



Progress Report 2020-2021

Group CTL-TH Packaging

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Our commitment

We are pleased to present to you our renewed commitment to the United Nations Global Compact through this Progress Report.

From the outset, our priority has always been to make this company an organisation with a strong sense of corporate responsibility. In line with this idea, in 2014 we joined the Global Compact in support of the implementation of the 10 principles.

At CTL-TH Packaging Group, we understand CSR as an intrinsic and fundamental element of our activity as a company.

The scope of the report is limited to the companies CTL-TH Packaging, Tuboplast, CTL Packaging and CTL-TH Engineering.

Our Vision: To offer innovative and global packaging solutions that create identity and distinction for our customers, their consumers and society.

The CTL-TH Packaging group proceeds to disseminate the 2020 progress report on an annual basis through the corporate website and the Global Compact Network website, directly to the management of the CTL-TH Packaging group companies.



<https://www.unglobalcompact.org/what-is-gc/participants/41671#cop>



30 July 2014

H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017
USA

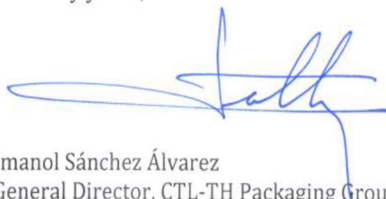
Dear Mr. Secretary-General,

I am pleased to confirm that CTL-TH Packaging S.L.U. supports the ten principles of the Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. CTL-TH Packaging S.L.U. will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within *one year* of joining the Global Compact, and *annually* thereafter according to the Global Compact COP policy. This includes:

- A statement signed by the chief executive expressing continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles. This is *separate* from our initial letter of commitment to join the Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,



Imanol Sánchez Álvarez
General Director, CTL-TH Packaging Group

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Who are we?

CTL-TH Packaging S.L. was established in 1964 with its registered office in Vitoria-Gasteiz (Spain). We are a limited company with our shareholders being Kaizaharra Corporación Empresarial SLU (KCE), with a majority shareholding, and Corporación Juan Celaya, S.L., with a minority shareholding.

Its governing body is the company's Board of Directors, chaired by Juan Ignacio López Gandásegui.

Name of the entity: CTL-TH Packaging S.L.U

Address: Hermanos Lumiere 1, Miñano (Álava)

Senior official: Luis Izco Sarasate

Date of accession: 30/07/2014

Number of persons: 500

Sector: Chemical industry / Packaging manufacture

Activity, main brands, products and/or services:

Design, development, production and marketing of flexible plastic and metalloplastic tubular containers, closures and components for such containers.

Sales / Revenue: 70.000.000 €.

Significant financial assistance received from the government: 72,000 €.

Countries in which it is present (where the entity has most of its activity) and markets served:

France, Spain, USA, Italy, Germany, UK, Northern Ireland, Belgium, Netherlands, Sweden, Denmark, Portugal, Peru.





<http://www.tuboplastctl.com/>

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Prizes and awards

The CTL-TH Packaging Group has historically distinguished itself as a company focused on technological and product innovation, the development and well-being of its people and its commitment to society.

For this reason, and by way of example, we would like to highlight some of the mentions we have received as a company in recent years.

<p>Mutualia</p> <p>Company with an exemplary track record in its occupational risk prevention policies and methods.</p> <p>2017</p>	
<p>Packaging Innovation Fair in Madrid</p> <p>IPA Awards honours CTL-TH Packaging in the following categories of Innovation and Sustainability in Packaging</p> <p>2017</p>	
<p>San Prudencio Labour Foundation</p> <p>A company recognised for its painstaking work, its quality, its good work, its contribution to society and because they are true role models in the province of Alava.</p> <p>2017</p>	

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<p>ETMA</p> <p>Formes de Luxe</p> <p>Best Innovative Partnership</p> <p>2017</p>	 <p>PREMIO « FORMES DE LUXE » 2017</p> <p>CTL-TH PACKAGING gana el premio « Formes de Luxe 2017 » por su ESTUBE Thalgo - Prodiges des Océans.</p> <p>Por 19ª vez en su historia, la revista Formes de Luxe ha celebrado el mejor partnership innovador entre una marca y un proveedor de packaging. Seleccionado por un jurado de expertos, el ESTUBE Thalgo fue presentado ante 600 profesionales del sector del packaging y elegido como ganador de la categoría tubo 2017. El trofeo se entregó a CTL y a THALGO en la feria de Luxepack Mónaco el 3 de Octubre.</p>
<p>Ecolleste</p> <p>Solidarity Recycling Certificate</p> <p>2017</p>	 <p>Certificat de recyclage solidaire - Année 2017</p> <p>CTL PACKAGING 8 route de Saint-Pourçain - 03110 CHARMEIL</p> <p>service ecolleste fr économique - écologique - solidaire</p> <p>1109 kg de déchets collectés au cours de l'année</p> <p>Bénéfices environnementaux du tri des papiers de bureau (815 kg) :</p> <ul style="list-style-type: none"> 1146 kg de bois économisés (8 arbres env.) 39280 litres d'eau économisés 8352 kwh économisés 30 kg de CO2 évités <p>Source des données utilisées pour cette estimation : http://lebonnes.com/balage/faq/faq.html</p> <p>CERTIFICAT - RECYCLAGE - ANNÉE - CTL 2017</p> <p>ECOLLESTE - Avenue de l'Estaf, Rue de Ode-Polony, 2, Valley-Village, 03000 CREIL/03027 LA FERRÉ - Tél. : 77 90 64 90 0001 - Fax : 04 70 66 94 10 - Email : ecolleste@ecolleste.fr</p>
<p>IPA Awards</p> <p>Innovation and Sustainability in Packaging</p> <p>2017</p>	 <p>IPA AWARDS INNOVATION, SUSTAINABILITY, PACKAGING</p> <p>SPRITZ Tatessance</p>
<p>Estée Lauder</p> <p>Supplier Excellence Award New Packaging Innovation</p> <p>2018</p>	 <p>ESTÉE LAUDER COMPANIES</p> <p>2018 SUPPLIER EXCELLENCE AWARD NEW PACKAGE INNOVATION</p> <p>CTL - TH Packaging S.L</p> <p>Roberto Magaña Senior Vice President Chief Procurement Officer</p> <p>Robert Petersen Senior Vice President Global Packaging</p>

<p>HP Indigo</p> <p>Inkspiration Awards - Flexi Tubes</p> <p>bles</p> <p>2018</p>	
<p>ETMA</p> <p>Prototype Category by</p> <p>our sustainable approach at ESTube</p> <p>2019</p>	
<p>HP Indigo</p> <p>Inkspiration Awards - Flexi Tubes</p> <p>bles</p> <p>2019</p>	
<p>Client: Puig</p> <p>Recognition EcoVadis evaluation</p> <p>2019</p>	

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<p>MORE</p> <p>Tuboplast, a company committed to the circular economy.</p> <p>2019 2020</p>	
<p>MORE</p> <p>CTL, a company committed to the circular economy.</p> <p>2019 2020</p>	
<p>PRS Green Label</p> <p>Tuboplast. For its active contribution to a pallet circulation grouping management system and its reuse.</p> <p>2019 2020</p>	
<p>EcoVadis</p> <p>CTL-TH Packaging, a company in the top 5% of companies rated by EcoVadis in our sector.</p> <p>2018 - Gold Medal 2019 - Gold Medal 2020 - Gold Medal</p>	

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<p>AXPO - Green Energy</p> <p>Tuboplast. Energy from 100% renewable sources.</p> <p>2020</p>	 <p style="text-align: center;"><i>Las garantías de origen de AXPO</i></p>
<p>Global Compact</p> <p>Recognition for our Commitment on the 75th anniversary of the Global Compact.</p> <p>CTL-TH Packaging Recognised signatory member.</p> <p>2014-2021</p>	 <p style="text-align: center;">UNITED IN THE BUSINESS OF A BETTER WORLD A Statement from Business Leaders for Renewed Global Cooperation</p>
<p>Blissim</p> <p>Blissim Beauty Award 2021 in the category Revolution of the Year Supplier Excellence Award New Packaging Innovation</p> <p>2021</p>	

COVID-19 and our commitment

Press release

Packaging manufacturer CTL-TH Packaging has joined the fight against Covid-19 by providing flexible tubes in very tight time frames for packaging hydroalcoholic solutions. It has put its plants in Vitoria, Barcelona and Vichy (France) to work in the production of these supplies, in order to provide packaging for manufacturers of sanitising gels, responding to the urgency of the demand.



<https://newsfragancias.com/beautylovers/industria-de-belleza-unida-para-luchar-contra-el-coronavirus/>



Our commitment to society vis-à-vis COVID-19

CTL-TH Packaging has joined the initiatives to fight the coronavirus. For this reason, a campaign to donate 10,000 hydroalcoholic gels has been carried out.

First of all, to thank all the staff for their effort and dedication during these hard months, all the workers of the group companies (CTL-TH Packaging, CTL Engineering, CTL Packaging, Tapser and Tuboplast) were given a hydrogel tube as a gift.

Secondly, 9,000 units have been handed over to Civil Protection and the Red Cross, who will distribute them evenly among the populations of Barcelona and the Basque Country.



