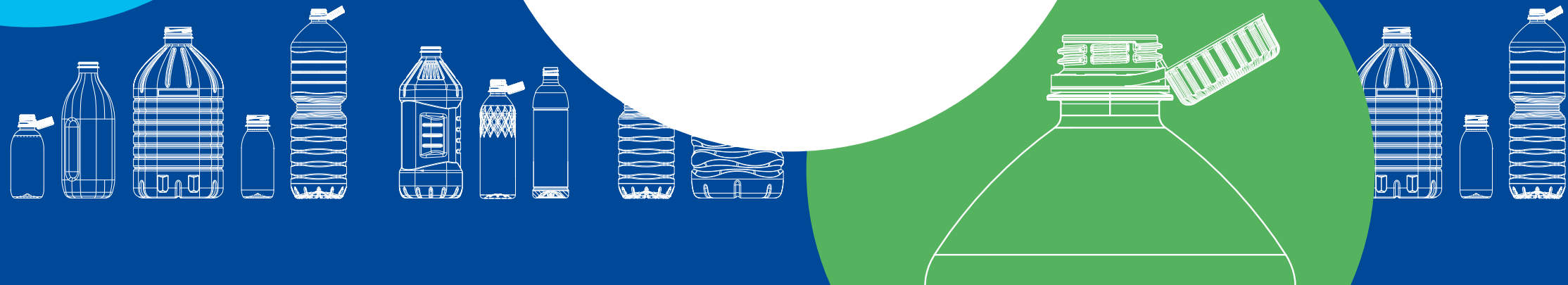




SUSTAINABILITY REPORT 2021





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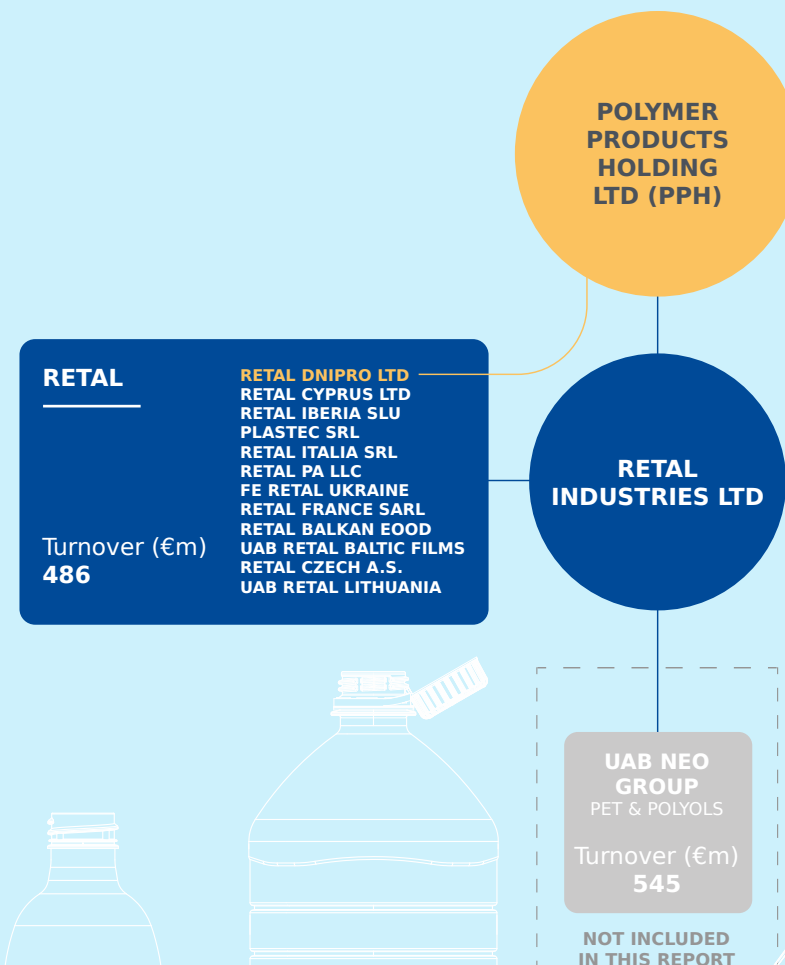
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RETAL is a leading global plastic packaging manufacturer, operating primarily in the food and beverage industry.

RETAL is a group of twelve limited liability companies owned by Polymer Products Holding Ltd (PPH), a privately-owned holding company with headquarters in Limassol, Cyprus. RETAL's operational control and CSR management are ensured by RETAL INDUSTRIES LIMITED, a PPH subsidiary regrouping eleven of the twelve companies.

UAB NEO Group, the second largest PET resin manufacturer in Europe as well as RETAL's main PET resin supplier, is also owned by PPH but is not included in this report.

Group structure



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KEY

Years
2021
2020

Key indicators

PRODUCTION VOLUME



PREFORMS
(x1,000 pcs)
12,278,238
10,480,681



CLOSURES
(x1,000 pcs)
8,260,235
6,087,021



FILMS
(tn)
27,037
16,995



CONTAINERS
(x1,000 pcs)
52,056
49,527



HDPE HANDLES
(x1,000 pcs)
70,634
–

NUMBER OF EMPLOYEES
(FTE)
1,345
898

GENDER RATIO



M: 75%
M: 79%



F: 25%
F: 21%

PLASTIC RESINS CONSUMPTION (tn)

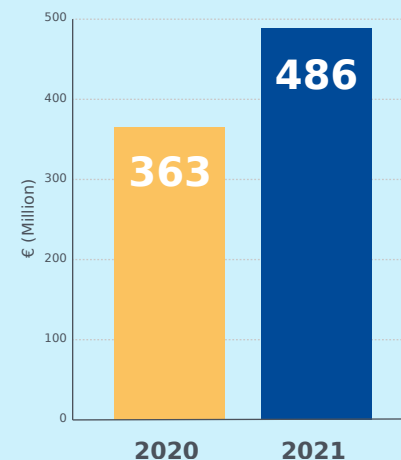
PET
(Polyethylene
Terephthalate)
282,330
253,939

PE
(Polyethylene)
20,075
9,524

RECYCLED PET
30,326
26,427

RECYCLED PE
2,335
–

TURNOVER



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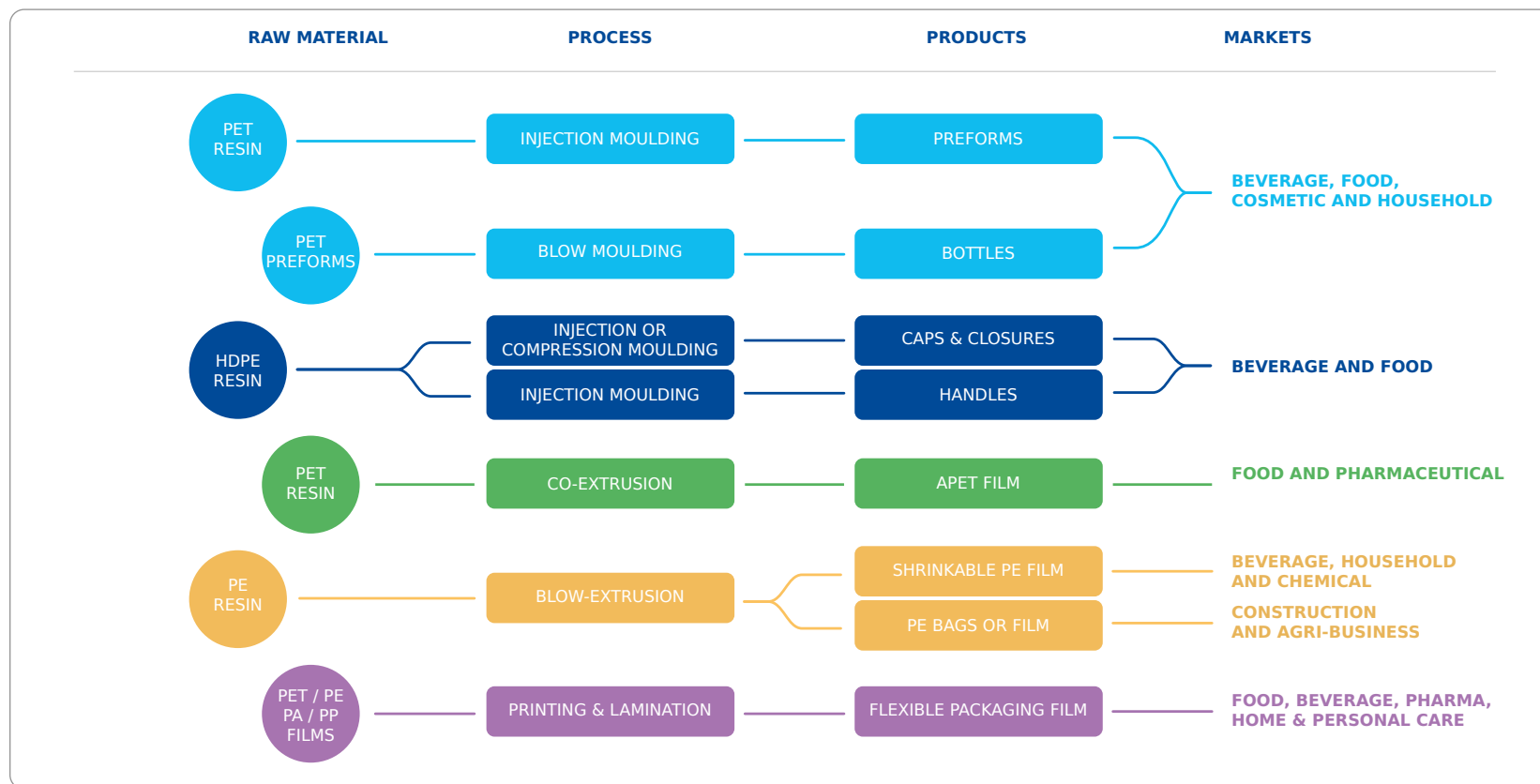
Products and services

RETAL is a key supplier of plastic packaging solutions to well-known global and local brands within the food, beverage, cosmetic, and household industries.

RETAL provides complete solutions for its products, which range from design, production of finished goods, and technical support services.

RETAL's portfolio includes the following plastic packaging products:

- PET preforms and bottles
- PET and PE films
- HDPE closures and handles
- Flexible packaging



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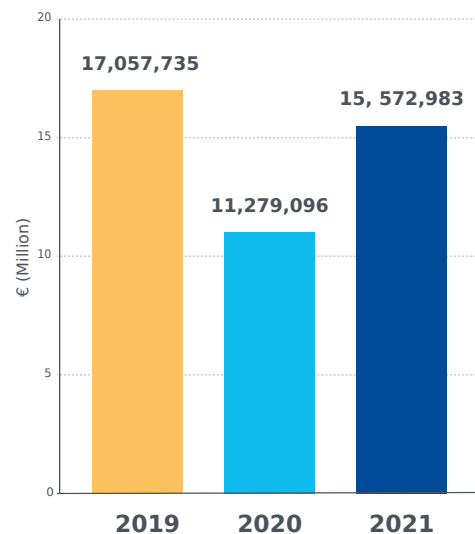
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Market share and investment

RETAL's main activity is the production of preforms, followed by the closures and film businesses, both of which RETAL is constantly developing.

To stay competitive and increase its market share, RETAL is continually investing in its operations offering more complete solutions to its customers, increasing capacity and productivity, as well as improving energy efficiency to reduce GHG emission in line with RETAL's sustainability strategy.

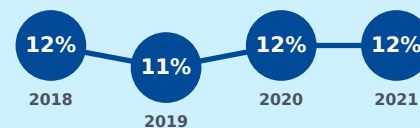
Total investment



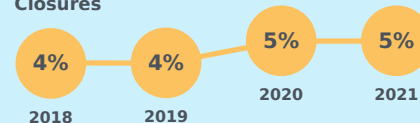
Market share

Europe

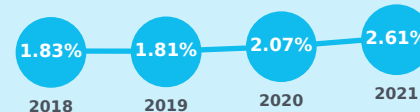
Preforms



Closures

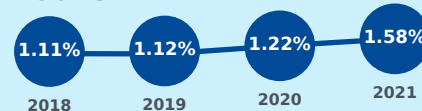


PET films



North America

Preforms



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2021 key investment

Flexible packaging in Lithuania

RETAL Baltic Films (Lithuania) acquired a new solvent-based flexographic printing unit in 2021, which complements the current APET film operation with flexible packaging film.

This €3.8 million investment has extended RETAL's product portfolio to a more comprehensive packaging solution for its existing and new customers.

The target market for these solutions is the food, pet food, personal and home care industries, producing printed film for top-lidding, flow-pack, doypack, and sachet applications.



Increased capacity in the US

RETAL USA initiated an expansion of its preform business in 2021, which included the installation of six new injection moulding lines and an additional 750m² warehouse.

This €25 million investment has contributed to doubling the production capacity to two billion preforms per year.

This new equipment allows RETAL to meet both current and new customers' growing demands, as well as supporting RETAL in increasing its market share. The equipment was also specifically selected for its energy efficiency performance to help RETAL reduce GHG emissions.



Equipment upgrade in Italy

RETAL Italy invested €3 million in 2021 to replace three older injection-moulding equipment with industry 4.0 technology preform production units.

The new machinery is fully integrated with RETAL's ERP system enabling increased productivity and efficient energy utilisation to its highest standard.



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Plants location

RETAL has twelve production facilities in nine countries which serve customers in over 60 countries across Europe, Africa, the Middle East (EMEA), and North America.



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Products by plant

Plant name	Location	Preforms	Closures	Films	Bottles	Handles	Flexible packaging
UAB RETAL BALTIC FILMS	Klaipeda, Lithuania		✓	✓			✓
UAB RETAL LITHUANIA	Lentvaris, Lithuania	✓					
RETAL CZECH A.S.	Melnik, Czech Republic	✓					
RETAL PA LLC	Donora, PA, USA	✓	✓				
RETAL FRANCE SARL	St-Alban-les-Eaux, France	✓					
RETAL BALKAN EOOD	Sliven, Bulgaria	✓	✓				
RETAL ITALIA SRL	San Dona di Piave, Italia	✓					
PLASTEC SRL	Ascoli, Italia	✓			✓		
RETAL CYPRUS LTD	Limassol, Cyprus	✓			✓		
FE RETAL UKRAINE	Kiev, Ukraine	✓					
RETAL DNIPRO LTD	Dnipro, Ukraine	✓	✓	✓		✓	
RETAL IBERIA SLU	San Feliu, Spain	✓					



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Evaluation platforms





Sector associations



☒ **PETCORE Europe**
(Association of European PET Value-chain)



☒ **EuPC**
(European Plastic Converters)



☒ **BORA**
(Recovery and Recycling Association – Bulgaria)



☒ **ANEP**
(National association of PET packaging – Spain)



☒ **POLYVIA**
(Union of polymer converters – France)



☒ **COREPLA**
(Consortium for the recovery and recycling of plastic packaging – Italy)

Conorzio Nazionale per la raccolta, il riciclo e il recupero degli imballaggi in plastica



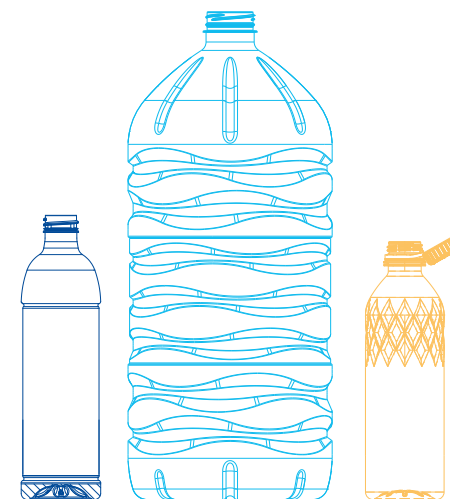
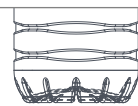
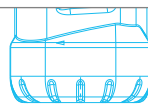
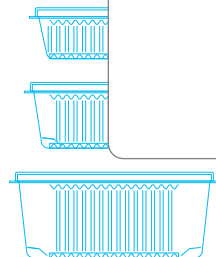
☒ **CORIPET**
(Consortium for the recovery and recycling of PET bottles – Italy)

Memberships

One of RETAL's priorities is to stay informed on stakeholders' requirements, sector trends and development, standards, and other initiatives which support RETAL's work on sustainability throughout its value chain.

