<b>Total</b>		<b>39</b>	<b>156</b>	<b>195</b>	<b>35</b>	<b>152</b>	<b>187</b>	<b>39</b>	<b>146</b>	<b>185</b>

#### TRAINING HOURS - TOTAL<sup>15</sup>

	Unit of measurement	2021			2022			2023		
	h	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers		-	50	50	-	20	20	-	-	-
Junior managers		-	-	-	-	-	-	-	-	-
White-collar workers		104	180	284	79	114	193	50	110	160
Blue-collar workers		-	86	86	-	48	48	-	130	130
<b>Total</b>		<b>104</b>	<b>316</b>	<b>420</b>	<b>79</b>	<b>182</b>	<b>261</b>	<b>50</b>	<b>240</b>	<b>290</b>

#### AVERAGE HOURS OF TRAINING

	Unit of measurement	2021			2022			2023		
	h	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers		-	25.0	25.0	-	10.0	10.0	-	-	-
White collars - Junior managers		2.8	4.6	3.7	2.4	2.9	2.7	1.4	2.6	2.0
Blue-collar workers		-	0.8	0.8	-	0.5	0.5	-	1.4	1.4
<b>Total</b>		<b>2.7</b>	<b>2.0</b>	<b>2.2</b>	<b>2.3</b>	<b>1.2</b>	<b>1.4</b>	<b>1.3</b>	<b>1.6</b>	<b>1.6</b>

15. In order to maintain a consistent reporting methodology over the three-year period, the hours of training delivered in the two-year period 2021-2022 have been revised.

## HEALTHY AND SAFE ENVIRONMENTS: A CIVIC IMPERATIVE

GRI 403-1 | GRI 403-2 | GRI 403-3 |  
GRI 403-4 | GRI 403-5 | GRI 403-9 |  
GRI 403-10

All the Group companies have UNI ISO 45001: 2018 certification - **Occupational Health and Safety Management System**; a standard for systematic control, knowledge and management of the possible risks inherent in ordinary and extraordinary operating situations in the workplace.

The continuous improvement required by the standard allows us to pay special attention to the context in which we operate and meet the needs and expectations of our workers. Furthermore, the System helps us implement effective action to preserve the physical and mental well-being of our employees.

### RISK ASSESSMENT

Our Health and Safety Management System covers all the workers in the Group. In compliance with requirements of the System, we focus on constant assessment of the risks to which our employees are exposed and on analysis of specific situations that arise during the performance of their duties.

Assessment of health and safety risks includes **all types of risk**: those concerning groups of workers exposed to particular risks, risks related to work-related stress, risks affecting pregnant workers, those related to gender differences, age (underage workers and workers with long work experience), origin from other countries, and risks concerning the specific type of employment contract.





Through the assessment, we undertake to identify the dangers present in the organisation that could cause occupational injuries and ill health, to take appropriate steps to eliminate or manage them, and to provide all parties with the means, tools, information, training and support necessary to protect their health during their work. Employees themselves are invited to report what they consider to be a source of risk, through their representatives and department heads.

The risk assessment involved different activities, including: observing the work environment (in terms of the requirements of work areas, access routes, etc.), identifying the tasks performed in the workplace, observing how individual operations are carried out, identifying existing psychological factors, and much more.

## OHS TRAINING

From the time they join the HIPAC Group, employees receive general and specific training on occupational health and safety. This fosters awareness and understanding within the organisation of the principles and actions required for a healthy working environment.

Specifically, in 2023, **2,344 hours** of occupational health and safety training were provided, broadly in line with the training provided in the previous year.

The courses were both general and specific, and provided training for new employees, refresher training for people involved with the safety management system (workers' representatives, supervisors, first aid officers, etc.), training on the use of personal protective equipment, work at high altitudes, the use of special work tools and safety signs at work.

## OCCUPATIONAL MEDICINE, INJURIES AND WORK-RELATED ILL HEALTH

We comply with all current health and safety obligations. We have appointed individuals to oversee the health of HIPAC personnel, to carry out regular medical examinations, to inspect workplaces, and to draft and review the Risk Assessment Document.