Our commitment to our employees

The outbreak of Covid-19 has impacted all organisations throughout 2020, and measures need to be taken to try to curb the spread of the disease and its effects on society.

From the outset, strict compliance with the recommendations and new regulations implemented in the different states and locations of the workplaces has been carried out.

One of CTL's priorities has been to ensure the security of its premises and of its entire workforce in cases where face-to-face contact has been necessary.

Since the beginning of the pandemic, CTL has provided its employees with protective equipment such as hydroalcoholic gel and masks. Surface sanitising spray has also been provided and the air conditioning systems have been checked. The cleaning of offices, changing rooms and work areas has been reinforced and an action protocol has been drawn up for situations in which a case of contagion has occurred, as well as the management of close contacts of the person who has tested positive and the intermediation through the Prevention Services of the relevant tests, in compliance with the protocol in force at any given time.

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With the arrival of Covid-19, the CTL Contingency Plan has been put into operation and adapted to a pandemic situation.

As an example of this commitment,

- Teleworking for office staff during the worst of the pandemic
- Provision of appropriate PPE and means of protection and prevention,
- Training and information on prevention,
- Adaptation of common areas with hygiene and distance measures
- Implementation of preventive measures for the return of staff to the office and for the rest of the workstations: temperature control, disinfection measures, safety distance, etc.

And all of that, based on employee participation and communication, through constant follow-up meetings for decision making and according to the evolution of the pandemic.

The drop in activity has made it necessary to take advantage of the urgent and extraordinary measures developed by the different states to deal with the economic and social impact of Covid-19.

As has occurred in other companies in the sector, these measures have been reflected in several of the Group's plants in the form of the application of the Temporary Layoff Plan (ERTE) for different employees, mainly affecting those in positions directly related to production. Despite being a measure that we tried to avoid, due to the production situation generated, it was finally implemented in specific plants and at specific times.

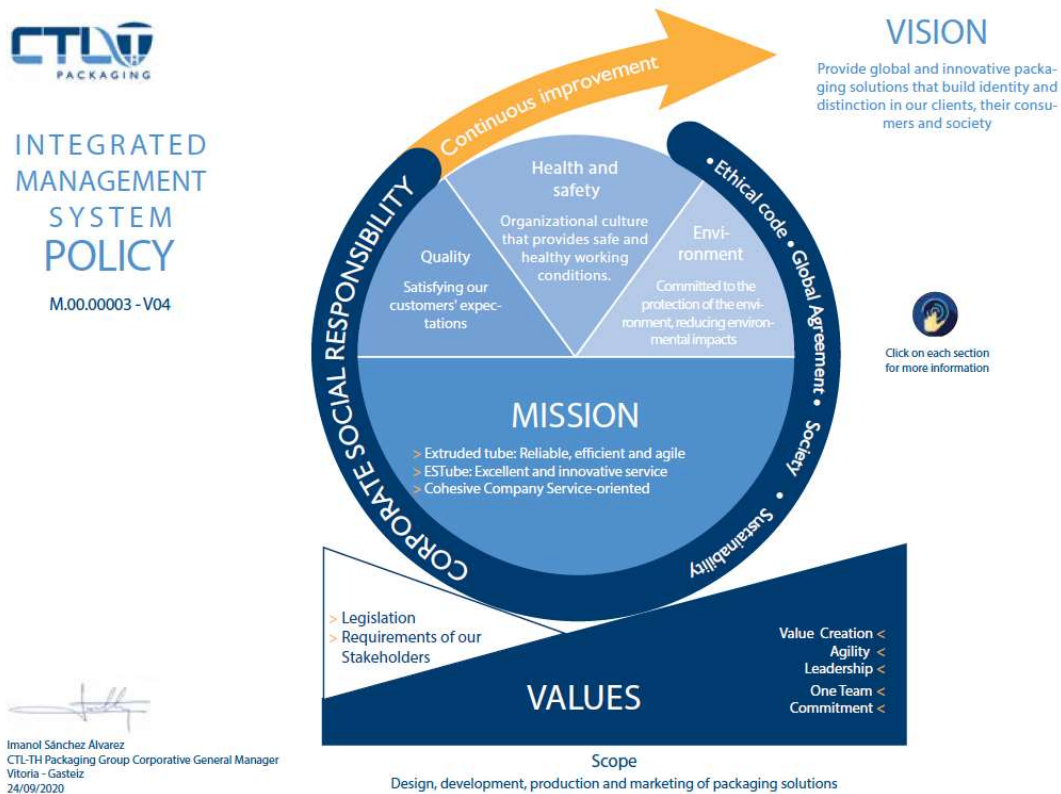
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Strategy and governance

Policy

Within the framework of the company's current Strategic Plan 2017-2021, our POLICY integrates both the elements of vision, mission and values with the expectations of our stakeholders in terms of ethical, social and environmental responsibility.

In addition to the aspects linked to the business strategy, the first level objectives are to work to achieve a cohesive organisation with a clear customer focus, in which the aspects of transparency, information, participation and commitment of people will be key lines of work in the coming years.



http://www.tuboplastctl.com/newweb/wp-content/uploads/2018/03/Politica-CALIDAD_esp_interactivo-1.pdf

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Code of Ethics

The CTL-TH Packaging Group has defined and implemented a corporate Code of Ethics.

All persons belonging to the CTL-TH Packaging Group undertake to respect in all their activities the fundamental rights of individuals and public freedoms recognised by national and international agreements, establishing the obligation to carry out all their activities with full respect for human dignity.

The Code of Ethics of the CTL-TH Packaging Group has the firm objective of establishing the guidelines, values and principles by which the behaviour of the people in the organisation must be governed, with regard to the company's relations with its stakeholders, both in terms of the company's work activity with its staff and its relations with customers, suppliers and external collaborators, shareholders, public and private institutions, and society in general.

This Code of Ethics is based on the definition of the Mission, Vision, Values and Principles defined by the CTL-TH Packaging Group, and constitutes a guide for action to ensure appropriate behaviour in the professional performance of the people who form part of the staff.

It shall also require suppliers, customers and external companies with which it maintains business relations to respect these principles, and shall establish this requirement as a further criterion for their selection and for the maintenance of business relations.

The Code of Ethics sets out specific guidelines for action in the following content areas:

1. Fundamental Rights
2. Respect for people
3. Equal opportunities and non-discrimination
4. Health and safety
5. Protection and care of the brand, corporate image and reputation
6. Respect for the environment
7. Alcohol and drug use
8. Order and cleanliness in the workplace
9. Patents and copyrights
10. Money laundering
11. Bribes, gifts and hospitality
12. Use of company assets
13. Conflict of interest
14. Customer Relations
15. Relations with suppliers and partners
16. Compliance with the standard



<http://www.tuboplastctl.com/newweb/wp-content/uploads/2018/05/Código-ético.pdf>

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Methodology

In order to reaffirm our commitment, the CTL-TH Packaging group has established and defined the most significant issues to be included in this Progress Report as follows:

We have started by selecting the **stakeholders with the** greatest impact on our activity.

In a second step, for each of the principles, we have reviewed the **policy** situations, establishing a **diagnosis and follow-up** and defining **actions**.

Since 2018, we have integrated the contents of the **Sustainable Development Goals** (SDGs) into our policy and report.

Stakeholders

This Progress Report is based on the stakeholder reporting methodology. The concept of stakeholder is key to understanding CSR. The complexity and dynamism of the current business context has made it necessary to acquire a solid commitment with the different stakeholders, directly or indirectly affected by the business mission.

Identifying stakeholders and their expectations are aspects that facilitate the comprehensive implementation of CSR in any organisation.

This allows us to anticipate potential risks or opportunities and to establish policies, actions, tools and monitoring indicators such as those contained in this report.

The CTL-TH Packaging Group has prepared the following Progress Report by selecting the most relevant stakeholders of its entity and identified the most significant challenges for the selected stakeholders as well as their needs and expectations.

Of all the stakeholders identified (Shareholders, Agents, Associations, Training Centres, Technology Centres, Competition, Foundations, Regulators, Trade Unions, Society and the community), this report will evaluate the 3 groups with the greatest impact on the definition of our management and corporate development policies: **Customers, Employees and Suppliers.**

The following defines the systems established to collect the needs and expectations, as well as the risks identified for each of these 3 Stakeholders and which allow us to define the elements for the drafting of this report.

Clients

The collection of their needs and expectations is done through:

- 1) Our commitments to our clients' **Codes of Conduct or Ethics**.



- 2) **EcoVadis platform** to which we have adhered in order to provide our clients with an overview of our commitments in terms of CSR.
- 3) **Visits, audits, meetings and business reviews** with our clients in the areas of quality, environment, prevention and CSR.
- 4) **Active surveillance** that we carry out (customer websites, magazines, trade fairs, etc.).

Employees

The collection of their needs and expectations is carried out through various forums such as regular communication meetings with people, satisfaction or work climate surveys, meetings with staff representatives and prevention delegates.

During this last year 2020, after the approval of a new company strategic plan, one of the strong points of the mission is "To consolidate a cohesive company model oriented to an extraordinary customer service".

Suppliers

The collection of needs and expectations is done through activity or sector forums in which we participate together, direct suggestions integrated in our quality management system through the registration of incidents, non-conformities and supplier audits, through visits, quality, environmental, prevention and CSR audits and awareness meetings (Business Review,...) and finally on the basis of the active monitoring we carry out (supplier and competitor websites, magazines, fairs, ...).