RETAL is a member of several sector associations and evaluation platforms such as EcoVadis, CDP, and SEDEX. These memberships not only help RETAL with bench-marking tools, but also provide opportunities for collaboration with peers on sustainability topics.

It helps RETAL – most importantly – to secure alignment with its stakeholders and industry partners in terms of performance and collective action.





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A background image showing a group of people, with a central focus on a smiling Black woman with long dark hair, wearing a grey cardigan and a blue lanyard, clapping her hands. Other people are visible in the background, also smiling and clapping.

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A word from our Board of Directors

Dear Stakeholders,

It is with great enthusiasm we share with you our 2021 Sustainability report which is our fourth since we commenced our sustainability journey in 2018.

We have continued with our efforts and development in line with our Corporate Social Responsibility (CSR) plan.

I am pleased to share with you that once again we have increased our performance, closed in on our goals and made RETAL's business more sustainable while at the same time developing and growing our operations; we significantly increased our preform production capacity in the US and also entered the flexible packaging field with the installation of a printing unit in Lithuania during 2021.

Of course, climate change has remained a major part of our CSR activities, not only because it is our most material topic, but also because it is a prevailing threat to our society - a threat which is becoming increasingly evident to us all through recurrent radical climatic events, and changes to our daily lives.

I strongly believe it is crucial that businesses take substantial action in order to reduce their Green House Gas (GHG) emissions. We all have a role to

play and I am tremendously happy with the work we have performed to achieve the goals we set in 2020. RETAL is now leading the way with a Carbon Disclosure Project (CDP) 'B' score for the third year in a row, thus demonstrating our good management of Climate Change (CC).

We set the scene in 2021 to present our science-based targets during 2022, and to have them validated ahead of our 2023 goal. This will position RETAL amongst the leading companies on CC action.

In 2021 we also increased our share of renewable electricity in our EU and US operations, and are confident to reach the goal of 100% use of renewable electricity in the EU and US operations by 2023.

Another topic close to my heart is that we have increased our emphasis on the social aspect of our operation to make sure our main asset – our people – are central to RETAL. We have, therefore, developed various new policies and procedures such as new training programmes on Human Rights which will be launched during 2022.

We continue to improve our ethical performance to maintain the trust of our stakeholders through setting up an anti-bribery assessment. This will also be launched in 2022.

I am personally convinced that RETAL's CSR actions will lead us to a more sustainable and resilient business strategy which will also meet our stakeholders' expectations. We will continue to strengthen our position with new ambitious objectives and additional resources to ensure that we meet these goals.



Evgeny Kriss
Chief Commercial Officer
(Member of Board of Directors)



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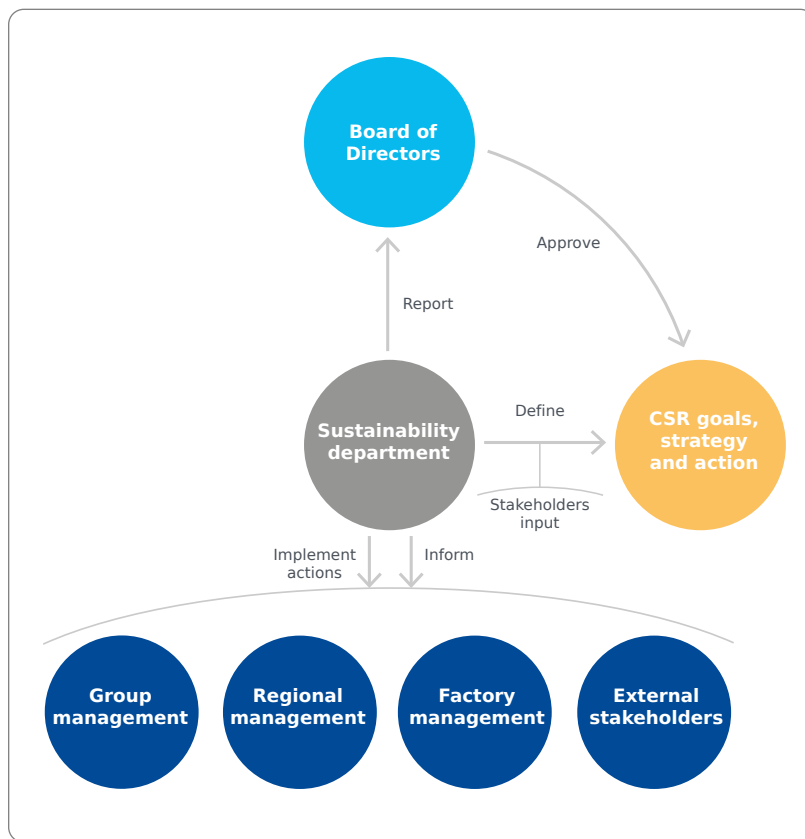
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Organisational governance

Organisational governance



RETAL is governed by RETAL Industries Limited through its Board of Directors composed of chief executives of key business areas (CCO, CFO, CSalesO, COO) and led by the PRESIDENT. The BoD is directly supported by a team of functional heads, which includes the group Sustainability Director.

CSR at RETAL is managed at group level by RETAL Industries Limited's Sustainability Director, who is responsible for all environmental and social topics, including setting the objectives, strategy, and action plan as well as coordinating its implementation with the relevant stakeholders and reporting results.

The CSR governance and decision-making process at RETAL lies at the top executive level of the company: the Sustainability Director acts on behalf of the RETAL Industries Limited's Board of Directors, the company's highest governing body, which oversees and approves the CSR action plan and its corresponding budget.

The Sustainability Director formally reports quarterly on progress to the Board of Directors.

A wider group of top managers, including group functions, regional directors and managers from different departments also attend these quarterly meetings, not only to further embed CSR across its business, but to also stay informed, and provide input to RETAL's CSR agenda.

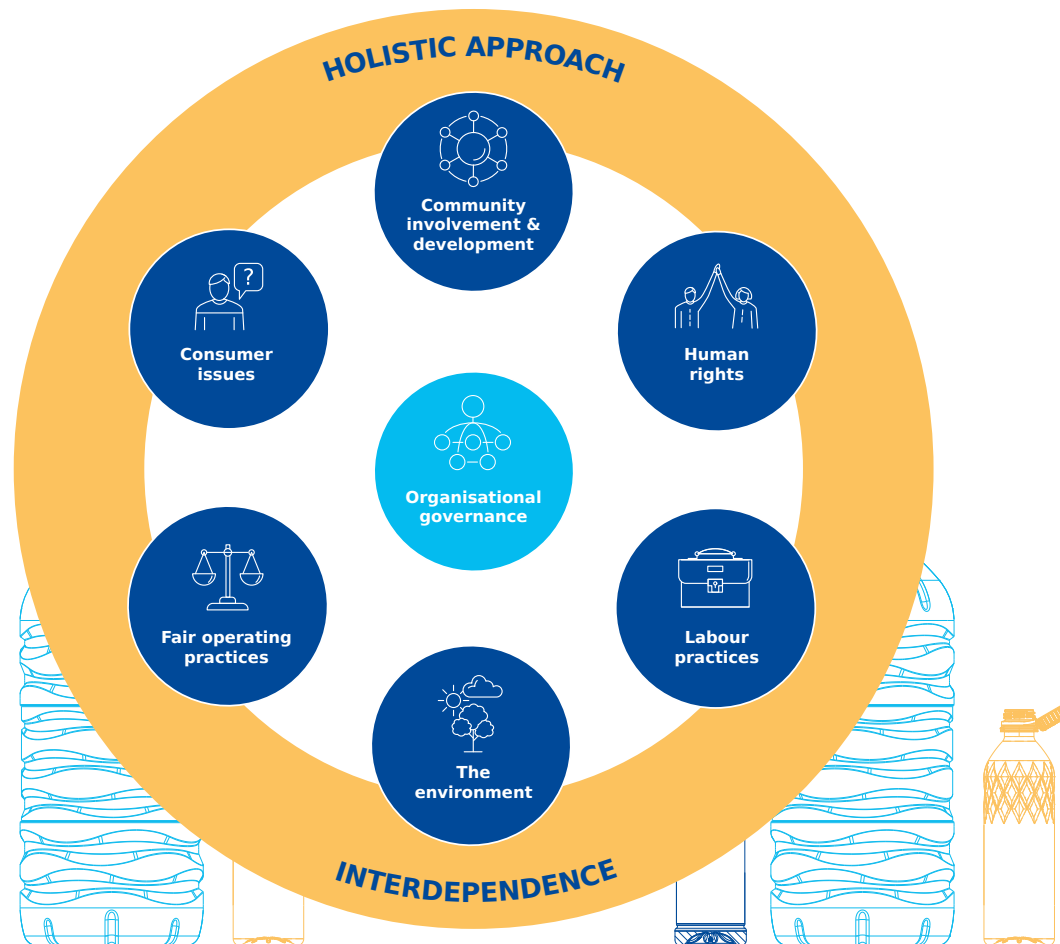
Standards

RETAL is implementing its CSR agenda through using ISO 26000, the international standard on Social Responsibility ([Annex 1](#)).

ISO 26000 guidance on its seven 'Core Subjects' and 41 'Issues of Interest' provides a holistic and systematic approach to RETAL's CSR management, based on the following steps:

- Stakeholder engagement and materiality assessment
- Performance evaluation
- Set policies, goals, strategy, and action
- Implement action
- Monitor progress and report results

ISO 26000 Core Subjects





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RETAL

100% Renewable Energy



Stakeholders & materiality

Stakeholders & materiality

Stakeholder engagement is a fundamental aspect of CSR management. RETAL has identified its key stakeholders, and continuously engages with them to understand and address their concerns and expectations.

Materiality

A key topic within stakeholder engagement is the materiality assessment which RETAL performs periodically; through this exercise, RETAL obtains key input to determine the organisation's priorities for its CSR activities.

RETAL collects both internal and external stakeholders' feedback through an anonymous survey. Respondents to the survey have the

opportunity to rank ISO 26000 Core Subjects and Issues of Interest in order of importance. Our last assessment was sent to 68 key stakeholders. The results were fairly similar to RETAL's previous assessment with 'Environment' and 'Labour Practices', as main material topics with scores of 78 and 75 (out of 100) respectively, closely followed by 'Human Rights' (65) and 'Organisational Governance' (60). Fair Operating Practices has a medium materiality score of 51 and Community

Involvement and Development a significantly lower score of 31. Also, the same material 'Issues of Interest' ([Annex 1](#)) as in the last assessment appeared for each core topic with 'Health and Safety' and 'Climate Change' as the top rated. This consistent input from our stakeholders on our material topics continue being in line with our current CSR actions.



Internal and external stakeholders' expectations define RETAL's sustainability agenda; periodical materiality assessments ensure the company stays aligned with these expectations.



Materiality matrix



RETAL's main stakeholders

Employees
Customers
Civil society and NGO
Suppliers
Financial institutions
Governmental institutions

Stakeholders engagement

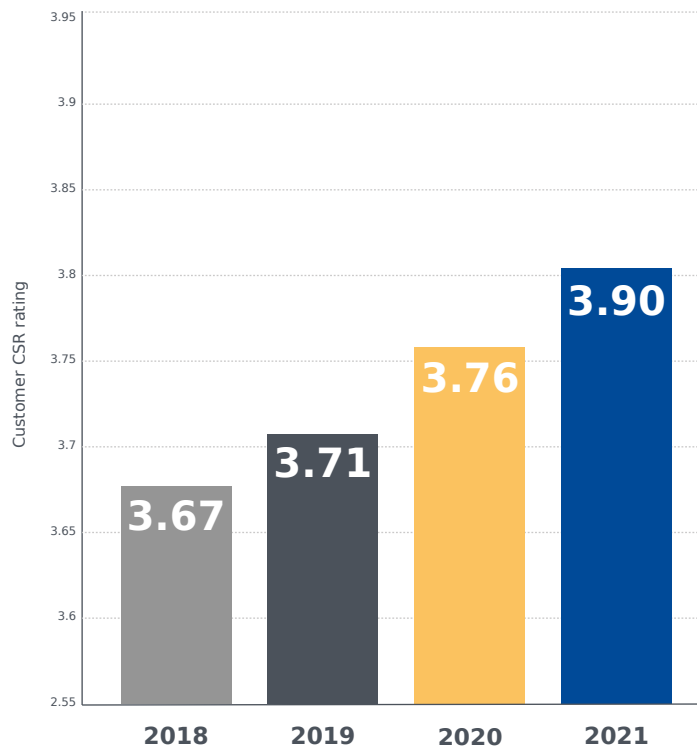
In addition to the materiality assessment, RETAL engages with its two key stakeholders – customers and employees – via:

- A customer satisfaction survey in the US and EU, which will also cover the Ukrainian operation in the future. The survey results provide invaluable information about RETAL's performance and its customers' expectations regarding its CSR activities. The survey results indicate a significant increase in customer satisfaction over the last four years reaching a score of 3.9 in 2021 out of a maximum of 5.0.
- Employee engagement survey which determines their level of satisfaction regarding their employment. This valuable input helps RETAL to identify opportunities for improvements in the work environment. ([↗ Labour Practice](#))




Customers' satisfaction regarding RETAL's CSR performance has increased over the years; **in the 2021 customers survey the CSR score was 3,9 out of 5.0.**

Customer satisfaction survey results



Communication channels

RETAL continuously provides its stakeholders with updates on relevant information concerning the company and its CSR activities. RETAL also provides them with the possibility of sharing their feedback with RETAL through different channels:

- Sustainability report
- [Corporate website](#) 
- Intranet 'News' and dedicated 'CSR' sections
- Social media:



- [External Newsletter](#) 

RETAL values its stakeholders' input and encourages them to share it through:

- Its dedicated sustainability email inbox sustainability@retalgroup.com
- Or through its whistleblowing channel (RETAL's policies ) whistleblower@retalgroup.com

'It is vital for RETAL to engage with our stakeholders and ensure a functional two-way communication, which is tuned to their expectations on sustainability. Sustainability is moving up in their priority list, and we need to continuously demonstrate our actions and performance. This is particularly the case for our customers who are adopting ambitious sustainability commitments to which suppliers must be aligned; Environmental and Social credentials are today key factors in our customers' purchasing decisions.'