Specifically, for the Italian company, we have appointed a Company Doctor, while in Romania and Spain we have engaged third-party organisations to provide occupational medicine services; at HIPAC ROMANIA, we also provide additional medical insurance.

With regard to injuries at the Group's plants and illnesses that occurred during the period under review, in 2023 the injury figure was down from the previous year, as were serious occupational injuries.

No work-related diseases were reported in the three-year 2021-2023.

	EMPLOYEES			NON-EMPLOYEES		
Number of work-related injuries	2021	2022	2023	2021	2022	2023
Total number of fatalities due to work-related injuries	-	-	-	-	-	-
Total no. of injuries (under 60 days)	4	9	5	1	1	-
Total no. of serious work-related injuries (over 60 days)	4	3	2	-	-	1
<b>Grand total of work-related injuries</b>	<b>8</b>	<b>12</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>1</b>

	EMPLOYEES			NON-EMPLOYEES		
Type of injury	2021	2022	2023	2021	2022	2023
Falling and tripping	2	1	1	-	-	-
Accidents en route	-	2	-	-	-	-
Hit by - Hit by/against	5	6	3	-	1	-
Effort	1	3	3	1	-	-
Handling sharp objects (cutters, knives)	-	-	-	-	-	1
<b>No. of hours worked</b>	<b>342,988</b>	<b>339,108</b>	<b>128,211</b>	<b>29,362</b>	<b>30,768</b>	<b>33,937</b>
Rate of serious work-related injuries (excluding fatalities) *	11.66	8.84	6.10	-	-	29.47

$$\text{*Rate of work-related injuries with serious consequences (excluding fatalities)} = \frac{\text{Number of work-related injuries with serious consequences (excluding fatalities)}}{\text{Number of hours worked}} \times 1,000,000$$

## ATTENTION TO THE LOCAL COMMUNITY AND COMMITMENT TO COMMON DEVELOPMENT

For the HIPAC Group, committing to sustainability means acting to limit the impact of its products and activities on the environment, the territory, and on people, but also acting in a positive and transparent way for society in general, promoting the well-being of the local community, supporting important social projects and the realisation of works to favour the territorial and economic development of weaker areas.

This commitment is expressed through the countless educational, cultural, health, sport and environmental projects supported by our Group with donations to non-profit associations and local authorities.

### A WATER HOLE IN MALAWI

Project completed in 2022, for the construction of a well to meet the water needs of Changamire village.

2023 SUSTAINABILITY REPORT

## 06. ESG: improving our sustainability profile with concrete targets



The work done so far to foster sustainable corporate growth drives us on to achieve new successes, reduce the socio-environmental impact of our products and operations, and set new targets in line with the 2022-2024 corporate investment plan.

To improve its sustainability profile, an organisation needs to be true to its corporate ethics and stakeholder expectations, and have clear ideas and to be guided by experts in the field in order to achieve **concrete goals and act transparently**. This in part is what we have done and what we will strive to maintain and develop further in the future.

Below we are pleased to set out the Group's short-, medium- and long-term objectives.

	Related topic	2024 objective	Benefits
<b>ENVIRONMENT</b>	<b>ENERGY MANAGEMENT</b>	Upgrade of the photovoltaic plant at HIPAC S.p.A. (power 0.5 MW)	Increase in self-produced energy and reduced dependence on fossil fuels
		Feasibility study for a new photovoltaic plant at IBERHIPAC;	
		Feasibility study for a photovoltaic plant at HIPAC ROMANIA (power 1 MW).	
	<b>ATMOSPHERIC EMISSIONS AND CLIMATE CHANGE</b>	LCA and systematic approach Development of certified tool for scientific calculation of the carbon footprint of HIPAC products	Monitoring of environmental impacts of HIPAC products
	<b>MATERIALS MANAGEMENT</b>	Plastica Seconda Vita certification for RELIVE films at HIPAC Romania	Promotion and distribution of eco-friendly and sustainable products
		Investments to increase use of recycled materials for easier and safer storage and handling	Reduction of consumables Greater use of Post Consumer Recycled and Post Industrial Recycled materials
<b>SOCIAL</b>	<b>WELFARE AND OCCUPATIONAL WELL-BEING</b>	New hires	Employment, including youth
	<b>LOCAL COMMUNITIES</b>	Continuous support for non-profit organisations and associations	Support for social projects
	<b>OCCUPATIONAL HEALTH AND SAFETY</b>	Participation in the occupational health and safety working group of the Confindustria Brescia Safety Observatory  Participation in the Safety Ambassador project	Sharing of data, operational solutions, best practices and problems encountered in safety management in order to analyse phenomena or proposals with members  Promotion of a safety culture leading to increased motivation and retention among the workforce
<b>GOVERNANCE</b>	<b>INNOVATION, RESEARCH AND DEVELOPMENT</b>	SAP go-live at IBERHIPAC (2024) SAP go-live at HIPAC ROMANIA (2025)	Improvement and more efficient management of internal processes
	<b>CUSTOMER SATISFACTION</b>	Development of QR code for implementation with sampling	Greater customer engagement and possible new feedback for business decisions