ANALYSIS

POLICIES

Formal written documents that define the values, tools and mechanisms for prevention and control of the risks detected in the diagnosis.

This regulates communication and relations between the company and its stakeholders.

DIAGNOSIS / MONITORING AND MEASUREMENT OF IMPACTS

The diagnosis allows us to carry out an analysis of the relationship between stakeholders and our company in relation to the issues contained in the 10 principles.

We must carry out a risk analysis with indicators that allow us to launch actions with their objectives for each principle.

In this way it is possible to know what policies and actions should be taken for each Principle and what objectives should be set.

Monitoring allows us, through the relevant indicators, to provide the tools to control compliance with policies and helps to detect failures in the management system for subsequent improvement.

ACTIONS

Once the necessary policies have been formalised and the diagnosis has been made, the actions will be used to implement these policies.

The actions will help the entity to shape the policies developed and minimise the risks identified. The actions are planned over time and designed on the basis of the stakeholder group to which they are addressed.

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Evolving from the Principles to the SDGs

In previous reports, we have worked exclusively with the 10 principles of the UN Declaration.


Declaration	Principle	N°.
Human Rights	To support and respect the protection of Human Rights.	P1
	To not be complicit in the violation of human rights.	P2
Employment Standards	To support freedom of unionisation and collective bargaining.	P3
	To support the elimination of all forms of forced or coerced labour.	P4
	To support the eradication of child labour.	P5
	To support the abolition of discriminatory practices.	P6
Environment	To maintain a preventive approach that benefits the environment.	P7
	To encourage initiatives that promote greater environmental responsibility.	P8
	To encourage the development and diffusion of environmentally friendly technologies.	P9
Fighting Corruption	To work against all forms of corruption.	P10

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Since 2018, we are integrating the concepts derived from the 10 principles into this report, moving to a new format that is integrated into the current structure of the SDGs.




We have decided to focus on those SDGs where we have the most impact as a company.

In 2020, the Álava Chamber of Commerce carried out a diagnosis to measure our progress in internationalisation and CSR progress in order to meet the demands of the markets and the requirements in terms of good practices and responsible results for companies, due to the major challenges set by the SDGs that CTL-TH Packaging must face.



ODS	SDG target	CTL-TH Packaging Contribution
	<p>Goal 1 aims to eradicate poverty worldwide and boost access to economic resources, basic services and social protection for all people. SMEs can contribute by creating job opportunities for groups or people at risk of poverty or by generating wealth in the communities in which they operate.</p>	<p>Boost the local economy where the company operates. Promoting economic opportunities, creating decent jobs, in safe and healthy working conditions that exceed legal compliance, producing responsible and quality products. Adequate wages for workers and non-discriminatory hiring and promotion processes, giving vulnerable groups the opportunity to develop in the workplace on an equal basis and having access to a dignified life. Adequate working conditions on an equal basis. Promotion of youth employment. Paying fair prices to all suppliers. Contractual clauses with suppliers on human rights. Climate change mitigation and adaptation actions along the value chain Reducing the environmental impact of activities and operations, avoiding environmental and economic crises that have repercussions on the population. Carrying out social action to help groups at risk of poverty.</p>




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	<p>Objective 3 aims to improve the health and well-being of the population in order to reduce mortality and the number of diseases. SMEs can contribute by promoting healthy lifestyles among employees or by having occupational health and safety systems in place. SMEs in the food or health sector can have a greater impact.</p>	<p>Occupational risk prevention and health systems. Providing decent working conditions for suppliers so that healthy food and medicines are available to them. Requirement and control of subcontractors to comply with safety measures. Regular health and safety training for all workers. Promotion of a healthy lifestyle among employees. Reducing the environmental impact of the company's operations and the use of chemicals, to avoid polluting, and to improve the health impacts on local communities or employees.</p>
	<p>Goal 4 aims to ensure quality education for all, to promote the technical and vocational skills needed for employment and to promote education based on sustainable development. SMEs can contribute through regular technical training for employees and training in areas related to sustainability.</p>	<p>Offering training and continuous learning opportunities to employees to improve their skills. Trainees, to support the technical knowledge of the young people. Training the new generations through good business practices, through company visits, lectures and talks by employees in schools, colleges, universities, business schools, business associations, etc. Participating in forums and meetings of sectoral and business associations, where good practices in sustainability are disseminated.</p>
	<p>Goal 5 aims to achieve equality between women and men worldwide in the labour, social, political and economic spheres and to end gender discrimination. SMEs can implement an equality plan, increase the percentage of women in management positions and/or develop work-life balance plans.</p>	<p>As a signatory to the Global Compact since 2014, the Group contributes to the fulfilment and protection of fundamental human rights. Corporate culture promotes equality and gender mainstreaming in all people management policies. Equality Plan, with commitments, policy, annual objectives and measures. CTL-TH Packaging's Equality Policy does not allow any discrimination on the grounds of sex in any of the Group's personnel management processes. Included in the training plan, training on Equality. Reconciliation measures aimed equally at women and men, some systematised by agreement, others specifically negotiated and approved by HR and the corresponding Director. The beneficiaries of any work-life balance measure are not discriminated against in terms of remuneration (fixed or variable), social security benefits, performance evaluation or recognition at work. Zero tolerance towards any form of violence in the workplace, including verbal and physical abuse. Protocol against harassment Ensuring equal opportunities for women in access to positions of responsibility and senior management.</p>


		Commitment in external communication with messages and images consistent with the value of equality.
	<p>Goal 6 aims to ensure universal access to safe drinking water and sanitation and to promote sustainable water management to improve water quality and water savings. SMEs can contribute by eliminating waste and toxic products that pollute water or by controlling water consumption and reuse within the company.</p>	<p>Certified environmental management system. By carrying out sustainable water management in the company's operations and factories, with a policy of water consumption and reuse. Investing in technologies that improve sustainable water management in the short and long term (closed-loop cooling in machines). Workers have access to safe drinking water and adequate space for personal hygiene on the premises. Raising employee awareness of the importance of efficient use and sustainable management of water and chemicals in manufacturing processes. Improving the quality of wastewater discharges and reducing the use of hazardous materials and chemicals in the company's operations, in order to minimising environmental impact, (cleaning with solvent products).</p>
	<p>Goal 7 aims to ensure people's access to affordable energy, increase the use of renewable energy and promote energy efficiency. SMEs can commit to using renewable energy in their activities and promote measures to reduce energy consumption in the organisation.</p>	<p>Establishing energy saving and efficiency measures internally. Raising awareness of energy efficiency among employees and suppliers. Investing in efficiency along the supply chain, to help reduce the energy cost of transporting products and services. Controlling the use of energy in the travel of employees, suppliers and in the distribution of products, promoting sustainable mobility.</p>
	<p>Objective 8 aims to boost the growth of the economy in a way that benefits all people, through quality employment. SMEs can improve employees' working conditions, such as wages, holidays or working hours, or hire young unemployed people.</p>	<p>Complying with tax laws and regulations in the countries in which we operate, fostering their economic growth. Freedom of association and collective bargaining. Decent working conditions for all employees and suppliers of the company, both nationally and internationally, ensuring non-discrimination in hiring, remuneration, benefits, training and promotion. Promoting youth employment in the company through recruitment, scholarships and internship programmes. Fair supplier selection policies and improving economic inclusion throughout the supply chain. Efficient use of natural resources, reducing environmental impact, promoting sustainable economic growth. Boosting the local economy and culture where the company operates by hiring local people and companies.</p>

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		<p>Collaboration with NGOs, universities, the public sector, business associations and other companies to implement projects that contribute to sustainable economic growth.</p>
	<p>Objective 9 aims to drive a higher level of industrialisation through the use of technology, innovation and research. SMEs can drive digitalisation in the organisation, think of new innovative services and products that create new business opportunities or invest in research projects.</p>	<p>ISO 9001 and ISO 14001 implementation Innovation as a key factor in business culture, developing products, facilities and production processes with sustainability criteria. Responsible innovation, environmental elements as input to new designs/developments. Implementation of new technologies to improve competitiveness, with a focus on sustainability. Adapting the company to a low-carbon economy, reducing CO2 emissions and pollution and promoting energy efficiency. Distribution logistics innovation under sustainability criteria, optimising orders. Providing technical and technological training in universities and vocational training centres. Collaborating with companies in the sector to promote sustainable innovation throughout the value chain. Participating in forums, with clusters and technology centres, for the sustainable transformation of business processes and activities.</p>
	<p>Goal 10 aims at the social and labour market inclusion of the most vulnerable people, to reduce the wealth gap between rich and poor people. SMEs can boost the inclusion of people with disabilities through accessibility in buildings or by offering them job opportunities or hiring people at risk of poverty.</p>	<p>Anti-corruption, bribery and money laundering policy, with direct impact on inequality. Through the Code of Ethics - Promotion of a culture of peace and coexistence based on respect for human rights. Decent working conditions for employees and throughout the supply chain. Equality Plan, existence of internal policies for selection, recruitment, training and professional development, which guarantee equal opportunities, not allowing any discrimination on grounds of sex, ideology, culture, race, religion, age, sexual orientation or functional diversity. Internal communication, dissemination and awareness-raising Adapting the physical environment to ensure the health and safety of stakeholders with disabilities. Social action with disadvantaged groups</p>