Maria Jarrar
Senior Marketing Manager
(EU & US region)





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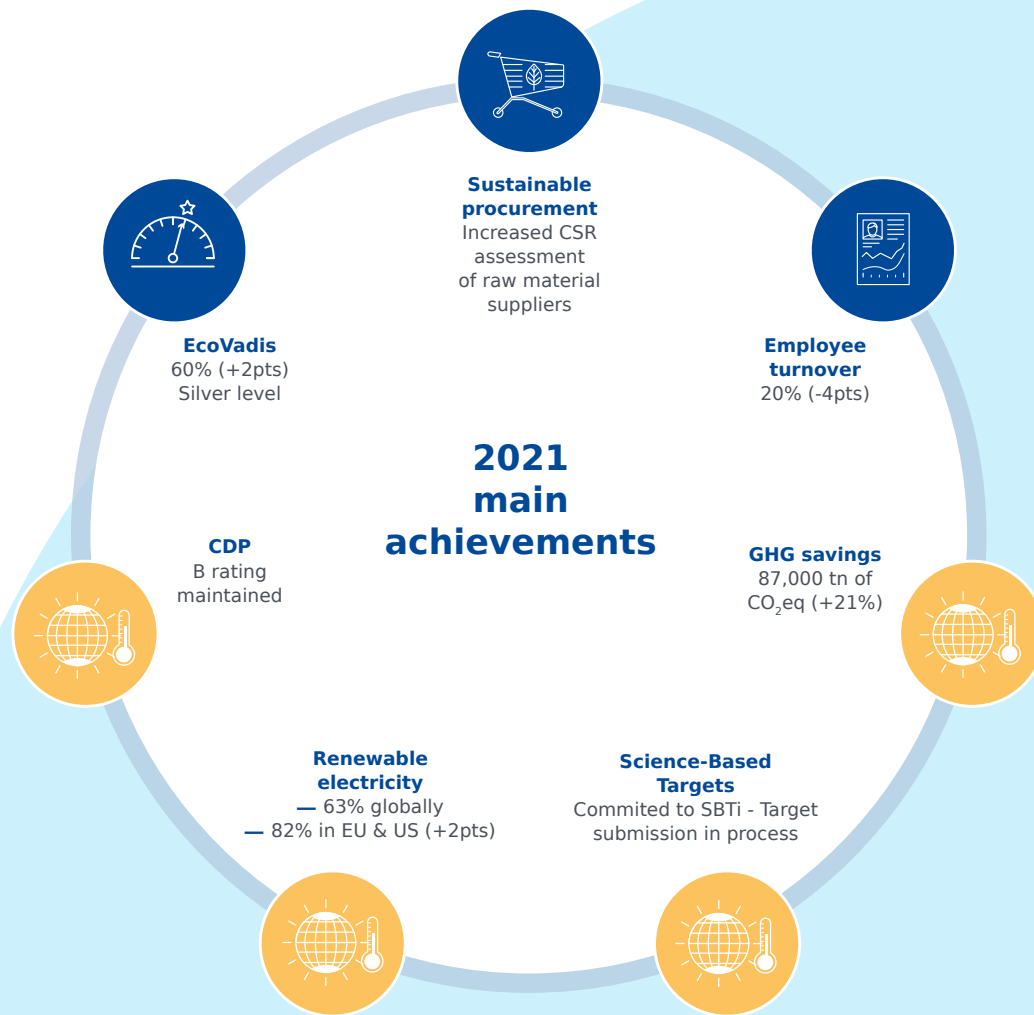
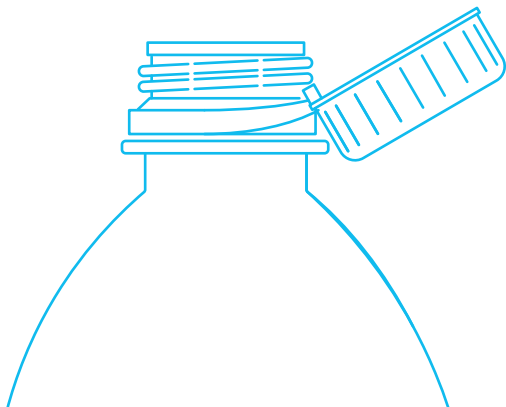


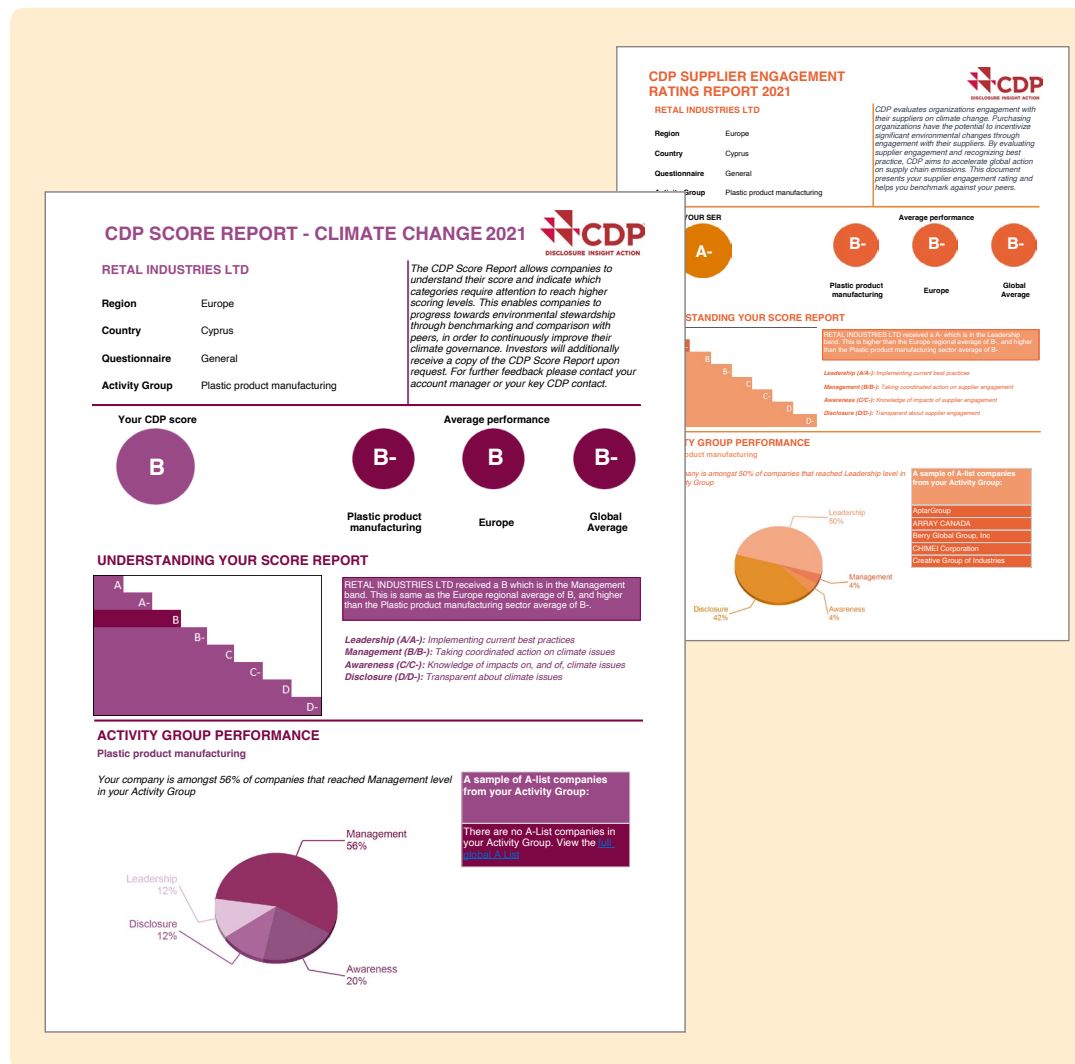
CSR performance

CSR performance

RETAL annually evaluates its global CSR and its climate change management performance through the EcoVadis and the Carbon Disclosure Project (CDP) platforms, respectively.

These recognised third party assessments provide a credible and transparent information to our stakeholders but also serve as benchmark for RETAL against our peers and allow us to identify needed improvement.





Carbon Disclosure Project (CDP)

RETAL maintained its CDP Climate Change Rating and Supplier Engagement Rating scores to B and A- respectively, in 2021, thus demonstrating continuous and effective management of our impact on climate change.

RETAL's goal is to reach an "A" score in the CDP Climate Change survey by 2025.

- CDP 2021 Climate Change Survey = **B score** (Management band)
- CDP 2021 Supplier Engagement = **A- score** (Leadership band)



EcoVadis

RETAL is on track to reach its original target of 65% (Gold level) by 2022. Due to changes in the EcoVadis rating this goal has been reviewed and updated and RETAL is now expecting to reach 67% (Gold level) by 2025.

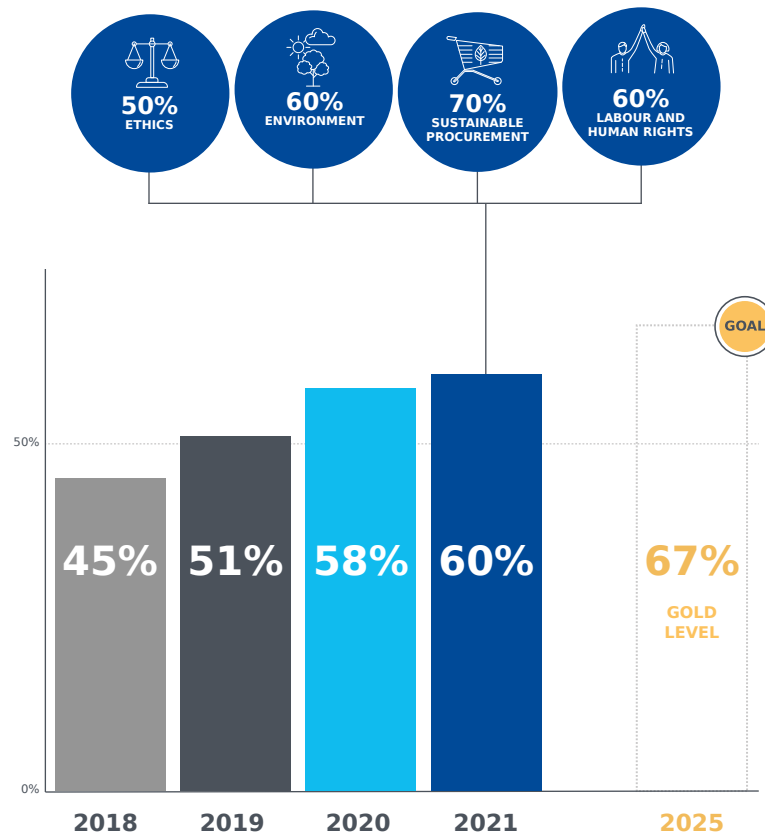
- RETAL increased its EcoVadis score for the third time in a row in 2021 to reach 60% which corresponds to a Silver level. This places RETAL in the top 25% of companies assessed by EcoVadis worldwide.
- RETAL significantly increased its score on [Sustainable Procurement](#) and maintained its scores for Environment, Labour and Human Rights, and Ethics.

ecovadis



EcoVadis rating

2021 Section scores





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About this report



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About this report

This report is based on the principles and reporting guidelines of the ISO 26000 standard (Annex 1 [↗](#)) – the international standard on Corporate Social Responsibility (CSR) management – which RETAL follows to develop its sustainability strategy and action.

This report includes a specific section for each of the [ISO 26000 seven core subjects](#) [↗](#), showing its impact on the operation for each, and how it is addressed. The core subject ‘Consumer Issues’ is not included in this report, because it is not a direct material topic for RETAL which operates under a Business to Business (B2B) model.

To secure completeness and transparency, this report includes a [GRI Content Index](#) [↗](#) section in which RETAL reports “with reference to the GRI standard”.

Reporting period

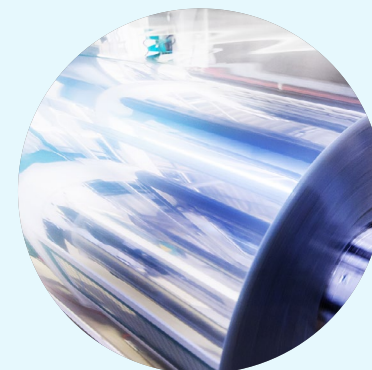
This 2021 report represents the period from January 2021 to 31 December 2021.

Scope

This report only considers Plastic Polymers Holding’s (PPH) plastic packaging manufacturing business named ‘RETAL’, and excludes the PET and Polyols manufacturing business (NEO Group). The report includes the results of RETAL INDUSTRIES LIMITED’s 11 subsidiaries together with RETAL Dnipro for clarification; see [RETAL overview](#) [↗](#).



Two significant changes in this 2021 report: **the integration of a new plant (RETAL Dnipro, Ukraine) and the modification of the carbon footprint standard and base year.**



Significant changes

Two major changes versus the previous RETAL Sustainability Report of 2020 are to be noted.

- RETAL Dnipro was acquired by PPH in 2021 and placed under RETAL's operational control – it is now included in this report. RETAL Dnipro's data are only included in RETAL's 2021 figures except for its GHG emissions data which are also accounted for in 2020 figures ([see Corporate Carbon Footprint](#))
- The methodology used in 2021 to calculate RETAL's GHG Inventory and the new base year, has been changed in order to meet SBTi's requirements; (a) the ISO 14064 standard has been replaced with the GHG Protocol; and (b) RETAL's base year has been replaced with 2020 instead of the original 2018.



RETAL Dnipro operates one large plant which is located in the city of Dnipro (centre of Ukraine). The plant has been in operation since 2000 and serves local and global businesses (customers) in Ukraine and the surrounding countries: Moldova, Georgia, Armenia, and Azerbaijan. The RETAL Dnipro acquisition, consolidates the company's presence of its Kiev plant in the region.

RETAL Dnipro manufactures primarily PET preforms and HDPE closures which can be customised through either traditional ink printing or laser engraving processes. RETAL Dnipro also produces PE handles for large containers and PE film, predominately shrinkable, for packaging applications.

RETAL Dnipro in numbers (2021):

Number of employees
445

Output per product:

Preforms 1,890,399 (x 1000 pcs)	Handles 70 634 (x 1000 pcs)
Closures 3,023,188 (x 1000 pcs)	Film 4.310 tn

'Operating and developing in a sustainable manner is not just a moral obligation, it is increasingly becoming a 'licence' to operate – a position which RETAL has fully adopted and integrated. I am glad to share RETAL's continuous progress on its sustainability journey through this fourth annual report.

As we advance and increase our actions and improve results, reporting efficiently and keeping our stakeholders informed is a paramount aspect. We strive to make this report an easy and interesting read while including all the required data and information for transparency and accountability.'