## 07. GRI content index



### • Statement of use

- The HIPAC Group has reported the information referenced in this GRI content index for the period 01.01.2021-31.12.2023 with reference to the GRI Standards.



### • Used GRI 1

- GRI 1: Foundation 2021



DISCLOSURE	NOTES	LOCATION (page)
<b>GRI 2: General Disclosures 2021</b>		
2-1 Organisational details		8 - 36
2-2 Entities included in the organisation's sustainability reporting		8
2-3 Reporting period, frequency and contact point		8
2-4 Restatements of information		8 - 66 - 71
2-6 Activities, value chain and other business relationships		17 - 19 - 20
2-7 Employees		66
2-9 Governance structure and composition		36
2-11 Chair of the highest governance body		36
2-22 Statement on sustainable development strategy		6
2-25 Processes to remediate negative impacts	2-25 b-d-e	19
2-26 Mechanisms for seeking advice and raising concerns		42
2-27 Compliance with laws and regulations		46
2-28 Membership associations		43
2-29 Approach to stakeholder engagement		29
2-30 Collective bargaining agreements		66
<b>GRI 3: Material topics 2021</b>		
3-1 Process to determine material topics		32
3-2 List of material topics		32
<b>GRI 201: Economic performance 2016</b>		
201-1 Direct economic value generated and distributed		44
<b>GRI 204: Procurement practices 2016</b>		
204-1 Proportion of spending on local suppliers		20
<b>GRI 302: Energy 2016</b>		
302-1 Energy consumption within the organisation		55

DISCLOSURE	NOTES	LOCATION (page)
<b>GRI 305: Emissions 2016</b>		
305 -1 Direct (Scope 1) GHG emissions		57
305-2 Energy indirect (Scope 2) GHG emissions		57
<b>GRI 306: Waste 2020</b>		
306-2 Management of significant waste-related impacts		60
306-3 Waste generated		60
306-4 Waste diverted from disposal		60
306-5 Waste directed to disposal		60
<b>GRI 401: Employment 2016</b>		
401-1 New employee hires and turnover		69
<b>GRI 403: Occupational health and safety 2018</b>		
403-1 Occupational health and safety management system		73
403-2 Hazard identification, risk assessment and incident investigation		73
403-3 Occupational health services		73
403-4 Worker participation, consultation and communication on occupational health and safety		73
403-5 Worker training on occupational health and safety		73
403-9 Work-related injuries		73
403-10 Work-related ill health		73
<b>GRI 404: Training and education 2016</b>		
404-1 Average hours of training per year per employee		71
<b>GRI 405: Diversity and equal opportunity 2016</b>		
405-1 Diversity of governance bodies and employees		36 - 66
<b>GRI 406: Non-discrimination 2016</b>		
406-1 Incidents of discrimination and corrective actions taken		66
<b>GRI 418: Customer privacy 2016</b>		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		19

"The only way to improve the quality of the environment is to involve everyone".



## HI GREEN

OUR VISION FOR A  
GREENER FUTURE

## COLLATION STRETCH

OUR SUSTAINABLE ALTERNATIVE  
TO SHRINK FILM

## FILM PREMIUM

HIGH PERFORMANCE  
LOW CONSUMPTION

HIPAC  
The Stretch



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