	<p>Goal 11 aims to make cities and towns sustainable, reducing pollution, with public and accessible transport services and green spaces. SMEs can promote sustainable mobility with electric or hybrid company cars and encourage the use of public transport among employees.</p>	<p>Environmental management based on ISO 14001. Control and monitoring of environmental impacts. Reducing pollution in the facilities through energy efficiency, reduction of volatile organic compounds, use of sustainable materials with low environmental impact, responsible waste management, making employees aware of these issues and putting the necessary processes in place. Applying circular economy principles to reduce and recover waste, reducing the amount of waste going to landfill. Providing decent working conditions and living wages for employees and suppliers, so that they can access adequate, safe and affordable housing and basic services.</p>
	<p>Goal 12 aims to promote the sustainable use of natural resources, such as water, food, electricity and waste, through reduction, recycling and reuse by businesses and responsible consumption by the public. SMEs can start designing their sustainability strategy to prevent, reduce, recycle and reuse the resources they use.</p>	<p>Promoting business practices that have a positive impact on the environment, society and the economy. Policies and targets for waste prevention, reduction, reuse, recycling and management, adapting sustainable practices and reporting on them. Extending the useful life of the product placed on the market. Using recyclable materials in the production of products, collaborating in the value chain. Investing in eco-innovation for the development of more sustainable practices and technology. Minimising atmospheric pollution and waste in production processes through low-toxic elements. Energy efficiency measures. Reuse of water in the only process where it is used in production. Informing customers about sustainable consumption patterns. Making a progress report on the 10 Principles of the Global Compact, to inform its stakeholders of its contributions to sustainability, promoting these practices. Participating in clusters and with technology centres to promote sustainable production and consumption practices and patterns.</p>
	<p>Goal 13 aims to curb one of the most serious problems facing the planet today, climate change, which threatens the planet's fauna and flora and causes extreme weather events such as land desertification, droughts or hurricanes with greater intensity and frequency. SMEs can calculate their organisation's carbon footprint and start taking measures to reduce their greenhouse gas emissions.</p>	<p>Environmental management based on ISO 14001 Climate change mitigation and adaptation actions. Investing in R&D&I to find new solutions to climate change. Investment in the development of innovative low-carbon products. Measuring the carbon footprint to set short- and long-term emission reduction targets. Training employees in the fight against climate change. Establishing energy efficiency and emission reduction criteria in the company's buildings and facilities.</p>

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		<p>Introducing circular economy criteria in the company's activities, using raw materials efficiently, promoting recycling and reducing waste.</p> <p>Respecting ecosystems and biodiversity in the company's operations, carrying out processes to avoid negative impacts in the areas where the company operates.</p>
	<p>Objective 15 aims to protect the environment, mainly land, forests and mountains, and to promote greater protection of flora and fauna. SMEs can implement environmental management systems in their organisation and encourage the training of employees or customers on environmental issues.</p>	<p>Implementing environmental management systems that prevent and minimise the impact of the company's activities on terrestrial ecosystems and the environment. biodiversity. (Actions to minimise plastic waste). Complying with environmental legislation Implementing policies and practices for sustainable natural resource management in the organisation and throughout the supply chain. Actions in Ecodesign, Life Cycle and Circular Economy. Investing in R&D&I to find new solutions for the preservation of terrestrial ecosystems. Purchasing products with recycled material content, (cardboard boxes, recycled plastic pallets...).</p> <p>Harnessing technology to reduce paper emission Not impacting on land within or adjacent to protected areas or areas of high biodiversity.</p>
	<p>Goal 16 seeks to promote respect for human rights, reduce corruption in all organisations and ensure peace. SMEs can develop their own Code of Ethics, to define the organisation's values and prevent corruption or train employees in human rights.</p>	<p>Transparent relations with governments and administrations in the countries in which we operate. Compliance with legislation and tax obligations. CTL-TH Packaging's Code of Ethics which includes respect for Human Rights and the Anti-Corruption and Bribery Policy, and Gift Policy, to which all CTL-TH Packaging personnel adhere.</p> <p>Contribution to the fulfilment and protection of internationally recognised fundamental human rights, not being directly, beneficially or silently complicit in any form of abuse or violation of these rights, among any stakeholder group, in all activities and geographical areas where it is present.</p> <p>Promotion of respect for human rights in the supply chain, requirement for approval and introduction of contractual clauses for suppliers.</p> <p>Protocol against harassment, abuse, bullying or violence in the workplace and actions to comply with it.</p> <p>The right to freedom of association and the right to collective bargaining. Whistle-blowing channel set up for stakeholders to report any potential non-compliance with the Group's commitments and policies. The Ethics Committee investigates and responds to complaints.</p> <p>Legal acquisition of any type of property (intellectual, financial or material).</p>

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	<p>Goal 17 seeks partnerships between public institutions, business, civil society and academia to find joint solutions to the challenges of the 2030 Agenda. SMEs can start looking for key partners to create alliances that will allow them to contribute to the SDGs as well as business or reputational benefits.</p>	<p>Including and communicating the SDGs to stakeholders in CTL-TH Packaging's progress report, explaining the Group's contributions to sustainable development. Integrating the SDGs into the company's culture, identifying those Goals related to the company's core business, in order to work on them as a priority. Raising awareness of the SDGs among the people of CTL-TH Packaging, establishing common values throughout the organisation. Measuring progress on the company's contribution to the SDGs. Including in CTL-TH Packaging's sustainability strategy the development of alliances and collaborations.</p>
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PROGRESS REPORT

Human Rights

Principle 1

P1

Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

Principle 2

P2

Businesses should ensure that they are not complicit in human rights abuses.

Sustainable Developments Goals 3, 4, 5, 8, 10, 16

Within the principle of Human Rights, the following SDGs have been identified in relation to the activity of the CTL-TH Packaging Group.



POLICIES

Our policy and objectives are aligned with supporting and respecting the protection of internationally recognised fundamental human rights.

The organisation has drafted and implemented a Code of Ethics in our company. This Code of Ethics has been updated and revised in 2019, adapting it to greater participation by workers' representatives.

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We have a comprehensive internal management system that incorporates internal policies, regulations and procedures related to product quality, verification controls and manufacturing processes in accordance with international standards.

Our management system, in addition to the procedures and work processes related to the organisation, the people within it and their interrelationships, also determines the standards in relation to our product and our supply chain.

There are integrated procedures in our management system linked to policies, regulations and internal processes related to quality, human resources, organisation, customer service and suppliers: "P.00.00015 - Monitoring of the Code of Ethics and functions of the Ethics Committee and Protocol for reporting breaches of the Code of Ethics".

Likewise, with regard to the **Employees**, we maintain within the general internal management document, all the processes and procedures for personnel selection, recruitment, reception, labour relations, conflict management, promotion, objective performance evaluation, etc., as well as the configuration of our internal organisation, the distribution by areas and functions.



At CTL-TH Packaging Group, we base our health and safety policy on an organisational culture and working environment where prevention and safety are the first consideration and condition of all activities by reducing risks in all our processes and providing safe and healthy working conditions, with the aim of eliminating hazards and preventing work-related injuries and health deterioration.

Based on

- Consultation and participation of workers.
- Machines and processes that are safe for workers.
- Continuous training in the field of Health and Safety of Workers.
- The integration of the entire organisation.
- The promotion of healthy habits.

In 2020, we have successfully transitioned to the ISO45001 standard, which allows us to monitor and control our management in this field. We regularly undergo an audit of our Occupational Health and Safety Management System.



Based on this mission and our company values, we have launched various initiatives to raise the levels of commitment and involvement of people in the company's objectives.

We have an annual training plan for all our staff based on a needs assessment.

In the section on **customer** service, we include the relational guidelines with this stakeholder group, in terms of workflow, generic and personalised attention, control of

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the service and technical assistance, incident resolution and measurement of its impact, etc.

Our professional teams maintain a constant relationship with the client in order to attend to their needs and problems.

In terms of quality, we respond to your complaints and requests to **analyse** non-conformities in a fair manner.

In case of in-house development, we offer technical advice to work together on the required solution as well as training sessions.

For new projects, we offer our customers the possibility to assist in the realisation of samples or BAT in our factories in order to guarantee a product in accordance with their plans.

We include in the evaluation procedures of our **suppliers**, how they are integrated in our management system, the performance of controls, including CSR and satisfaction controls on quality, services, operations, etc.

The fundamental tool on which our relationship with suppliers is based from a different point of view to the transactional one is the Business Review, where, in addition to these transactional aspects, a reminder of our policies is always made, as well as annual objectives for improvement in all the sections included. For example, the non-approval of violations of ethical codes (including bribery, etc.), or the assessment of compliance with environmental measures are explicitly stated.

We have proceeded to implement the formal procurement policy in line with CSR principles in our current management system, also taking into account the compliance monitoring system designed.

DIAGNOSIS, MONITORING AND MEASUREMENT OF IMPACTS



We can affirm that the CTL-TH Packaging Group strictly complies with the legal regulations in this area, as the companies are permanently subject to public control by the administration, and also by the company's internal resources (HR department and workers' representatives), which guarantee compliance with the aforementioned regulations, as well as compliance with our Client's ethical standards.