Emmanuel Duffaut
Sustainability Director
(Group)



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Environment

Environment

The environment is the most material topic for RETAL's stakeholders, especially for its global brand customers; (see Stakeholders and Materiality [↗](#)) consequently, RETAL is concentrating its CSR efforts in mitigating its impact in this area.

RETAL's main environmental concern is to limit its contribution to climate change through its emissions of Greenhouse Gases (GHG), generated directly and indirectly by its operation.

Contributing to plastic circular economy is also a key aspect of RETAL's environmental action as a way to mitigate its indirect GHG emissions, and to reduce the environmental pollution caused by the 'littering' of RETAL's plastic packaging.

RETAL also works to lessen its impact on the environment through reducing its water use and waste generation.

Climate change

RETAL started 2021 by working on its goals, clearly defined in 2020:

- RETAL officially committed to the Science-Based Target Initiative (SBTi) in 2021. RETAL has, since then, significantly modified its own internal GHG inventory procedure, and recalculated its base-year in order to undertake SBTi requirements, prior to defining and submitting its targets for validation in 2022.
- RETAL has commenced a climate change risk analysis, based on the Task Force on Climate-Related Financial Disclosure ([TCFD website ↗](#)) which will be finalised in 2022 and will further improve our management of climate change to reach our CDP A score target.
- RETAL has continued to increase its use of renewable electricity in the EU and US, and made necessary arrangements to reach its goal of 100% by the end of 2023.

RETAL's climate change goals



Set science-based targets by 2022 to keep global warming below 1.5°C (SBTi)



Use 100% renewable electricity in EU and US by 2023



Use renewable electricity in Ukraine by 2025.



Reach CDP A score by 2025



Energy efficiency

Energy consumption is one of RETAL's most significant operational cost, and the largest contributor to its plants' GHG emissions. RETAL has therefore implemented energy efficiency management systems to all its plants.

Two plants have already been certified ISO 50001 and a third plant is planned to be assessed on the standard in 2022.

Electricity is RETAL's major energy source, representing 98% of its total energy consumption; the remaining source is fossil fuels.

RETAL's total energy consumption increased by 30% between 2020 and 2021 due to the integration of the Dnipro plant and increased production in the EU and US.

RETAL's energy intensity – amount of energy consumed per tonnes of raw material processed – remained constant globally (-1%), despite this increase, due to the improved energy efficiency in the EU and US (-4%). This has compensated for the 13% increase in Ukraine.

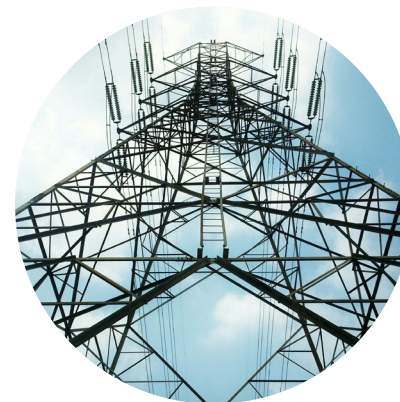
Table 1: Energy consumption (GJ)

	2021	2020
TOTAL	1,001,932	769,322
EU/US	757,423	713,170
Ukraine	244,509	56,152
Electricity	975,026	753,892
EU/US	743,346	698,809
Ukraine	231,679	55,083
Fossil fuels	26,906	15,430
EU/US	14,077	14,361
Ukraine	12,830	1,069

Table 2: Energy intensity (GJ / Tn raw material)

	2021	2020
TOTAL	2.63	2.64
EU/US	2.56	2.66
Ukraine	2.77	2.44

More detailed information is available in the [GRI Content Index](#) 



Energy efficiency is a key topic in RETAL's operation; two plants are already ISO 50001 certified and a third plant has started the certification process.

Corporate carbon footprint / GHG Inventory

To be able to submit science-based targets to SBTi for validation, RETAL had to switch the standard used to calculate its GHG inventory from the ISO 14064 to the GHG protocol and change its base year from 2018 to 2020.

To secure consistency, RETAL has included RETAL Dnipro carbon footprint data in the 2020 GHG figures shown in this report (even though Dnipro was not yet part of RETAL at the time). RETAL showed therefore no significant variation from 2020 to 2021 in its GHG emission figures, as it does for the rest of the indicators in this report.

The 2020 and 2021 GHG inventories were verified by an external third party ([Annex 2](#)). The Scope 2 – Indirect emission – figures indicated below are market-based (location-based Scope 2 emissions are available in the [GRI Content Index](#)).

Operational emissions (Scope 1 & 2)

These are GHG emissions directly linked to RETAL's production activity.

Scope 1 – Direct emission caused by RETAL's use of fossil fuels and leakage of refrigerant gases from its cooling installations (fugitive emissions).

Scope 2 – Indirect emissions generated by the production of electricity used in RETAL plants.

RETAL's absolute operational GHG emissions increased by 9% in 2021, predominantly due to an increase in activity leading to a higher consumption of non-renewable electricity.

RETAL's operational GHG intensity (relative GHG emissions) - the amount of GHG emitted per ton of raw material processed - should be seen as a more accurate performance indicator, as it is not influenced by variations in activity levels and/or changes in the electricity mix. RETAL's relative GHG emissions remained constant, showing the same efficiency both on the global and regional levels between 2020 and 2021.

Table 3. Operational GHG emissions
(tn CO₂eq)

	2021	2020*
TOTAL Scope 1 & 2	37,638	34,552
Scope 1	3,631	2,918
Fossil fuel	1,788	1,627
Fugitive	1,843	1,291
Scope 2	34,007	31,634

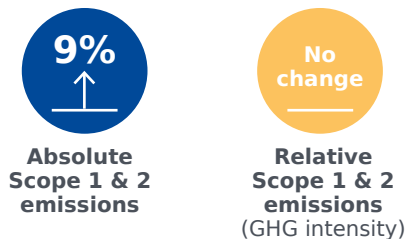
* Base year

Table 4: GHG intensity (scope 1 & 2)
(tn CO₂eq / tn raw material)

	2021	2020*
TOTAL	0.098	0.1
EU & US	0.041	0.042
Ukraine	0.29	0.293

* Base year

2021 vs. 2020



RETAL has maintained its GHG intensity from 2020 to 2021 to 0.1 tonne of CO₂eq per tonne of raw material processed.

Mitigation

Scope 2 emissions represent 90% of RETAL's operational GHG emissions, and are therefore the main focus of our mitigation strategy, primarily based on the purchase of renewable electricity. This solution has a better ratio impact versus cost and incentivises the energy suppliers to increase their Renewable Energy (RE) capacity for a low carbon economy: RETAL's plants are already well optimised, and the solutions to significantly reduce the electricity consumption (leading to notable

GHG reduction) is either technically challenging or extremely costly.

The share of renewable electricity in 2021 in the EU and US region continued to increase by +2.5%, and reached 82%; on a global level, however, the share is 63%, which is 16% less than in 2020 due to the inclusion of RETAL Dnipro.

RETAL avoided emitting 40,996 tn CO₂eq in 2021 through the use of renewable electricity, reaching 103,321 tn CO₂eq since 2018.

Scope 1 emissions are, however, an integral part of RETAL's mitigation plan designed to meet its SBT (once validated) through the reduction of both fossil fuel use and refrigerant gas leaks. RETAL has already identified the potential reduction measures for each plant, and in 2022, RETAL will execute further analyses on the technical and financial feasibility to implement these measures.

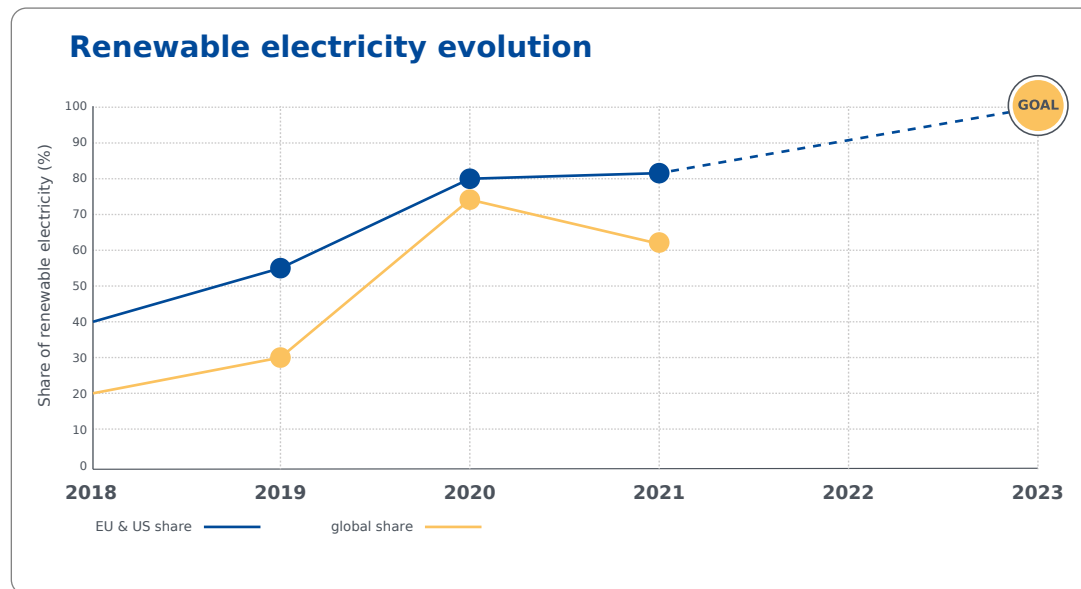


Table 5: Renewable electricity – evolution and GHG saved

	Share EU/US	Share global	GHG saved (tn CO ₂ eq)
2018	39%	20%	6,858
2019	56%	29%	16,874
2020	80%	74%	38,593
2021	82%	63%	40,996
TOTAL			103,321

Indirect emissions (Scope 3)

GHG emission indirectly linked to RETAL's activity, occurring in its value chain – either up or downstream – which represent 95% of RETAL's total emissions (Scope 1, 2, and 3). Scope 3 emission is classified in 15 categories by the GHG Protocol – the standard RETAL has used to calculate its GHG Inventory. The main portion of Scope 3 emissions is generated by the production of RETAL's purchased raw materials (80%), and in particular, the PET resin which represents 69%.

RETAL's Scope 3 emissions increased overall by 3% in 2021, primarily due to higher activity which translated into a higher volume of purchased goods and services, and more specifically, plastic resins.

Mitigation

The main levers for RETAL to reduce its Scope 3 emission is to firstly, incorporate recycled resins into its products; and secondly, to decrease the weight of its products.

Recycled resin has a significantly lower Emission Factor (EF) than virgin resins meaning that the production of recycled resin, not based on fossil extraction, generates substantially less Greenhouse Gas (GHG); however, its use is limited due to several other factors. ([see circular economy](#))

RETAL increased its use of recycled resins in 2021 by 34%, saving 42,450 tn of CO₂eq reaching a total of 111,850 tn of CO₂eq since 2018.

Table 6: Scope 3 GHG emissions main categories

	2021		2020*		
	tn CO ₂ eq	Share	tn CO ₂ eq	Share	Evolution
TOTAL Scope 3	744,931	100%	722,201	100%	3%
Purchased goods and services	596,281	80%	547,476	76%	9%
PET	512,676	69%	474,505	66%	8%
HDPE	40,212	5%	29,841	4%	35%
Upstream transportation	52,530	7%	76,809	11%	-32%
Downstream transportation	21,536	3%	27,725	4%	-22%
Processing of sold products	15,431	2%	20,300	3%	-24%
End of life	41,326	6%	37,950	5%	9%

* Base year

More detailed information is available in the [GRI Content Index](#)



Plastic resins are the main contributor to RETAL's scope 3 GHG emissions with a 74% share.

Product light weighting has strong limitations as the amount of resin directly affects the quality and features of RETAL's final products, therefore its impact on GHG emissions is also limited.

Table 7: Recycled material – GHG savings

	Recycled material (tn)	GHG saved (tn CO ₂ eq)
2021	35,508	42,450
2020	27,192	32,026
2019	21,683	21,683
2018	11,240	15,691
TOTAL	95,623	111,850

RETAL significantly increased the amount of resin saved in 2021 through light weighting of products, however, the amount of GHG saved was fairly marginal compared to the total Scope 3 emissions.

Table 8: Product light weighting – GHG savings

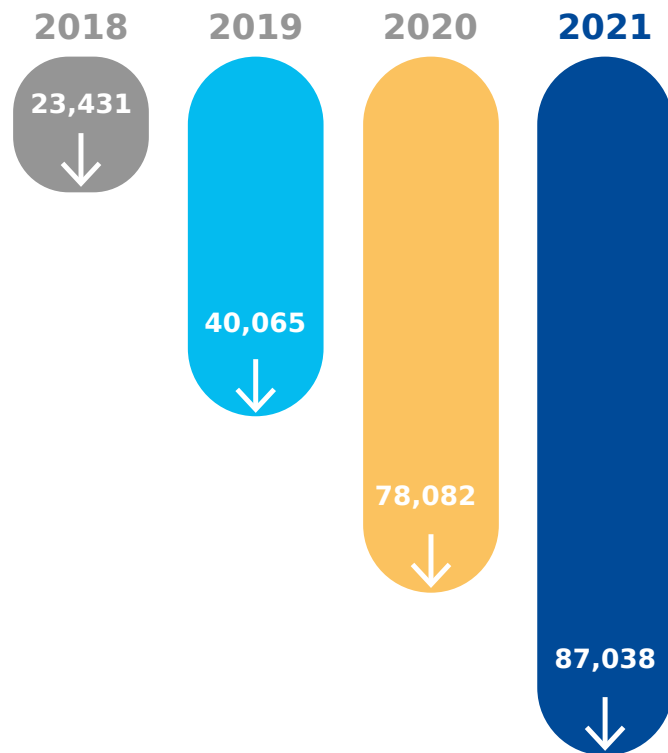
	Resin saved (tn)	GHG savings (tn CO ₂ eq)
2021	1640	3,592
2020	668	1,463
2019	689	1,508
2018	403	882
TOTAL	3,400	7,445



The production of plastic resin is the main contributor to RETAL's scope 3 emissions (80%); **the main mitigation lever is the use of recycled resins.**



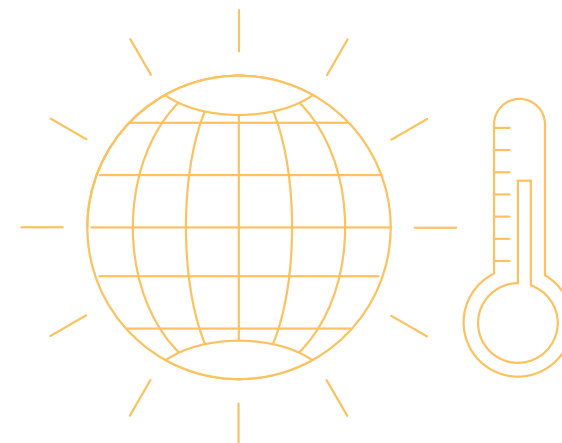
GHG emissions saved (tn CO₂eq):



Total savings since 2018 = 222,616 tn CO₂eq



RETAL has continuously increased its mitigation effort since 2018 and will continue to do so to meet its science-based targets which will be validated in 2023.