In order to ensure compliance with the Code of Ethics, resolve incidents or doubts about its interpretation and adopt the appropriate measures for better compliance, the Committee for the application and monitoring of the Code of Ethics has been created. The mission of this committee is to promote the dissemination and application of ethical principles in all activities carried out by the company. It will be made up of representatives appointed by the General Management.



Percentage of complaints to the code of ethics or administrative complaints dealt with within the Group



Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	Without	Without	Without	Without
2018 Res.	Without	Without	100%	100%
2019 Res.	Without	100%	Without	Without
2020 Res.	Without	100%	Without	100%
2021 Obj.	100%	100%	100%	100%

During the 2020 financial year, 8 occupational health complaints have been registered for management issues (inappropriate comments) including 2 complaints for bullying. Each complaint was handled with an internal investigation and an action plan was implemented following these various complaints.



In relation to **employees**, the company is aware of the physical and psychological problems that are generated for people, both by the factor of the high age of the workforce, and the psychological impacts generated by current life and in particular the personal situations resulting from COVID.

At the Health and Safety level, we monitor the efficiency of our policy through a strategic indicator that consists of assessing

through an index the number of actual or potential incidents and the actual or potential severity that could have occurred in the company:



Incident Severity Rate

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	0,035	0,086	0,478	0,260
2018 Res.	0,041	0,106	0,338	0,222
2019 Res.	0,000	0,267	0,287	0,268
2020 Res.	0,000	0,195	0,150	0,150
2021 Obj.	0,075	0,220	0,278	0,146



Number of hours in training or awareness-raising actions in Health and Safety matters.

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	29	407	116	552
2018 Res.	16	600	250	866
2019 Res.	12	303	165	694
2020 Res.	16	357	2	375
2021 Obj.	20	647	150	817

In relation to the **Customer**, we are aware of the need to conduct satisfaction surveys in order to carry out diagnostics that allow us to launch appropriate actions and help us to focus our CSR strategy.

The health and safety of our customers and consumers in relation to the products we manufacture and supply is guaranteed through the procedure "List of legal requirements applicable to articles", which includes all the regulations applicable to the raw materials/components used in the manufacture of the products, and which is completed by the suppliers of raw materials/components for their approval.










To this end, the CTL-TH Packaging Group has a procedure for the analysis of the Products (raw materials/components for the manufacture of tubes), in which the requirements are defined in the model called "Project input elements":

- **Technical requirements:** technical characteristics of the raw materials/components are defined, e.g. technical drawing, materials, functionalities, etc.
- **Control requirements:** this section defines everything that will be required of the raw materials/components in terms of quality.
- **Environmental and health and safety requirements:** Technical Data Sheets and Safety Data Sheets of the raw materials/components to be developed. Environmental improvement made: it is quantified if an environmental improvement is foreseen in the development of the project.
- **Legal and regulatory requirements:** the Supplier is requested to fill in the form "List of legal requirements applicable to articles" which lists all regulations applicable to raw materials/components.
- **Purchasing and Service Requirements:** definition of everything related to the supply of raw materials/components.

In relation to **suppliers**, suppliers are evaluated annually as part of our quality system, which includes aspects linked to Human Rights. In order to be able to carry out this evaluation with defined criteria, we have previously sent them our Code of Ethics, which indicates our guidelines in this area.

Currently, our classification of suppliers is based on the annual review of their delivery of complete material, with the agreed quality and on the agreed date. The CSR criterion has been added to the supplier evaluation (Business Review), pending analysis of the data.

ACTIONS

ACTIONS	Interest group
 Information on the protocol for reporting breaches of the code of ethics.	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
 Internal training on the concept and scope of CSR.	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Extraordinary investments for the adaptation of machines with a higher risk to the health and safety of people working on these machines.	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Establishment of a new system for measuring and capturing customer needs.	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Plan for the improvement of people's WELL-BEING. Incorporation of new musculoskeletal and psychosocial support treatments by the medical service.	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Putting the customer at the centre of our organisation: <ul style="list-style-type: none"> - Greater knowledge of our accounts, your business and your needs. - Comprehensive commercial and marketing roadmap to structure our approach to the customer. - Implementation of a CRM system 	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Use of new tools to focus on the needs and expectations of our Client. <ul style="list-style-type: none"> - CRM - Satisfaction Survey (new policy) - Communication of our sustainable development strategy to engage our customers. 	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Knowledge of the needs of end consumers in terms of their needs and expectations in packaging and especially in the tube in order to be able to proactively provide our client with greater knowledge of the market.	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 Conducting a work climate survey	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers

In green, the actions carried out in the previous year

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Labour Standards

Principle 3

P3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

P4

Businesses should support the elimination of all forms of forced and compulsory labour.

Principle 5

P5

Businesses should support the elimination of child labour.

Principle 6

P6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Sustainable Development Goals 1, 3, 4, 4, 5, 8, 10, 16

Within the principle of Labour Standards, the following SDGs related to the activity of the CTL-TH Packaging Group have been identified.



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POLICIES

In relation to **employees**, we have our own company agreement complemented by a social plan 2020-2022, which fosters relations between the organisation and the people, which supports freedom of association and the effective recognition of the right to collective bargaining, and in which the established working hours, calendar, workers' remuneration and social benefits are contemplated.

In addition, in each employment contract we reflect the agreed working hours, the remuneration according to the relevant job category or position and the social benefits to which every person in the company has access. We also refer to the conditions set out in the general company agreement, as a reference for the Employee Group.



We hold regular monthly meetings with the Works Council, as well as whenever circumstances make it advisable to consult the Employees' interest group beyond the minimum legal requirements.

- Assemblies with the Works Committee. Minutes of meetings and Memorandums with the agreements adopted.
- Annual management meetings with the workforce for information and communication of the main issues relating to the company's progress.
- Meetings with decision-makers. Monitoring and evaluation reports.
- Collective communication systems: notice boards, corporate mail, intranet, etc.

The agreement on working conditions of CTL-TH Packaging S.L.U. is agreed with the Works Council. The Works Council, together with HR, verifies that the aforementioned company agreement is complied with at all times, as well as the CSR conditions related to the principles, and in the event of any incident, an internal communication is made, which is recorded in the form of minutes (content of the incident, resolution, persons responsible, etc.).

The minutes of meetings and all agreements adopted by mutual agreement with the Works Council are recorded in an internal database and are also communicated globally to the entire workforce, becoming part of the Company's internal rules.

In the same way, we maintain several channels of direct communication with people, known to all staff, who join the organisation when they are welcomed: direct meetings with the person in charge and with the works council, internal e-mail, memos, collective meetings with management and workers' assemblies. We do not restrict meeting time in accordance with the legal minimums related to collective bargaining, but invest the time necessary to properly manage each circumstance.

Recruitment in the company, both nationally and internationally, is governed by the regulations in force in the European Union on the minimum age for access to the labour market, i.e. 18 years of age. We exclude the possibility of employment contracts with persons over 16 years of age with the authorisation of their legal representative.

We promote a policy aimed at maintaining a stable workforce in which less than 2% of the organisation's employees are currently in a situation of temporary employment.

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We have a general and formal policy on family reconciliation for individuals.



As a matter of policy, we encourage in-house work on value-added ancillary processes.

It also allows us to maintain a high level of knowledge and education, not only in our company, but in the society and environment where our different companies are located.

- Formulation of our inks and dyes
- Manufacture of 80% of our closures
- Metallisation of our caps.
- Production of our printing plates
- Printing of our own films.

The CTL-TH Packaging Group has developed a series of social benefits specifically aimed at the **"Employees"** stakeholder group, improving their quality of life, as well as the perception this stakeholder group has of the organisation:

P3	P4	P6
Communication sessions	Scholarships for the training of workers' children	Prioritise internal promotion
Organisation of briefings for all staff on diet and sleep	Adapted schedules for pregnant women working 3 shifts.	Work with mentally handicapped people to support their integration into the labour market.
Visit to the company of relatives	Installation of a room that promotes relaxation.	School visits to see the company
Christmas drawing competition for employees' children	Sick leave supplement	Collaboration with training centres for student internships in the company
Blood donation campaign on company premises during working time	Days of absence of hospitalised children, parents and spouses	Training programme in alternation between company and vocational training centre for the reincorporation of young people into the world of work.
In-house medical service	Flexible working hours that allow for family reconciliation.	Employment rate of disabled people higher than the legal rate (12% in CTL instead of 6%).
	Fundación Laboral San Prudencio with various support services	2 referents in CTL to accompany people with physical limitations.
	Subsidised canteen	
	Subsidised transport	
	Relief Contract	
	Pension Plan	
	Health Insurance	
	Life Insurance	
	Competitive wages in the sector	

In relation to **suppliers**, in our regulars and through our code of ethics, we emphasise the non-endorsement primarily of principles P4 (*support the elimination of all forms of forced and compulsory labour*), P5 (*support the elimination of child labour*) and P6 (*support the abolition of discriminatory practices in employment and occupation*).

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DIAGNOSIS / MONITORING AND MEASUREMENT OF IMPACTS

In relation to **Employees**, we have a formal procedure for the performance management and evaluation of people based on their competencies, potential and/or professional and personal projection, which should respond to the expectations of people's professional growth, as well as to the coverage of future needs by the company's organisation.