Circular economy

The responsibility for RETAL's products level of circularity ultimately lies with RETAL's customers who are the decision-makers for their product packaging characteristics and the material used to produce them; RETAL is solely a service provider.

However, RETAL is part of the plastic packaging value chain and is also determined to play a significant role in contributing to circularity by acting on three pillars:

- Recycled material
- Recyclability
- Education

Recycled Material

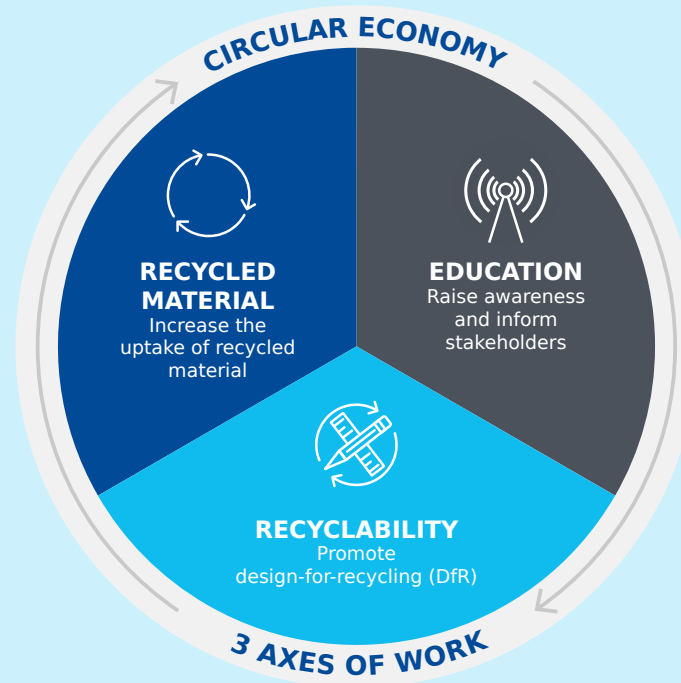
The use of recycled plastic resins is obviously a significant contributor to the circularity of plastic packaging, aside from being a key mitigation factor for GHG emissions ([see scope 3 emission above](#) [↗](#)).

Recycled PET – called rPET – however, currently represents a greater challenge due to the high demand and lack of availability – especially rPET of food grade quality. This has led to unsustainable high prices compared to virgin resin, which makes it difficult for RETAL and its customers to increase the volume of products from recycled material.

RETAL uses two types of recycled materials:

- Mostly rPET (93%) for producing preforms; and
- Some recycled Polyethylene (rPE) only for PE film production at RETAL Dnipro. ([see page 38](#) [↗](#))

These all represent over 9% of the total amount of raw material which RETAL processed in 2021.



The amount of recycled plastic resins used increased by 34% globally, primarily due to the rPET volume which increased by 26%. To some extent, the Dnipro operation also contributed with 7% through using recycled rPE in its film operation.

Table 9: Recycled material use (Tn)

	2021	2020	2019	2018
TOTAL	35,508	26,427	21,683	11,240
rPET	33,173	26,427	21,683	11,240
rPE	2,335	0	0	0
% of total raw material consumption	9.30%	9.10%	7.00%	2.40%

More detailed information is available in the [GRI Content Index](#) 

RETAL does not use recycled HDPE (rHDPE) for its closure production due to the extreme sensitivity of the quality of the closures to the mechanical properties of the resin which must be high and homogenous: commercially available food grade rHDPE is rare and is a mixture of different HDPE grades, including resins with high fluidity, which do not provide the required mechanical resistance for closure production.

This is particularly critical for the lightweight closures used in drinks packaging: a reduced mechanical resistance could compromise the sealed beverage and possibly endanger consumers' health.



Increased circularity at RETAL Baltic Films

APET film produced by RETAL Baltic Films is made in an A-B-A three layers structure: two thin external layers (A-layers) which serve as a functional barrier and a thicker central layer (B-layer). This multi-layered product structure allows a non-food grade recycled material insert between the two layers of virgin resin, compliant with food contact regulations.

RETAL Baltic Films also includes Post-Industrial Waste (PIW) from its customers, in addition to using conventional post-consumer rPET in the middle layer of its APET film:

- APET films are mostly used to produce trays through a thermoforming process which generates up to 40% scrap – which previously did not always find its way to recycling, but can be easily re-processed in a closed loop without further cleaning treatment.
- RETAL Baltic Films has specifically selected its production equipment to be able to process a wide range of rPET and PIW characteristics and quality to be included in the B-layer, which improves the circularity and carbon footprint of products.

The amount of PIW re-use from earlier customer processes at RETAL Baltic Films is constantly increasing, and doubled between 2020 and 2021.

RETAL Baltic Films is also collaborating with a local recycler on tray-to-tray recycling, conducting trials to increase the quality of rPET flakes from PET trays, so that they can be included in APET film B-layer, instead of rPET bottle flakes, and thereby truly increase the circularity of APET films.

Dnipro films – circularity champions!

Dnipro's film operation which has a capacity of producing 5,000 tn per year of PE films, primarily shrinkable (80%) for packaging applications, is driven by circularity. The main objective of Dnipro is to reduce the use of new material and increase the recycled polyethylene (rPE) content.

The plant is equipped with modern production lines, based on the latest technology from top European equipment suppliers as well as a top-of-the-range certified laboratory for analysis, to ensure the quality of its products.

The RETAL Dnipro team's expertise has

increased, and it is now able to produce thinner films than its competitors, with or without rPE, while still maintaining the film's physical properties (mechanical resistance, transparency, shrinking properties, and so on).

The team's latest achievement has been to produce a film 40/45-microns thick with up to 75% r-PE content. Dnipro is the only plant on the market that can produce film so thin and with such high rPE content.

Dnipro's consumption of rPE triplicated in 2021 compared to 2020, thus overriding the amount of virgin PE processed.



Recyclability and Education

RETAL is active in promoting design-for-recycling (DfR) principles and raising the awareness on circular economy primarily through its membership in [PETCORE Europe](#) (the European PET value-chain association), its corporate [website news section](#) and periodical newsletter in which RETAL provides specific information to its stakeholders.

PETCORE Europe is participating together with other value chain members in the elaboration of DfR guidelines for PET packaging and has launched a dedicated website [“Recycle the One”](#) explaining to the public the circularity performance of PET and how to improve recycling.

On the same topic, Petcore has also performed a social media campaign supported by videos ([1](#) and [2](#)) and an [infographic](#).



What is PET?

PET is one of the world's most sustainable packaging materials. Lightweight, versatile, strong and easy to use, this unique resource offers a range of benefits to consumers and the environment.

But how do you know if something is made from PET?




Simple. Look for the Number 1 Logo.

It will be easy to find as PET is commonly used for our favourite soft drink and water bottles, in addition to a variety of food, beauty and hygiene products.



RETAL positively contributes to the plastic packaging circular economy by promoting Design-for-Recycling in its value chain through collaboration with sector associations such as PETCORE Europe.

Water

RETAL's operations require relatively small amounts of water and, with the exception of its plant in Cyprus which represents only 2% of RETAL's total water withdrawal, RETAL does not operate in 'high' or 'extremely high' water stressed areas. (Reference: [Aqueduct Water Risk Atlas from WRI](#) ) This makes RETAL's water use a lower material topic in terms of impact.

However, water is becoming an increasingly scarce resource which must be protected, therefore RETAL is committed to continuously improving the way it uses water and mitigate its impact.

Water withdrawal

RETAL's total water withdrawal in 2021 was 87,252 m³, primarily sourced from municipal water supply (75%) and ground water (25%).

The significant increase in water withdrawal observed since 2020 is due to the integration of the Dnipro plant.

RETAL's global water intensity in 2021 remained relatively constant with 229 litres per tonne of raw materials processed versus 221 litres per tonne in 2020. This positive net effect derives from an improvement in the EU and US operations (-5%).

Water consumption and water discharge

The water withdrawn by RETAL is measured and used in two ways: a relatively small amount is used for cleaning, drinking, and sanitary purposes, whereas the majority is used in the production process.

The water used in the process is only for cooling purposes in closed loop circuits equipped with

cooling towers or free-standing coolers and chillers to reduce withdrawal.

Water is not contaminated by external agents (being in closed circuits), and only receives treatment to maintain its quality and protection of equipment. The effluent from both sanitary and cooling system has a very low level of contamination; do not contain any substance of concern and are exclusively discharged into local sewer systems for depuration treatment.

The only water consumed, as per the GRI definition, is the water which evaporates in cooling towers. RETAL does not currently have the means to measure this volume, and, therefore, considers its water consumption to be zero, and the water discharged to be equal to withdrawal.

Table 10: Water withdrawal (m³)

	2021	2020
TOTAL	87,252	64,220
EU/US	65,816	63,035
Ukraine	21,436	1,185
Third party water	65,096	43,375
Groundwater	22,156	20,845*

(*) Data corrected from 2020 report

Table 11: Water intensity (m³ / Tn raw material)

	2021	2020
TOTAL	0.229	0.221
West. Europe	0.223	0.235
Ukraine	0.243	0.052

Table 12: Water discharged (m³)

	2021	2020
TOTAL	87,252	64,220
EU/US	65,816	63,035
Ukraine	21,436	1,185

Waste

RETAL's operations generate a very low amount of waste which is mostly non-hazardous (96% of total volume); nevertheless, RETAL is committed to managing its waste in the best possible way in order to reduce its potential impact on the environment.

RETAL's waste is managed by accredited and authorised waste management companies,

according to the applicable regulations, and follows the waste hierarchy by prioritising recycling and re-use and avoiding landfill as much as possible.

RETAL generated 4,036 tn of non-hazardous waste in 2021, 60% of which was sent to recovery.

The 179 tn of hazardous waste contained primarily used mineral oil from hydraulic systems and engines, used lubricants, along with contaminated absorbent material; 71% of hazardous waste was sent for recovery.

Table 13: Waste generation

	2021		2020	
	Tn	Share	Tn	Share
TOTAL	4,215		3,705	
Non-hazardous waste	4,036	96%	3,617	98%
<i>Disposal</i>	1,631	40%	1,117	31%
<i>Recovery</i>	2,405	60%	2,473	68%
Hazardous waste	179	4%	87	2%
<i>Disposal</i>	51	29%	22	25%
<i>Recovery</i>	128	71%	65	75%

Waste generated



96%

Non-hazardous waste

4%

Hazardous waste

Waste sent for recovery



60%

Non-hazardous waste

71%

Hazardous waste



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Labour practices

Labour practices

RETAL strongly believes that its people are its main asset in order to achieve its goals on the road towards a sustainable development. It is, therefore, crucial for RETAL to attract and retain the best talent in the industry. To do this, RETAL strives to provide best-in-class working conditions, with good learning and development opportunities for its employees.

RETAL's policy is to provide stable employment conditions, and to operate almost 100% on permanent and full-time contracts in compliance with local labour laws. RETAL only hires temporary workers from employment agencies for a couple of plants during seasonal peaks.

'It is my fundamental belief that a positive company work culture brings performance and efficiency. It can, however, only be built by involving all employees in transparent and continuous dialogue to gain trust.

We aim to create an environment through our revised performance evaluation, in which our managers are stimulated to engage with their teams, and also secure feedback from the employees to their managers.

We encourage them to discuss work-related activities and issues, in a more natural and work-integrated form, through additional regular meetings between the managers and their employees, over and above the annual performance evaluation.

We also believe this will allow them to better understand and meet each other's mutual expectations, and thus strengthen their relationships and increase their performance.

It is a transformational journey which takes time and effort; however, we are committed, and we are implementing this approach, step-by-step to all our plants'.



Ruta Ziliene
HR Director
(EU and US)

The 33% increase of the total number of employees from 2020 to 2021 derives from the inclusion of RETAL Dnipro, which has over 400 employees. This addition has also influenced some of the employment indicators such as turnover.

RETAL's employee global turnover is relatively moderate and has decreased since 2020. It remained constant in the EU and US but increased in Ukraine due to RETAL Dnipro's inclusion.

The higher turnover in the EU and US is primarily due to the rise in competition within the labour market for base-level production employees in some countries, particularly in Lithuania, which represents 32% of RETAL's workforce.

It is, however, also the result of an emerging market trend affecting all work categories, driven by the COVID-19 pandemic.

Professionals have developed new priorities with regard to work and work-life balance, which in turn, challenges companies such as RETAL to attract and retain talent.

Table 14: Total number of employees (FTE)

	2021	2020
TOTAL	1,345	898
Permanent	99%	99%
Full-time	100%	99%

More detailed information is available in the [GRI Content Index](#)

Table 15: Employee turnover rate

	2021	2020
TOTAL	20%	24%
EU/US	26%	26%
Ukraine	12%	6%

More detailed information is available in the [GRI Content Index](#)



RETAL provides stable employment with almost 100% permanent and full-time contracts; Employee turnover rate is moderate and in line with RETAL's sector average.



Labour practices

Freedom of association

All RETAL's employees have the freedom of association as well as the right to collective bargaining, which are clearly stated in RETAL's [Code of Business Conduct](#). They are also the legal right for all employees in all the countries where RETAL operates.

There are several plants which are covered by national sector collective agreements. RETAL's plants are typically small and have no local union. RETAL's Lithuanian plants, however, have their own work councils, which engage and negotiate on economic, social, and labour issues with RETAL's plant management, in line with local laws.

Employee engagement

Employee feedback is crucial for RETAL to provide working conditions in line with employees expectations.

RETAL, therefore, conducts an annual anonymous employee engagement survey to understand its employees' company engagement and satisfaction in order to identify areas for improvement. The survey process was improved in 2021, and today, comprises a more comprehensive list of key topics including co-operation, leadership, work-life balance, management performance, and so forth.

The new engagement survey was tested by RETAL in one of its plants during 2021 and will be rolled out to all EU and US plants during 2022 by a third-party company to improve the process and increase the analysis of response rates and results.



RETAL is committed to providing its employees with an optimum work environment; **the annual employee engagement survey allows to identify areas for improvement and monitor progress.**

Table 16: Collective bargaining agreements

Plants	Collective agreement / Work council
RETAL IBERIA	Convenio Colectivo General De La Industria Química
RETAL ITALY	Contratto Collettivo Nazionale Di Lavoro Industria Gomma Plastica
RETAL PLASTEC	Contratto Collettivo Nazionale Di Lavoro Industria Gomma Plastica
RETAL FRANCE	Convention collective nationale de la plasturgie
RETAL UKRAINE	Collective agreement negotiated between company and workers according to national labor regulations
RETAL DNIPRO	Collective agreement negotiated between company and workers according to national labor regulations
RETAL BALTIC FILMS	Work council
RETAL LITHUANIA	Work council

Table 17: Employees covered by collective bargaining agreements

Plants	Total	Share
Employees covered by collective agreements	706	53%
Employees covered by work councils	434	32%

Labour practices

Occupational Health and Safety (OHS)

RETAL sees health and safety as a high priority topic, in line with RETAL's materiality assessment; therefore, all plants have their own OHS management system covering all employees. These rigorous procedures comply with the comprehensive legislation in the countries where RETAL operates. RETAL now has one certified ISO 45001 site in Cyprus and is planning to continue certifying further sites.