We have no risk of hiring minors of legal age. We verify in each recruitment by identifying the person and by carrying out an initial medical examination that all nationals and internationals in the company are of legal age at the time the employment relationship is formalised.





At CTL-TH Packaging Group, we continue to work to integrate into our work systems ways of not only avoiding possible situations of discrimination on the grounds of sex, but also guaranteeing and promoting real and effective equality for all staff.

We are aware that equality is a fundamental value, and must be assumed on a daily basis by all the people who form part of our community; working from the perspective of equal treatment is essential for a positive working environment, improving the competitiveness of the Organisation. It is therefore the responsibility of everyone in the company to ensure that this principle is complied with.

In order to reinforce the monitoring and evaluation of the Equality Plan, the following indicators have been established, with their corresponding objective.

In July 2021, the new joint commission for the management of the Tuboplast equality plan was set up and put into operation, in accordance with the new requirements arising from the publication of the RDX of 2020.

Tuboplast

Number of women and men with reduction and percentage of maintenance of their usual job, provided that there is a workload.

P6



Year	2018 Res.	2019 Res.	2020 Res.	2021 Obj.	2022 Obj.
Results	Diagnosis	50%	55%	55%	




Number of women and men who receive a personalised career plan after returning from a period of reduction and/or leave of absence.

P6



Year	2018 Res.	2019 Res.	2020 Res.	2021 Obj.	2022 Obj.
Results	Diagnosis	60%	60%	60%	

Number of women who have acceded to positions of responsibility, as a result of promotion and/or the creation of new positions.

P6

Year	2018 Res.	2019 Res.	2020 Res.	2021 Obj.	2022 Obj.
Results	Diagnosis	0%	0%	0%	





Degree of staff satisfaction with the implementation of the Equality Plan (survey)

P6

Year	2018 Res.	2019 Res.	2020 Res.	2021 Obj.	2022 Obj.
Results	Diagnosis	Unrealised	To be defined	To be defined	To be defined

CTL Packaging (France)




Equality index women / men
Legal target 75/100

P6

Year	2018 Res.	2019 Res.	2020 Res.	2021 Obj.	2022 Obj.
Results	Not Applicable	84/100	99/100	100/100	100/100



In terms of communication, on an annual basis, the company's accounts are provided to the workers' representatives with a detailed explanation of the company's accounts and answers to any questions that may be asked.

These accounts are public and registered in the commercial forum.

In addition and on a quarterly basis, a detailed report is also provided on the development of the company, commercial and customer aspects, recruitment of personnel, as well as provisional accounts for each quarter.






In relation to **Suppliers** and **Customers**, we have not verified whether these Stakeholders correctly comply with these principles and in particular whether they support the elimination of all forms of forced or compulsory labour.

Although we have disseminated information to our supply chain on good working conditions and freedom from forced labour through our code of ethics, we do not have a system in place to check compliance.

In relation to **suppliers** working at our facilities, the system monitors compliance with this principle. Audits are carried out in which suppliers are checked for compliance with this principle.

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ACTIONS

ACTIONS	Interest group
 <p>Establishment of a working committee to develop the gender equality plan.</p>	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>To develop the actions derived from the Equality Plan. As noteworthy actions</p> <ul style="list-style-type: none"> - improving the level of professional training of women in the manufacturing process - improving working hours and working systems, in order to reconcile family needs with professional obligations. - awareness-raising in the field of gender equality for managers and workers in general. 	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Develop new lines of communication and information with people, including feedback to management. Communication Plan focusing on transparent information exchange and communication between people and management.</p>	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>To know the expectations of 2/3 of the most aware customers in this field of CSR, in order to see how to respond to the challenge of being the most recognised supplier in this field.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Incorporate CSR policy formally into management systems and internal communication protocols to encourage support from the employee stakeholder group, in collaboration with the Company.</p>	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers

In green, the actions carried out in the previous year

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Environment

Principle 7

P7

Businesses should maintain a precautionary approach that favours the environment.

Principle 8

P8

Businesses should encourage initiatives that promote greater environmental responsibility.

Principle 9

P9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Sustainable Development Goals 6, 7, 9, 9, 11, 12, 12, 13, 15, 17

Within the Environmental principle, the following SDGs have been identified in relation to the activity of the CTL-TH Packaging Group.



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POLICIES

The CTL-TH Packaging Group is committed to protecting the environment, reducing environmental impacts together with customers, suppliers and stakeholders.

Our management system is ISO 14001 certified in the group companies and as certified companies, all our internal policies and procedures are geared towards environmental protection throughout the entire production, supply and waste management chain.

Within our environmental management system, which consists of a general procedure, various processes, records and monitoring documentation, we include the following environmental monitoring aspects: Natural Resources Management, Control of Contracts-Subcontracts, Waste Management, Hazardous Waste Management, Environmental Communication, Identification and Assessment of Environmental Aspects, Identification and Assessment of Legal Requirements and Environmental Emergency and Response Capacity.

Our environmental strategy and policy has been drawn up on the basis of an exhaustive analysis of our Stakeholders. As a result of this analysis, and in order to comply with our environmental policy, five key areas of work have been defined.

Legislation	Monitor, Evaluate, Implement and Enforce
Suppliers	Engage, Sustainable, Evaluate
Employees	Train, Evaluate, Raise Awareness
Production processes	Reduce emissions, Use natural resources sustainably, Minimise, Valorise and Recycle waste
Design	Develop raw materials, products and processes taking into account the Life Cycle.

As examples that demonstrate our commitment to environmental improvement in their development and management, we would highlight the following:

Aspects	Actions	Benefits
VOCs (Volatile Organic Compounds)	Substitution of catalytic varnishes by UV (2008)	↓ 56% VOC
	Replacement of acetones for ink cleaning (2010)	
Electricity Consumption	Replacement of thermal ovens with UV ovens for drying inks and varnishes (2010)	↓ 2M kW/year
	Eco-conception of moulds for "light" closures (2009)	
Consumption Materials	Eco-designed Light plugs (2009)	↓ 540 T MP ↓ 100 T Losses ↓ 40% Used oil Per year and only Caps Light /€50
	Manufacturing in plants close to the customer	↓ 3% CO ₂ For French Customer, if manufacturing in France vs Manufacturing Spain
CO₂	Replacement of PET sleeve with integrated protection systems ("SafeTop" caps - 2015)	↓ 8% CO ₂ Vs Plug with sleeve.
	Use of HDPE-PCR Recycled Material (since 2015)	↓ 9% CO ₂ Vs Virgin HDPE tube
	Use of Green Raw Material based on sugar cane (since 2015)	↓ 5% CO ₂ Vs Virgin HDPE tube
	Use of Recycled Material PP-PCR (since 2019)	
End of Life	Innovation 100% recyclable mono-material tube in Polypropylene (since 2010). To integrate the circular economy	↓ 39% CO ₂ impact vs PE tubes with PP Cap for potential end-of-life CO ₂ impact
	Improved recyclability of rolled tubes Approval of new diameters and foils	

DIAGNOSIS / MONITORING AND MEASUREMENT OF IMPACTS



The CTL-TH Packaging Group monitors its main consumption to determine which of these have a significant impact on the environment.

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The environmental aspects that are taken into account and for which monitoring and measurements are carried out in the group are as follows.

Non-Hazardous Waste	Paper, Cardboard, Wood, Batteries, Waste, ...
Hazardous Waste	Batteries, Aerosols, Electronics, Absorbents, Cleaning products, solvents, sludges, ...
Consumption of Materials	Varnishes, PP, PE, Laminates, Plugs, Sleeve, ...
Energy Consumption	Water, Electricity, Propane, Butane, Gas, Oil, Gasoil
Transport	Professionals, expeditions, receptions
Noises	
Soils	Pollution
Discharges into water	Sanitary / storm water
Atmospheric emissions	CO, NOX, SO2, COT, ...
Incidents / Emergencies	Fires, Explosions, Legionella, Gases,...

Examples of consumption



Electricity in Kw/h

Use for lighting, production lines, air conditioning and other auxiliary services (compressed air, etc.).

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	Including TH	7.438.154	10.312.483	17.750.637
2018 Res.	Including TH	7.500.619	10.241.978	17.742.597
2019 Res.	Including TH	7.456.718	9.510.898	16.967.616
2020 Res.	Including TH	6.845.206	10.101.488	16.946.694
2021 Obj.	Including TH	Not significant	Not significant	Not significant

In the case of the electricity consumed, it is worth mentioning that, both in CTL-TH Packaging, CTL-TH Engineering and Tuboplast, it comes from 100% renewable sources.



Natural Gas in Kw/h

Use for heating and domestic hot water

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	Including TH	0	1.208.932	1.208.932
2018 Res.	Including TH	0	1.353.914	1.353.914
2019 Res.	Including TH	0	1.242.251	1.242.251
2020 Res.	Including TH	0	1.281.131	1.281.131
2021 Obj.	Including TH	Not significant	Not significant	Not significant

At CTL Packaging, the heat energy generated by the machines is recovered, so there is no need for supplementary energy for heating.



Water in m³

Use for main water use for sanitary and production uses

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	Including TH	2.870	9.187	12.057
2018 Res.	Including TH	1.924	6.877	8.801
2019 Res.	Including TH	3.853	6.912	10.765
2020 Res.	Including TH	4.377	8.636	13.013
2021 Obj.	Including TH	Not significant	Not significant	Not significant

The CTL Group is aware of the importance of using such a valuable resource as water as efficiently as possible. That is why, for example, in Tuboplast, the water consumed in irrigation has been optimised as a measure aimed at minimising its consumption.



Paper (Kg).
Use for office and production documentation

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	Including TH	1.208	2.471	3.679
2018 Res.	Including TH	1.312	2.220	3.532
2019 Res.	Including TH	1.315	2.090	3.405
2020 Res.	Including TH	999	1.400	3.399
2021 Obj.	Including TH	Not significant	Not significant	Not significant

The improvement is mainly due to the digitalisation of the documentation in the production line as well as to the teleworking implemented in 2020 by COVID19.



Due to the diversity of its environmental impact, each company manages its objectives and indicators according to the environmental impact assessment procedure. The most relevant impacts are those addressed in the objectives and indicators shown below.

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Significant Environmental Aspects 2020

Tuboplast & CTL-TH Engineering

Type	Aspect	Objective / actions
Indirect Aspects	Transport (Expedition)	Truck occupancy 95% at CTL
Consumption	Raw materials Digital Inks	2% reduction
Hazardous waste	Rags and papers impregnated with pollutants	2% reduction
Non-Hazardous Waste	Varnishes	2% reduction
Atmospheric emissions	Fluorinated gas	No action defined in the short term Long term. Eliminate fluorinated gases
Consumption	Energy	2% reduction
Consumption	Diesel	No action possible
Hazardous waste	Aqueous cleaning liquids	2% reduction

CTL Packaging

Type	Aspect	Target
Hazardous waste	Solvents Varnish	Tube loss control Study frequency of varnish change and "recirculation" systems.
Consumption	PE purges	Analysis lines and use of purge materials
Consumption	Raw materials	Loss control. Group Sustainability Projects (reduction of PM in tubes, ...)
Hazardous waste	Aqueous cleaning liquids	New contract 2022. Product and frequency study
Hazardous waste	Solvents Cleaning	No defined actions
Atmospheric emissions	Fluorinated gas	No action defined in the short term
Transport	Expeditions	Occupancy control of lorries



Since 2017 and as a result of its environmental policy to reduce the environmental impacts of its activity, the CTL-TH Packaging group has defined the objective of reducing CO₂ emissions by measuring CO₂eq emissions.

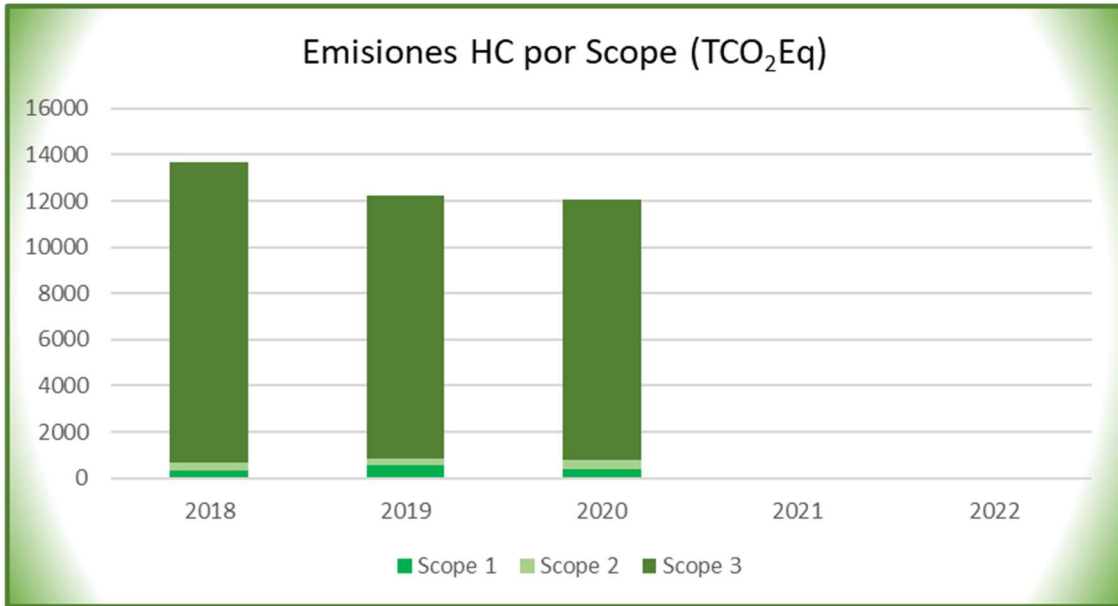
P7

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Impact on Global Warming - Carbon Footprint

HC (TCO ₂ Eq)	Group			Tuboplast			CTL		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
SCOPE	2018	2019	2020	2018	2019	2020	2018	2019	2020
Scope 1	345	555	386	333	448	374	12	107	12
Scope 2	315	313	410	0	0	0	315	313	410
Scope 3	13.018	11.363	11.261	9.711	8.098	8.778	3.593	3.264	2.484
TOTAL	130.678	12.231	12.057	10.044	8.546	9.151	3.921	3.684	2.906



The scope of the emission measurement has been defined as follows:

Scope 1	Fossil fuels Emissions of fluorinated gases
Scope 2	Electricity consumption - Electricity Mix
Scope 3	Items such as packaging, raw materials, procured items, etc. Waste Transports, receptions and dispatches Professional and personal travel Office and water consumption.



In accordance with our policy, we periodically carry out training, evaluations and awareness-raising activities to adapt our internal actions to environmental regulations and to reduce the impact of our activity, in addition to the initial training that all new **employees** receive at the start of their employment through the Welcome Plan.

In particular, we raise awareness among all our employees through our permanent recycling and waste separation programmes in all areas of the company, and we aim to contain consumption not only as a cost-saving measure, but also as a collective contribution to environmental protection.

We use specific signage, containers and bins suitable for this purpose and an isolated room identified for use as a container for waste that is hazardous to people and/or the environment.

 **Number of hours of training or awareness-raising actions on environmental issues**

Year	CTL-TH Engineering	CTL Packaging	Tuboplast	Total
2017 Res.	29	200	3,5	101
2018 Res.	16	0	7	23
2019 Res.	0	0	0	0
2020 Res.	28	0	40	68
2021 Obj.	35	148	250	433

It has not been possible to launch training actions as foreseen in the training plan due to the pandemic situation by COVID.

In relation to the **Customer**, a prototype has been developed for measuring the carbon footprint of manufactured products.

In the future and with this tool, CTL-TH Packaging Group will be able to advise our Client on packaging solutions so that the client can make objective decisions on the most sustainable products to be developed.

Development of Sustainable Packaging Solutions



CTL-TH Packaging has developed innovative and global packaging solutions that create identity and distinction for its **customers**, consumers and society.

Its current product range offers an extended range of options that allow the customer to have at their disposal a product with a lower environmental impact.

ESTube (Easy Supply Tube)

The ESTube offers considerable advantages in terms of environmental improvements.

Alianzas Economía Circular

Residuo altamente revalorizable

Mono Material 100% Reciclable

Disminución pérdidas fabricación

Series Cortas y ajustadas Con poco utillaje

Stock Mínimo Reduce Tubos Obsoletos

Minimum Order Quantity

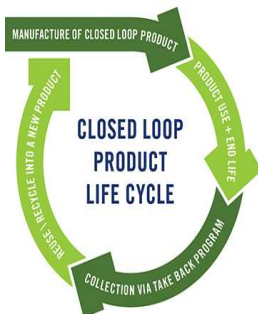
The ESTube is a mono-material polypropylene packaging solution, a technology that is ahead of recycling trends and has the following advantages:



mono material (PP)	It does not disturb the recycling chain with other plastic mixtures (PE caps, PVC...).
Without adhesive	Recycled plastic is uncontaminated and generates more value.
Polypropylene	Optimal revaluation of raw materials within the circular economy .
Short series	Adjusted to current market needs without generating more waste and losses.
Quantity adjusted to needs	Reduction of transports, stocks and obsolete products that generate subsequent waste.
Ease of filling	Lower soldier temperatures

PCR (Post Consumer Recycled) Plastic Tubes

Optimising the use of raw materials such as PE and PP in packaging must be accompanied by the introduction of post-consumer recycled materials (PCR) and/or post-industrial recycled materials (PIR). In the case of CTL-TH Packaging Group, we set ourselves targets for the incorporation of these recycled materials in our ranges of tubes and caps in order to help our customers achieve their sustainability objectives.



Use of PCR in <ul style="list-style-type: none"> - Plugs - Heads - Skirt 	Participation in the circular economy
	Collaborate with the objectives of the European circular economy plastics strategy to increase (x4 the incorporation of recycled materials).

Tubes with Green PE Plastic

The most widespread bio-based alternative to fossil-based plastics is the sugar cane alternative.

Its transformation into so-called green polyethylene allows processing similar to traditional materials, but with a reduction of the carbon footprint at source.















<h3 style="color: orange;">Use of Green PE</h3>	Plant origin (sugar cane) rather than fossil.
	Minor Carbon Footprint Impact

In relation to our **suppliers**, in the development of new materials, we demand that they comply with the regulations in force, both of an environmental nature and with the ethical principles of our organisation.