RETAL experienced no 'death or high-consequence work-related injuries' during 2021; however, its rate of recordable work-injuries slightly increased. The low number of injuries and their low impact (24 recordable injuries) show the efficiency of RETAL plants' OHS management systems.

Table 18: Rate of work-related injuries rate

	2021	2020
Rate of high consequence work-related injuries (excluding death)	0	0.45
Rate of recordable work-related injuries	10.02	8.96

Rates are calculated per 1,000,000 hours worked.

Table 19: Work-related injuries

	2021	2020
High consequence work-related injuries (excluding death)	0	1
Recordable work-related injuries	24	20

More detailed information is available in the [GRI Content Index](#)

'The ISO 45001 certification has been an essential step in embedding health and safety into RETAL Cyprus operations and work culture...

it also involves all employees and shows our commitment towards their safety, which they highly value, increasing their engagement'.



Pantelista Damianou
Production Manager
(RETAL Cyprus)

Labour practices

Performance evaluation

RETAL has had an employee performance evaluation system in place since 2018. The system is a yearly assessment and several short meetings between employees and their direct management. It not only provides vital feedback on its employees' performance and required training, but also strategic input to RETAL's management of employees' potential, as well as increased understanding of their individual aspirations.

The number of employees taking part in the evaluation has decreased due to the incorporation of the Dnipro plant's large workforce (where it is not yet implemented) as well as the working conditions during the COVID-19 pandemic.

More than 70% of RETAL's workforce in the EU and US participated in the evaluation in 2021, which is seen as a good result, and allows RETAL to adopt the correct management approach for its employees.

Table 20: Employees with performance review (% FTE)

	2021	2020
TOTAL	43%	86%
EU/US	71%	98%
Ukraine	2%	0%

More detailed information is available in the [GRI Content Index](#)

However, the system has been adapted to be less time-consuming to perform by the plants to reach an even higher rate of employees' assessments in the future.

Training

Developing employees' knowledge, skills, and competence is paramount for RETAL to achieve its goals and long-term sustainability. RETAL not only ensures in-house knowledge is shared through internal training, but also that RETAL personnel stay updated with the latest developments in their field, in addition to providing learning opportunities to develop their skills and become competent professionals.

The COVID-19 pandemic disrupted some of RETAL's planned training programmes during 2020 and part of 2021. During 2021 RETAL managed to resume some of its internal and external training, and a total of 26,107 training hours were delivered to its personnel (representing close to an average

of 20 hours per employee). This achievement is significantly influenced by RETAL Baltic Films' special training programme ([see page 48](#)) and partly due to the inclusion of RETAL Dnipro.

Career development

RETAL favours internal promotion as a way of retaining its best talent, capitalising on training, and meeting its employees' development aspirations.

RETAL encourages its employees to reveal their aspirations as part of the performance evaluation programme (see above), and initially offers available positions to suitable internal candidates, prior to being presented to the rest of the employees for application; during the last two years, around 120 employees were promoted internally within RETAL.

Table 21: Number of hours of training

	2021		2020	
	Total (hrs)	Avg (hrs/FTE)	Total (hrs)	Avg (hrs/FTE)
TOTAL	21,989	19.41	14,498	20.50
EU/US	19,010	26.99	14,061	22.34
Ukraine	2,979	8.57	437	7.04

More detailed information is available in the [GRI Content Index](#)

Table 22: Employees with internal career evolution

	2021	2020
TOTAL	60	64
EU/US	57	62
Ukraine	3	2

Labour practices

Training at RETAL Baltic Films

RETAL Baltic Films started an EU-funded training programme in 2019, which involved its entire workforce of close to 200 employees. The objective was to improve their professional competency as well as acquiring new skills.

This programme included some external courses, but most of the training was delivered internally by RETAL's most experienced production employees who acted as trainers, and shared their knowledge and experience with junior colleagues.

This programme allowed RETAL to increase employee engagement and motivation, as well as to retain senior specialists by up-grading their roles, while ensuring effective internal knowledge-sharing and reduction of risks for future competence gaps.

The programme not only strengthened RETAL's younger employees' competence, but also demonstrated the company's commitment to internal career development opportunities.

'This programme was a significant milestone towards RETAL's commitment and long-term group strategy to provide its employees with solid training opportunities. We experienced good feedback from our employees at RETAL Baltic Films.

We also noticed an increase in engagement and productivity. We will now share our experience internally and build on the success in order to increase and improve internal training in the remaining plants'.

Migle Samuse

HR Manager (RETAL Baltic films)

Ausra Petroniene

HR Department (RETAL Baltic films)



Providing the right training for employees to perform and develop is essential to attract and retain talents; this is a key aspect of RETAL's CSR activity.



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The background of the page is a photograph of two men in a warehouse setting. One man, wearing a grey t-shirt and a dark baseball cap with the "retal" logo, is looking towards the other man. The second man, seen from the back, is wearing a white shirt. They appear to be in a discussion. In the background, there are stacks of grey plastic pallets and wooden pallets.

Human rights

Human rights

RETAL takes the issue of human rights in business seriously, as do its stakeholders (see Stakeholders and Materiality [↗](#)).

No major risks were identified in the 2020 Human Rights due diligence; nevertheless, RETAL continued its efforts by increased focus on areas such as anti-harassment, anti-discrimination, prevention as well as reporting grievances and wrongdoings. RETAL is committed to ensuring that no violation of Human Rights occurs in its sphere of influence.

Policies

To complement RETAL's Code of Business Conduct, in the course of 2021 the organisation developed a specific

anti-discrimination policy which provides clear definitions and procedures for employees to recognise and report any issues so that the company can take action. To increase transparency, the company has also established a whistleblowing policy and an internal management system in line with ISO 37000.

These two new policies will be distributed throughout the organisation, together with an informative video in all necessary language during 2022.





Whistleblowing

Only one report was made via RETAL's whistleblowing channel in 2021 by an ex-employee challenging the lawfulness of his dismissal. After being duly investigated, the dismissal was found justified, although certain non-compliance with RETAL's Code of Business Conduct were detected during the process. The necessary corrective actions were implemented and the whistle-blower was notified accordingly.

Diversity and equal opportunity

RETAL gender ratio is well within the sector average and improved during 2021. The total share of women has increased from 21% to 25%, and two out of the four employee categories show a female ratio well above 30%.

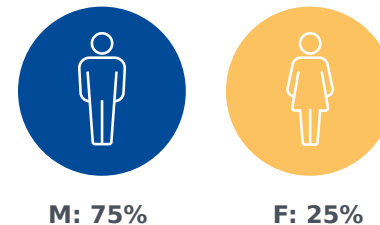
Over and above improved policies and procedures to ensure non-discrimination, RETAL also works to improve women's access to shop-floor production positions where physical strength may be a barrier to the role ([see page 52](#) ).

RETAL's initiatives on group and local level are bearing fruits and RETAL Baltic Film's award in 2020, was followed by RETAL Lithuania being awarded 2 out of 3 in the 'Equal Opportunity Wings, which is a national program led by the Lithuanian Government's 'Office for Equal Opportunities' .

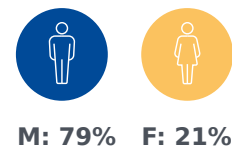


Gender ratio

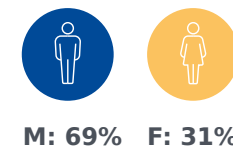
Overall gender ratio



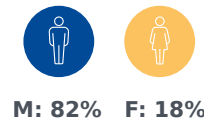
EU/US



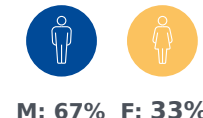
UKRAINE



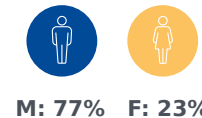
Base level



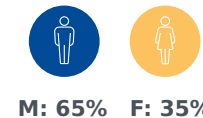
Specialists



Middle-level managers



Top-level managers



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Workstation adaptation at RETAL Baltic Films

RETAL Baltic Films went the extra mile in 2021, in order to secure equal opportunities through performing an internal assessment of all its shop-floor operators' positions occupied by men. This was to identify measures which would help women access to these positions.

Three positions (12 jobs in total over the four shifts) were found in which the need for physical strength could be reduced or eliminated through simple work reorganisation, thus enabling women to access these roles.

Investment was also made in two heavy-loads handling equipment, which are used to move raw material and finished goods within the plant.

This handling equipment can be operated by both men and women, whereas manual handling was too physical for most women. This investment made 40% of the handling positions accessible to women, as well as decreasing the risk of occupational accidents.



'Eliminating barriers for women to access shop-floor positions is not only morally right, but it also gives RETAL access to a wider pool of talented and loyal resources; in addition, it contributes to our work by increasing gender diversity.'

We strongly believe that a gender-diverse workplace provides a better culture in turn, and the mix helps to improve employees' interrelations, communication, and care for each other.'



Viktorija Griziene
General Manager
(RETAL Baltic Films)



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Fair operating practices

Fair operating practices

Within this ISO 26000 core topic, the main issues of interest are 'anti-corruption' and 'promoting CSR in the value chain'. RETAL has been addressing 'promoting CSR in the value chain' through sustainable procurement action since 2019, and an anti-corruption global assessment is planned for 2022.

The supply chain is a key element of RETAL's CSR strategy and action; suppliers can have an impact both socially and, more significantly, environmentally. For example, the production of plastic resins - the bulk of the company's supply (> 80%) - is fossil-oil based, generating important GHG emissions, among other environmental impacts.

RETAL intends to leverage its position as much as possible and influence its suppliers towards adopting sustainable practices.

RETAL continued its Sustainable Procurement Programme (SPP), initiated in 2019 throughout 2021. The purpose of SPP is to ensure compliance with RETAL's CSR requirement stated in its [Code of Conduct for Suppliers](#).

The [Sustainable Procurement policy](#) clearly defines RETAL's goals, strategy, and plan of action for the implementation of SPP.

The programme includes the supply of main raw materials (resins, colorants, additives, and packaging), and is based on suppliers' engagement and assessment. The ultimate goal is for RETAL to reach 80% of its supplies in each category to be delivered by suppliers which meet its CSR performance requirement (coverage).



RETAL's goal is to source 80% of its main raw material from suppliers, meeting its CSR performance requirement (coverage).



RETAL engaged with 34 suppliers in 2021, and 22 of these provided a compliant CSR evaluation. A significant increase in coverage was achieved for the HDPE and rPET categories; for HDPE, volumes were switched to CSR assessed and compliant suppliers, whereas for rPET, RETAL's key suppliers joined the programme and were assessed compliant. The remaining categories' coverage remained approximately the same as during 2020.


RETAL's effort is reflected in its EcoVadis PROCUREMENT score reaching a top score of 70% (see [CSR performance](#) .



Table 23: Raw material supply covered by CSR assessed suppliers.

	2021	2020*
PET	73%	78%
HDPE	81%	58%
R-PET	61%	22%
Colorants and additives	87%	90%
Packaging	25%	23%

*Data corrected from 2020 report



In 2021, RETAL progressed against its 80% coverage goal with significant increase in HDPE and rPET; Two raw material categories are already over 80%.



Anti-corruption

RETAL will launch in 2022-23 a risk assessment following

the ISO 37001 standard as the first step towards implementing its 'Anti-bribery and Anti-corruption' policy (RETAL policies).



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Community involvement & development

Community involvement & development

RETAL's factories are an integral part of the local communities in which they operate. RETAL believes that it has a responsibility to identify and mitigate its negative impact on these communities, as well as contributing to their development.

RETAL started to manage all local community engagement and initiatives in 2021 through its group CSR department in close collaboration with the different plants. The objective was to secure a common, global strategy to bring more impact on its actions, identify negative impacts and define mitigation strategies.

RETAL conducted internal consultations with all its plant management teams during 2021, to review

local situations and needs, which enabled RETAL to identify the relevant topics on which to focus its future actions:

- Promote and support local employment including vulnerable and disadvantaged groups
- Restore and maintain the environment and nature
- Raise awareness on plastic circular economy



RETAL aims to establish a more coordinated approach around local community involvement and development focusing its action on three key topics: **employment, environment and circular economy.**

There has been no actual or potential significant negative impact identified on the local community by RETAL's plants.

Going forward, RETAL aims to establish a more co-ordinated approach for all plants around these three topics which would ensure mutual benefits for both RETAL and its surrounding communities. Some plants, however, are already active with their local communities.



RETAL Iberia (Spain) & Local employment

RETAL Iberia has been financially contributing to the DRISSA foundation for several years, a local entity providing support to individuals with mental health issues. The organisation provides support to improve the quality of life through education, housing, therapy, and job placements.

RETAL Iberia increased its participation with the organisation in 2021, providing a job placement for one of DRISSA's service users as part of the nominated individual's psychological rehabilitation process therapy. This individual initially joined RETAL Iberia for a two-month period in which she gained professional experience on site.

This initiative proved successful, and the contract has now been extended at RETAL Iberia.

'RETAL Iberia is glad to be able to contribute to the fight against the social stigma associated with mental health and social exclusion by providing professional opportunities to individuals in our local community. This initiative has strong support from our employees, and we are looking forward to further engagement in similar projects.'

Ester Maso
General Manager
(RETAL Iberia)



RETAL PA (USA) & Local education

RETAL PA has partnered with BotsIQ for the second year in a row. BotsIQ is a manufacturing workforce development programme in Pennsylvania for high school students. The programme provides a pathway to learning about rewarding STEM careers through a robotic competition.

RETAL PA collaborates with a local school - Monessen High School - through supporting their robotic team with tools. RETAL PA also hosted two interns in 2021, who worked under its process engineering team on several technical projects over six weeks. RETAL also organised a 'Professional Development Day' during which RETAL experts discussed its products and

industry with students, and provided an in-depth tour of the company facilities.

'Through the STEM initiative we contribute to developing students and to show them that STEM careers can lead to attractive local employment in companies like RETAL. We hope the initiative will contribute to keep future talents in the community and to strengthen the local industry'.

Elizabeth Giecek
Human Resource Manager
(RETAL PA)





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Statement of use

RETAL has reported the information cited in this GRI content index for the period 01.01.2021 to 31.12.2021 with reference to the GRI Standards.