In this homologation process, we take into account and as a selection criterion, the environmental criteria that we have identified in the evaluation from the environmental aspects defined above (Waste generated, Consumption of Materials and Energy, Transport, Noise, Soil, Discharges to water, Atmospheric emissions, ...).

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ACTIONS

ACTIONS	Interest group
 <p>To create a communication pack aimed at understanding internally and externally the actions carried out in terms of sustainability in the CTL-TH Packaging group.</p>	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
 <p>Strategic objective 2020 To offer packaging solutions to our customer to support them in achieving 50% recycling of packaging materials. To this end develop tubes containing 50% PCR in our product portfolio.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Strategic objective 2020 Innovation in the development of in-house recycling systems for plastic waste generated in the manufacture of ESTube tubes by 2020 (Post Industrial Recycle).</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
 <p>Strategic objective 2021 To offer our Customer a catalogue of plastic-reduced product options.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Strategic objective 2025 To offer our Client a catalogue with 100% recyclable product options.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Strategic objective 2025 Systematic implementation of Ecodesign in each development.</p>	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
 <p>Strategic objective 2025 Implementation of the Product Life Cycle Assessment tool.</p>	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
 <p>Strategic objective 2030 To make all the products in our catalogue 100% recyclable.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers
 <p>Air-conditioning system: with regard to the air-conditioning system consisting of air/water cooling units, Tuboplast is studying the possibility of replacing them with other more efficient machines (saving energy consumption, reducing emissions and saving money on electricity bills).</p>	<input checked="" type="checkbox"/> Society
 <p>Lighting system: gradual remodelling of the lighting system towards LED technology, with the idea of a complete replacement of luminaires in the areas where the lighting system is installed.</p>	<input checked="" type="checkbox"/> Society
 <p>Installation of photovoltaic generation systems: Exploring the possibility of implementing a photovoltaic installation. The energy generated can be self-consumed and the surplus can be exported.</p>	<input checked="" type="checkbox"/> Society
 <p>ISCC Plus certification for the use of recycled materials in order to be part of the circular economy.</p>	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society









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<p>Sustainable design of the manufactured products, trying to reduce their weight, the use of recycled materials, mono-material packaging design, or the use of compostable, degradable or bio-based materials.</p>		
	- Development of the new MINITOP range of lightweight products	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Tube recyclability assessments and certifications	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Single-material laminated tube concept	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Mono-material design of our tubes: sheet, skirt, PE cap to facilitate recyclability.	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Tube and tube laminate complexes with improved sustainability	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Incorporation of recycled materials (mechanical)	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Incorporation of recycled materials (circulars)	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society
	- Development of a tamper-proof system (Plastiband) based on PET-PCR (30%)	<input type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Society

In green, the actions carried out in the previous year

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With regard to the improvement of the environmental impact determined for the measurement of the Carbon Footprint of the activity, work continues on the most relevant aspects and corresponding lines of work.

	Group	TH	CTL
Transport	↑ Occupancy rate 	↑ Occupancy rate 	↑ Occupancy rate 
Raw material consumption	↑ Material Less Impact ↓ Material More Impact 	Losses ↓ 	Losses ↓ 
Private Travel	NA	Mobility plan 	NA
Electric Mix	NA	NA	Raising options - Green Energy - Consumption 

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Anti-corruption

Principle 10



Businesses should work against corruption in all its forms, including extortion and bribery.

Sustainable Development Goals 10, 16

Within the Anti-Corruption principle, the following SDGs have been identified in relation to the activity of the CTL-TH Packaging Group.



POLICIES

We comply with national and international regulations and legislation aimed at controlling and suppressing any actions related to corruption in all its forms, including extortion or bribery.

Dissemination of our formal CSR policy outlining our anti-corruption practices and verification of its dissemination to all stakeholders through the usual means of corporate communication.

As indicated above, we have developed a code of conduct against extortion, bribery or any other corrupt behaviour which we have disseminated to our Stakeholders: **Employees**, and **Customers** when required and to all our **suppliers**.

We maintain strict compliance with the laws in force, with respect to the national and international regulations of the countries in which we operate, with respect to the control and abolition of any form of corruption that may occur, including extortion and bribery.

In relation to **suppliers**, all contact with them is a reminder of our policies, and annual improvement targets are deployed in areas such as non-approval of ethical code violations (including bribery etc.).

One of the objectives of the CTL-TH Packaging Group is to develop its business activity with a vision of Corporate Social Responsibility, integrating environmental, social, labour, ethical and economic aspects in its activity and interactions with stakeholders.

The fundamental tool on which the relationship with suppliers is based, from a different point of view to that of the transaction itself, is the Business Review, where, in addition to these transactional aspects, a reminder is always made of the Group's policies, and annual objectives for improvement are set out in all the sections included. For example, the non-approval of violations of ethical codes or the assessment of compliance with environmental measures are made explicit.

In this regard, it should be noted that CTL-TH Packaging has a procedure for the approval of service providers, the purpose of which is to ensure that its services comply with the requirements of quality, health and safety, environmental and legal requirements, as well as taking into account the requirements of Corporate Social Responsibility.

It also has a procedure for the homologation of articles whose objective is to ensure compliance with the technical requirements and legal demands, as well as safety and environmental requirements, of the articles supplied (purchased from suppliers, supplied by the customer or imposed by the customer) that may have a decisive effect on the quality of the final product.

Likewise, and in line with the above, the companies of the reference sub-group carry out the evaluation of the suppliers of approved items procured.

With regard to the commitment to the traction of suppliers, it is worth highlighting CTL-TH Packaging's Code of Ethics, which has the firm objective of establishing the guidelines, values and principles that must govern the behaviour of the people in the organisation with regard to the company's relations with stakeholders, both in terms of the company's work activity with its employees and its relations with customers, suppliers and external collaborators, shareholders, public and private institutions and society in general.

DIAGNOSIS / MONITORING AND MEASUREMENT OF IMPACTS

The CTL-TH Packaging Group attaches particular importance to the definition and control of effective anti-corruption and anti-bribery policies. In this regard, the companies of the group have a Professional Code of Ethics which, among other things, refers to the following points:

Money laundering. The CTL-TH Packaging Group has appropriate procedures and measures in place.

to prevent irregular payments or money laundering from illicit or criminal activities from taking place in the course of their activities.

Carrying out specific checks on all transactions of an economic nature, and especially on those which, by their nature or amount, are likely to be considered unusual by preventing or controlling in particular those which are carried out in cash, by cheque to bearer or to bank accounts in tax havens, etc.

Employees are committed to pay particular attention to cases where there may be indications of lack of integrity of persons or companies with whom the company has

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dealings, and to immediately report to the company any payment about which there are doubts.

Special attention is also paid to extraordinary payments, which are not foreseen in the relevant agreements or contracts.

In no case is any kind of collaboration contemplated for the carrying out of activities that could serve as a cover for terrorist or criminal activities.

Bribes, gifts and hospitality. The offering or acceptance of bribes, or situations that, as a consequence of the performance of work duties, result in personal gain or enrichment, monetary or otherwise, of any person in the organisation, or in favouring such gain or enrichment for other persons, whether or not they are family members, is not permitted. Likewise, it is forbidden to offer or accept gifts that are disproportionate or out of line with custom and practice.

Conflict of interest. Conflicts of interest are considered to be all those circumstances where the personal interests of employees, directly or indirectly, are at stake or indirectly interfere with the responsible and ethical discharge of his or her professional duties and responsibilities or involve him or her in a personal capacity in any transaction or economic operation of the organisation, its customers or its suppliers.

The CTL-TH Packaging Group's relationship with its employees must be based on loyalty and trust, which is why any situation in which the personal interests of employees, directly or indirectly through family or friends, may conflict with those of the Group must be avoided.

It understands and respects the involvement of its employees in other financial and business activities as long as they are legal and not in unfair competition and do not collide or interfere with their responsibilities, obligations and due dedication to their work.

In order to ensure compliance with the Code of Ethics, resolve incidents or doubts about its interpretation and adopt the appropriate measures for better compliance, the Committee for the application and monitoring of the Code of Ethics has been created, as well as a specific and confidential procedure for reporting situations related to corruption. This committee's mission is to promote the dissemination and application of ethical principles in all activities carried out by the company. It will be composed of the General Management, the HR and MIS departments of each Group company, as well as a representative of the employees.

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ACTIONS

ACTIONS	Interest group
Dissemination of the Code of Ethics.	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
Establishment of management mechanisms through complaints that can be made by all our stakeholders.	<input checked="" type="checkbox"/> Employees <input checked="" type="checkbox"/> Clients <input checked="" type="checkbox"/> Suppliers
Periodically communicate the existing CSR policy monitoring mechanism aimed at promoting the reporting, management and redress of possible incidents that may occur in relations with our stakeholders.	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Clients <input type="checkbox"/> Suppliers

In green, the actions carried out in the previous year

Final Commitment

Through this Progress Report, the CTL-TH Packaging Group expresses its willingness and interest to continue working and promoting Corporate Social Responsibility policies and actions, collaborating with our Stakeholders with the aim of continuing to advance in the new lines of action opened up by the new Sustainable Development Goals and contributing, within our capabilities, to the dissemination and implementation of the principles of the United Nations Declaration.