GRI 1 used

Foundation 2021

GRI indicator	Description	Page number or direct answer
---------------	-------------	------------------------------

GRI 2: General disclosure

1. The organization and its reporting practices

Disclosure 2-1	Organizational details	3
Disclosure 2-2	Entities included in the organization's sustainability reporting	26
Disclosure 2-3	Reporting period, frequency and contact point	81
Disclosure 2-4	Restatement of information	26
Disclosure 2-5	External assurance	The organisation's sustainability reporting has not been externally assured except for GRI 301, 302, 305 and 306-3/4/5. These indicators are included in the calculation of our GHG inventory which is verified by an independent third party. The verification level of assurance is limited (Annex 2 )

GRI indicator **Description**
Page number or direct answer
2. Activities and workers

Disclosure 2-6 Activities, value chain and other business relationships 3 to 8

Disclosure 2-7 Employees 44

	Total number of employees (FTE)			Permanent (FTE)			Temporary (FTE)			Full time (FTE)			Part time (FTE)		
	TOTAL	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL	F	M
2021															
TOTAL	1,345	337	1,008	1,332	336	995	11	1	12	1,339	333	1,007	5	4	1
EU/US	792	166	626	779	165	613	11	1	12	786	162	625	5	4	1
Ukraine	553	171	382	553	171	382	0	0	0	553	171	382	0	0	0
2020															
TOTAL	898	189	709	893	189	674	7	0	7	891	182	708	3	3	1
EU/US	790	154	636	785	154	601	7	0	7	783	147	635	3	3	1
Ukraine	108	35	73	108	35	73	0	0	0	108	35	73	0	0	0

F = female M = Male

Disclosure 2-8 Workers who are not employees 43

3. Governance

Disclosure 2-9 Governance structure and composition 14

Disclosure 2-10 Nomination and selection of the highest governance body The members of the Board of Directors are selected based on their competence.

Disclosure 2-11 Chair of the highest governance body 14

Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts 14

Disclosure 2-13 Delegation of responsibility for managing impacts 14

Disclosure 2-14 Role of the highest governance body in sustainability reporting 14

GRI indicator	Description	Page number or direct answer
Disclosure 2-15	Conflicts of interest	Not applicable - The company doesn't have shareholders and board members who are involved in other companies' governing body.
Disclosure 2-16	Communication of critical concerns	Critical concerns are communicated to the Board of Director by the Group Legal Counsel, who then collects all reports made through the different channels and is responsible for the investigation.
Disclosure 2-17	Collective knowledge of the highest governance body	14
Disclosure 2-18	Evaluation of performance of the highest governance body	Information unavailable. There is no formal evaluation process in place.
Disclosure 2-19	Remuneration policies	Information unavailable. There is no remuneration policy in place for highest governing body.
Disclosure 2-20	Process to determine remuneration	Information unavailable. There is no process to determine remuneration of highest governing body in place.
Disclosure 2-21	Annual compensation ratio	Information unavailable. Remuneration ratio not calculated.
4. Strategy, policies and practices		
Disclosure 2-22	Statement on sustainable development strategy	12
Disclosure 2-23	Policy commitments	RETAL's values and principles of integrity and ethical behaviour are publicly documented at group level in our Code of Business Conduct (the Code), formally adopted by RETAL Board of Directors in 2018. The Code is communicated to all employees in their local languages and signed by them. The Code is reviewed periodically and updated if needed. (see RETAL's Code of Business Conduct)
Disclosure 2-24	Embedding policy commitments	14, 15
Disclosure 2-25	Process to remediate negative impacts	RETAL has a formal internal procedure to process, investigate all reports made through its whistleblowing channel. When negative impacts occur, the company, under the supervision of the BoD and the Group Legal Counsel, allocate responsibilities and the relevant resource to the appropriate employees to remediate said negative impact.
Disclosure 2-26	Mechanism for seeking advice and raise concerns	RETAL has implemented a whistle-blowing channel (WBC) for our stakeholders, both internal and external, to report concerns and potential or actual wrongdoings in breach of any of RETAL's Code and policies. RETAL has also established an internal protocol to duly investigate all reports and implement appropriate corrective actions if necessary. WBC is available on RETAL's website , intranet and annual sustainability report
Disclosure 2-27	Compliance with laws and regulations	No non-compliance were reported during 2021.
Disclosure 2-28	Membership associations	10

GRI indicator	Description	Page number or direct answer
5. Stakeholders engagement		
Disclosure 2-29	Approach to stakeholder engagement	17 to 20
Disclosure 2-30	Collective bargaining agreements	45

GRI 3: Material topics

1. The organization and its reporting practices

Disclosure 3-1	Process to determine material topics	17
Disclosure 3-2	List of material topics	18
Disclosure 3-3	Management of material topics	15

GRI 201: Economic performance

Disclosure 201-1	Direct economic value generated and distributed	3, 4 Only economic value generated figure is available. RETAL will work to provide this information in the next annual sustainability report.
Disclosure 201-2	Financial implications and other risks and opportunities due to climate change.	29 A climate change risk assessment according to TCFD guidelines is underway. Results will be available in 2022 and will be published in the next sustainability report.
Disclosure 201-3	Defined benefit plan obligations and other retirement plans	Not applicable. RETAL does not provide benefit or retirement plans.
Disclosure 201-4	Financial assistance received from government	Not available. RETAL will work to provide this information in the next sustainability report.

GRI 202: Market presence

Disclosure 201-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not available. RETAL will work to provide this information in the next sustainability report.
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GRI indicator	Description	Page number or direct answer
GRI 203: Indirect economic impact		
Disclosure 203-1	Infrastructure investments and services supported	RETAL did not invest in infrastructures or supported services.
Disclosure 203-2	Significant indirect economic impacts	RETAL has no significant indirect economic impacts identified.
GRI 204: Procurement Practices		
Disclosure 204-1	Proportion of spending on local suppliers	Not available. RETAL will work to provide this information in the next sustainability report
GRI 205: Anti-corruption		
Disclosure 205-1	Operations assessed for risks related to corruption	55 None. A global anti-corruption risk assessment will be performed in 2022
Disclosure 205-2	Communication and training about anti-corruption policies and procedures	RETAL "Anti-corruption & anti-bribery policy" has been communicated to all employees after its formal adoption, and is available on RETAL's website and intranet. No training has been performed so far.
Disclosure 205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption occurred in 2021
GRI 206: Anti-competitive Behavior		
Disclosure 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions.
GRI 207: Tax		
Disclosure 207-1	Approach to tax	Not available. RETAL will work to provide this information in the next sustainability report
Disclosure 207-2	Tax governance, control, and risk management	Not available. RETAL will work to provide this information in the next sustainability report
Disclosure 207-3	Stakeholder engagement and management of concerns related to tax	Not available. RETAL will work to provide this information in the next sustainability report
Disclosure 207-4	Country-by-country reporting	Not available. RETAL will work to provide this information in the next sustainability report

GRI 301: Materials

All data on 'Materials' consumption is extracted from the RETAL GHG inventory which is verified by accredited 3rd party ([Annex 2](#))

GRI 301.1

Total raw material (Tn)

	2021	2020
TOTAL	383,750	291,224
EU/US	295,465	268,224
Ukraine	88,284	23,000

PET (Tn)

	2021	2020
TOTAL	326,212	253,939
EU/US	250,050	230,956
Ukraine	76,162	22,982

PE (Tn)

	2021	2020
TOTAL	20,075	9,524
EU/US	11,048	9,524
Ukraine	9,027	0

Colorants & additives (Tn)

	2021	2020
TOTAL	1,954	1,335
EU/US	1,758	1,319
Ukraine	196	16


GRI 301.2

34, 36

Recycled material (Tn)

	2021	2020	2019	2018
TOTAL	35,508	26,427	21,683	11,240
rPET / TOTAL	33,173	26,427	21,683	11,240
EU/US	32,609	26,425	21,683	11,240
Ukraine	564	1	0	0
rPE / TOTAL	2,335	0	0	0
Ukraine	2,335	0	0	0
% of total raw material consumption	9.30%	9.10%	7.00%	2.40%
% of total PET	9.20%	9.40%	7.30%	4.10%

GRI 302: Energy

All data on 'Energy' consumption is extracted from the RETAL GHG inventory which is verified by accredited 3rd party ([Annex 2](#) )

GRI 302.1

30

Fossil fuels (GJ)

	2021	2020
TOTAL GROUP	26,906	15,431
Natural gas	7,100	3,744
LPG	9,914	6,775
Diesel	4,186	2,683
Gasoline	5,404	1,995
Other	302	234

Electricity (GJ)

	2021	2020
TOTAL CONS.	975,026	753,892
Renewable (total)	610,389	559,705
Purchased	604,884	553,858
Produced	5,505	5,847
RE % of total cons.	62.60%	74.20%
RE % of EU cons.	82.10%	80.10%

GRI 302.2

30

GRI 303: Water & Effluents

GRI 303.1 Interaction with water as shared resource 40

GRI 303.2 Management of water discharge-related impacts 40

GRI 303.3 Water withdrawal 40

GRI 303.4 Water discharge 40

GRI 303.5 Water consumption 40

GRI indicator**Description****Page number or direct answer****GRI 304: Biodiversity**

GRI 304.1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
GRI 304.2	Significant impacts of activities, products and services on biodiversity	RETAL's operations have no significant impacts on biodiversity.
GRI 304.3	Habitats protected or restored	Not applicable
GRI 304.4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable

GRI 305: Emissions

All data on 'Emissions' is extracted from the RETAL GHG inventory which is verified by accredited 3rd party ([Annex 2](#) )

GRI 305.1

31, 32

Emissions - Scope 1 (Tn CO₂eq)

	2021	2020
TOTAL	3,631	2,918
EU/US	1,664	1,026
Ukraine	1,967	1,892

GRI 305.2

31, 32

Emissions - Scope 2 (Tn CO₂eq)

	2021	2020
Market based	34,007	31,634
EU/US	10,343	10,370
Ukraine	23,663	21,264
Location based	75,003	70,227
EU/US	51,339	48,963
Ukraine	23,664	21,264

GRI 305.3

33, 34

Emissions - Scope 3 (Tn CO₂eq)

	2021	2020
TOTAL	744,931	722,201
EU/US	484,718	488,706
Ukraine	254,429	229,471
Group	5,784	4,025

GRI indicator	Description	Page number or direct answer																																																
GRI 305.4		<div> GHG intensity (Scope 1) (Tn CO₂eq / Tn raw material) <table> <tr> <th></th><th>2021</th><th>2020</th></tr> <tr> <td>TOTAL</td><td>0.01</td><td>0.008</td></tr> <tr> <td>EU/US (Tn)</td><td>0.006</td><td>0.004</td></tr> <tr> <td>Ukraine (Tn)</td><td>0.022</td><td>0.024</td></tr> </table> </div> <div> GHG intensity (Scope 2) (Tn CO₂eq / Tn raw material) <table> <tr> <th></th><th>2021</th><th>2020</th></tr> <tr> <td>TOTAL</td><td>0.089</td><td>0.091</td></tr> <tr> <td>EU/US (Tn)</td><td>0.035</td><td>0.039</td></tr> <tr> <td>Ukraine (Tn)</td><td>0.268</td><td>0.269</td></tr> </table> </div> <div> GHG intensity (Scope 3) (Tn CO₂eq / Tn raw material) <table> <tr> <th></th><th>2021</th><th>2020</th></tr> <tr> <td>TOTAL</td><td>1.94</td><td>2.08</td></tr> <tr> <td>EU/US (Tn)</td><td>1.64</td><td>1.82</td></tr> <tr> <td>Ukraine (Tn)</td><td>2.88</td><td>2.90</td></tr> </table> </div> <div> GHG intensity (Scope 1, 2 & 3) (Tn CO₂eq / Tn raw material) <table> <tr> <th></th><th>2021</th><th>2020</th></tr> <tr> <td>TOTAL</td><td>2.02</td><td>2.17</td></tr> <tr> <td>EU/US (Tn)</td><td>1.68</td><td>1.86</td></tr> <tr> <td>Ukraine (Tn)</td><td>3.17</td><td>3.19</td></tr> </table> </div>		2021	2020	TOTAL	0.01	0.008	EU/US (Tn)	0.006	0.004	Ukraine (Tn)	0.022	0.024		2021	2020	TOTAL	0.089	0.091	EU/US (Tn)	0.035	0.039	Ukraine (Tn)	0.268	0.269		2021	2020	TOTAL	1.94	2.08	EU/US (Tn)	1.64	1.82	Ukraine (Tn)	2.88	2.90		2021	2020	TOTAL	2.02	2.17	EU/US (Tn)	1.68	1.86	Ukraine (Tn)	3.17	3.19
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EU/US (Tn)	1.68	1.86																																																
Ukraine (Tn)	3.17	3.19																																																
GRI 305.5	Reduction of GHG emissions	32, 34, 35																																																
GRI 305.6	Emissions of ozone-depleting substances (ODS)	RETAL does not emit ODS in its operations																																																
GRI 305.7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	RETAL does not generate Nox, Sox or any other significant air emissions in its operation.																																																

GRI indicator Description

Page number or direct answer

GRI 306: Waste

All data on 'Waste' is extracted from the RETAL GHG inventory which is verified by accredited 3rd party ([Annex 2](#) [↗](#))

		GRI 306.1	Waste generation and significant waste-related impacts	41
GRI 306.2	Management of significant waste-related impacts	41		
GRI 306.3	Waste generated	41		

Waste generated per region (Tn)

	2021	2020
TOTAL	4,216	3,056
Non-hazardous waste	4,036	2,959
EU/US	3,575	2,763
Ukraine	461	197
Hazardous waste	179	97
EU/US	167	97
Ukraine	12	0

GRI 306.4	Waste diverted from disposal	41		
GRI 306.5	Waste directed to disposal	41		

GRI 308: Supplier environmental assessment

GRI 308.1	New suppliers that were screened using	54	One additional existing supplier was assessed using environmental criteria.
GRI 308.2	Negative environmental impacts in the supply chain and actions taken	53	

GRI 401: Employment

GRI 401-1 New employee hires and employee turnover

44

	Number of new employees			Number of employees leaving			Employees turnover rate		
	Total	F	M	Total	F	M	Total	F	M
2021									
TOTAL	311	95	216	270	66	204	20%	5%	15%
EU/US	196	55	141	204	48	156	26%	6%	20%
Ukraine	115	40	75	66	18	48	12%	3%	9%
2020									
TOTAL	269	34	235	213	35	178	24%	4%	20%
EU/US	260	31	229	207	33	174	26%	4%	22%
Ukraine	9	3	6	6	2	4	6%	2%	4%

F = female M = Male

GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

RETAL does not have a global benefit plan. However, some of the RETAL plants provide additional health insurance to certain employee categories.

GRI 401-3 Parental leave

Parental leaves are given according to local legislation.

GRI 402: Labor/Management Relations

GRI 402-1	Minimum notice periods regarding operational changes	RETAL provide the minimum notice required by local legislation.
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GRI 403: Occupational Health & Safety

GRI 403-1	Occupational Health & Safety management system	46
GRI 403-2	Hazard identification, risk assessment and incident investigation	OHS management system in place at all RETAL plants include hazard identification, risk assessment and incident investigation.
GRI 403-3	Occupational health services	Workers' personal health-related information is protected according to local legislation requirement.
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Not available. RETAL will work to provide this information in the next sustainability report
GRI 403-5	Worker training on occupational health and safety	Not available. RETAL will work to provide this information in the next sustainability report
GRI 403-6	Promotion of worker health	All RETAL workers are provided with an annual medical check-up according to local legislation and some employees of certain RETAL's plant benefit from additional health insurance. No voluntary health promotion services and programs are provided.
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not applicable. No OHS impacts directly linked by business relationships.

GRI indicator	Description	Page number or direct answer																																																																																																																																																																																																																																																	
GRI 403-8	Workers covered by an OHS management system	46																																																																																																																																																																																																																																																	
GRI 403-9	Work-related injuries	<table><thead><tr><th></th><th colspan="3">No. of death as a result of WRI</th><th colspan="3">High consequence WRI</th><th colspan="3">Recordable WRI</th><th colspan="3">No. hours worked</th></tr><tr><th></th><th>TOTAL</th><th>F</th><th>M</th><th>TOTAL</th><th>F</th><th>M</th><th>TOTAL</th><th>F</th><th>M</th><th>TOTAL</th><th>F</th><th>M</th></tr></thead><tbody><tr><td colspan="13">2021</td></tr><tr><td>TOTAL</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>24</td><td>2</td><td>22</td><td>2,395,490</td><td>574,983</td><td>1,820,507</td></tr><tr><td>EU/US</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>24</td><td>2</td><td>22</td><td>1,411,815</td><td>286,296</td><td>1,125,519</td></tr><tr><td>Ukraine</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>983,675</td><td>288,687</td><td>694,988</td></tr><tr><td colspan="13">2020</td></tr><tr><td>TOTAL</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td>1</td><td>20</td><td>1</td><td>19</td><td>2,232,956</td><td>446,582</td><td>1,786,374</td></tr><tr><td>EU/US</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td>1</td><td>20</td><td>1</td><td>19</td><td>1,399,611</td><td>216,032</td><td>1,183,579</td></tr><tr><td>Ukraine</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>833,345</td><td>230,550</td><td>602,795</td></tr></tbody></table> <p>F = female M = Male WRI = work-related injury</p> <table><thead><tr><th></th><th colspan="3">Death frequency rate*</th><th colspan="3">High consequence injury rate**</th><th colspan="3">Recordable injury rate***</th></tr><tr><th></th><th>TOTAL</th><th>F</th><th>M</th><th>TOTAL</th><th>F</th><th>M</th><th>TOTAL</th><th>F</th><th>M</th></tr></thead><tbody><tr><td colspan="10">2021</td></tr><tr><td>TOTAL</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>10.02</td><td>3.48</td><td>12.08</td></tr><tr><td>EU/US</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>17.00</td><td>6.99</td><td>19.55</td></tr><tr><td>Ukraine</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr><tr><td colspan="10">2020</td></tr><tr><td>TOTAL</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.45</td><td>0.00</td><td>0.56</td><td>8.96</td><td>2.24</td><td>10.64</td></tr><tr><td>EU/US</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.71</td><td>0.00</td><td>0.84</td><td>14.29</td><td>4.63</td><td>16.05</td></tr><tr><td>Ukraine</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr></tbody></table> <p>F = female M = Male</p> <p>*Rate of fatalities as a result of work-related injury = (nb of fatalities as a result of work-related injury x 1.000.000) / nb of hours worked **Rate of high consequence work-related injuries (excluding fatalities) = (nb of high consequence work-related injuries x 1.000.000) / nb of hours worked ***Rate of recordable work-related injuries = (nb of recordable work-related injuries x 1.000.000) / nb of hours worked</p>													No. of death as a result of WRI			High consequence WRI			Recordable WRI			No. hours worked				TOTAL	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL	F	M	2021													TOTAL	0	0	0	0	0	0	24	2	22	2,395,490	574,983	1,820,507	EU/US	0	0	0	0	0	0	24	2	22	1,411,815	286,296	1,125,519	Ukraine	0	0	0	0	0	0	0	0	0	983,675	288,687	694,988	2020													TOTAL	0	0	0	1	0	1	20	1	19	2,232,956	446,582	1,786,374	EU/US	0	0	0	1	0	1	20	1	19	1,399,611	216,032	1,183,579	Ukraine	0	0	0	0	0	0	0	0	0	833,345	230,550	602,795		Death frequency rate*			High consequence injury rate**			Recordable injury rate***				TOTAL	F	M	TOTAL	F	M	TOTAL	F	M	2021										TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	10.02	3.48	12.08	EU/US	0.00	0.00	0.00	0.00	0.00	0.00	17.00	6.99	19.55	Ukraine	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2020										TOTAL	0.00	0.00	0.00	0.45	0.00	0.56	8.96	2.24	10.64	EU/US	0.00	0.00	0.00	0.71	0.00	0.84	14.29	4.63	16.05	Ukraine	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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GRI 403-10	Work-related ill-health	No work-related ill-health have been identified in RETAL's operations																																																																																																																																																																																																																																																	

GRI 404: Training and education

GRI 404-1	Average hours of training per year per employee	Number of hours of training (avg hrs/ FTE)					
		Cat. 1 - Base level	Cat. 2 - Specialists	Cat. 3 - Middle-level managers	Cat. 4 - Top-level managers	F	M
		2021					
	TOTAL	33	5	5	11	9	23
	EU/US	46	3	5	17	11	32
	Ukraine	12	7	3	0	6	5
		2020					
	TOTAL	31	5	16	8	6	24
	EU/US	33	8	17	9	7	26
	Ukraine	8	7	4	0	2	9

F = female M = Male

GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Number of employees w/ performance & career development review						
		Cat. 1 - Base level	Cat. 2 - Specialists	Cat. 3 - Middle-level managers	Cat. 4 - Top-level managers	F	M	
		2021						
		TOTAL	48%	32%	56%	45%	28%	48%
		EU/US	76%	63%	78%	69%	56%	75%
		Ukraine	5%	0%	0%	0%	0%	3%
		2020						
		TOTAL	86%	85%	83%	94%	80%	88%
		EU/US	97%	100%	97%	100%	98%	98%
		Ukraine	0%	0%	0%	0%	0%	0%

F = female M = Male

GRI 405: Diversity and Equal Opportunity

GRI 405-1	Diversity in the workforce	51											
			TOTAL		Cat. 1 - Base level		Cat. 2 - Specialists		Cat. 3 - Middle-level managers		Cat 4 - Top-level managers		
			F	M	F	M	F	M	F	M	F	M	
			2021										
			TOTAL	25%	75%	18%	82%	33%	67%	23%	77%	35%	65%
			EU/US	21%	79%	14%	86%	35%	65%	13%	87%	27%	73%
			Ukraine	31%	69%	25%	75%	32%	68%	50%	50%	50%	50%
			2020										
			TOTAL	21%	79%	15%	85%	29%	71%	18%	82%	33%	67%
			EU/US	20%	80%	13%	87%	35%	65%	14%	86%	29%	71%
			Ukraine	32%	68%	27%	73%	47%	53%	36%	64%	0%	100%
F = female M = Male													

F = female M = Male

GRI 405-2	Incidents of discrimination and corrective actions taken	No incidents of discrimination were detected or reported during the 2021 exercise.
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GRI 407: Freedom of Association and Collective Bargaining

GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	50 RETAL conducted a 3rd party risk assessment on Human Rights in 2020: no risk regarding freed of association and collective bargaining was detected in our operations.
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GRI 408: Child labor

GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	50 RETAL conducted a 3rd party risk assessment on Human Rights in 2020: no risk of incident for child labor was detected in our operations.
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GRI 409: Forced or Compulsory Labor

GRI 409-2	Operations and suppliers at significant risk for incidents of forced or compulsory labor	50 RETAL conducted a 3rd party risk assessment on Human Rights in 2020: no risk of forced or compulsory labor was detected in our operations.
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GRI indicator	Description	Page number or direct answer
GRI 410: Security Practices		
GRI 410-1	Security personnel trained in human rights policies or procedures	Retal's facilities subcontract security personnel to third-party organizations and do not provide training on human rights.
GRI 411: Rights of Indigenous Peoples		
GRI 411-1	Incidents of violations involving rights of indigenous peoples	No incidents or violations involving rights of indigenous peoples were reported during the 2021 exercise.
GRI 412-1	Operations that have been subject to Human Rights review or impact assessments	100% of sites across all countries where we operate
GRI 413: Local communities		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	57
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	57
GRI 414: Supplier Social Assessment		
GRI 414-1	New suppliers that were screened using social criteria	55
GRI 414-2	Negative social impacts in the supply chain and actions taken	54
GRI 415: Public Policy		
GRI 415-1	Political contributions	RETAL does not make political contributions in any of the countries where it operates.

GRI indicator	Description	Page number or direct answer
GRI 416: Customer Health and Safety		
GRI 416-1	Assessment of the health and safety impacts of product and service categories	All our products destined to food packaging are assessed to comply with all applicable food safety legislations and regulations.
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No H&S non-compliance were detected during the 2021 exercise.
GRI 417: Marketing and Labeling		
GRI 417-1	Requirements for product and service information and labeling	Not applicable. RETAL is a business-to-business company and doesn't sell products directly to final consumers.
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable. RETAL is a business-to-business company and doesn't sell products directly to final consumers.
GRI 417-3	Incidents of non-compliance concerning marketing communications	Not applicable. RETAL is a business-to-business company and doesn't sell products directly to final consumers.
GRI 418: Customer Privacy		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints reported during the 2021 exercise.

Annex 1

ISO 26000 ‘Core Subjects’ and ‘Issues of Interest’

Organisational governance

Human rights

- Issue 1 – Due diligence
- Issue 2 – Human rights risk situations
- Issue 3 – Avoidance of complicity
- Issue 4 – Resolving grievances
- Issue 5 – Discrimination and vulnerable groups
- Issue 6 – Civil and political rights
- Issue 7 – Economic social and cultural rights
- Issue 8 – Fundamental principles and rights at work

Labour practices

- Issue 1 – Employment and employment relationships
- Issue 2 – Conditions of work and social protection
- Issue 3 – Social dialogue
- Issue 4 – Health and safety at work
- Issue 5 – Human development and training in the workplace

The environment

- Issue 1 – Prevention of pollution
- Issue 2 – Sustainable resource use
- Issue 3 – Climate change mitigation and adaptation
- Issue 4 – Protection of the environment, biodiversity and restoration of natural habitats

Fair operating practices

- Issue 1 – Anti-corruption
- Issue 2 – Responsible political involvement
- Issue 3 – Fair competition
- Issue 4 – Promoting social responsibility in the value chain
- Issue 5 – Respect for property rights

Consumers

- Issue 1 – Fair marketing, factual and unbiased information and fair contractual practices
- Issue 2 – Protecting consumers’ health and safety
- Issue 3 – Sustainable consumption
- Issue 4 – Consumer service, support, and complaint and dispute resolution
- Issue 5 – Consumer data protection and privacy
- Issue 6 – Access to essential services
- Issue 7 – Education and awareness

Community involvement and development

- Issue 1 – Community involvement
- Issue 2 – Education and culture
- Issue 3 – Employment creation and skills development
- Issue 4 – Technology development and access
- Issue 5 – Wealth and income creation
- Issue 6 – Health
- Issue 7 – Social investment

RETAL overview

Sustainability statement

Organisational governance

Stakeholders and materiality

CSR performance

About this report

Environment

Labour practices

Human rights

Fair operating practices

Community involvement & development

GRI content index

RETAL GHG Inventory – 3rd party verification (2020 and 2021)

DNV

GREENHOUSE GAS INVENTORY (GHGI) VERIFICATION STATEMENT

Statement No: PRC-597577-2019-AST-ESP Initial Verification Date: 31.05.2022 Statement Validity: 20.07.2023

DNV GL Business Assurance España SLU has verified according to GHG Protocol Corporate Accounting and Reporting Standard revised edition, the Greenhouse Gases (hereinafter GHG) 2021 Inventory assertion of the organization.

The verification was conducted by DNV with a limited level of assurance as per verification procedure described by DNV and according to ISO 14064:2018 Part 3 Materiality Level.

RETAL INDUSTRIES LIMITED

reported in the document entitled "CF_Retal_2021_USA_EU_UK_V4" dated June 2022, related to the activities carried out in Georgia site.

Based on the process and procedures conducted, there is no evidence that the GHG statement:

- is not materially correct and is not a fair representation of 2021 GHG data and information
- has not been prepared in accordance with "GHG Protocol Corporate Accounting and Reporting Standard" revised edition on GHG quantification, monitoring and reporting, with the following GHG emissions results (values rounded to ton):

Table 1. RETAL 2021 emissions by scope (t CO_{2e}).

Scopes	2021	
	t CO _{2e}	% of total
Scope 1: Direct GHG emissions	3,631,07	0,40%
Scope 2: Indirect GHG emissions from imported energy*	34,006,71	4,35%
Scope 3: Other indirect GHG emissions	744,931,30	95,19%
TOTAL	782.569,08	100%

*market based

Place and date:
Barcelona, 26-07-2022

For the issuing DNV GL office:
DNV GL – Business Assurance España S.L.U.

Alvarez,
Ricardo
Lead Verifier

Ricardo Alvarez Mullas
SCPA Operations – Lead Verifier
DNV – Supply Chain and Product Assurance
Gran Via de les Corts Catalanes 130-136, P 9,
08038, Barcelona, Spain

Lack of fullness with the conditions laid down in the certification contract may render this certificate not valid

DNV

GREENHOUSE GAS INVENTORY (GHGI) VERIFICATION STATEMENT

Statement No: PRC-597577-2019-AST-ESP Initial Verification Date: 31.05.2022 Statement Validity: 20.07.2023

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RETAL INDUSTRIES LIMITED

reported in the document entitled "CF_Retal_2020_USA_EU_UK_V5" dated June 2022, related to the activities carried out in Georgia site.

Based on the process and procedures conducted, there is no evidence that the GHG statement:

- is not materially correct and is not a fair representation of 2020 GHG data and information
- has not been prepared in accordance with "GHG Protocol Corporate Accounting and Reporting Standard" revised edition on GHG quantification, monitoring and reporting, with the following GHG emissions results (values rounded to ton):

Table 1. RETAL 2020 emissions by scope (t CO_{2e}).

Scopes	2020	
	t CO _{2e}	% of total
Scope 1: Direct GHG emissions	2,918,15	0,39%
Scope 2: Indirect GHG emissions from imported energy*	31,634,20	4,18%
Scope 3: Other indirect GHG emissions	722,201,42	95,43%
TOTAL	756.753,78	100%

*market based

Place and date:
Barcelona, 27-07-2022

For the issuing DNV GL office:
DNV GL – Business Assurance España S.L.U.

Alvarez,
Ricardo
Lead Verifier

Ricardo Alvarez Mullas
SCPA Operations – Lead Verifier
DNV – Supply Chain and Product Assurance
Gran Via de les Corts Catalanes 130-136, P 9,
08038, Barcelona, Spain

Lack of fullness with the conditions laid down in the certification contract may render this certificate not valid



The RETAL Sustainability and Communications teams thank you for reading our latest annual sustainability report and we hope it has met your expectations.

We would greatly appreciate any feedback you want to share with us regarding this report and would value the opportunity to further discuss with you our – or your – sustainability actions.

Please contact us at:
sustainability@retalgroup.com

Reporting period 01/01/2021 to 31/12/2021

Date of last report: October 2021
Periodicity: Annual

Contact:
Emmanuel Duffaut
Sustainability Director
+34 650 450 796
emmanuel.duffaut@retalgroup.com