

<https://logpac.com/sustainabilityreport/#1645105336832-fd15d964-98f7>

Established in 1971, LOG has spent more than 50 years building a fair, ethical, innovative, reliable, professional, caring business with strong foundations in the community and in the society company in which it operates. As a privately owned, profitable and constantly growing company, LOG has the opportunity to make a positive impact on the world. For that end, we pursue sustainable action while engaging all of our stakeholders to make a difference - together. This will ensure the continuation of our activities, prosperity and business resilience of our employees, partners and the society for many years to come.

LOG seeks to promote sustainability in order to meet its stakeholder's expectations, adapt itself to the urgent need to promote environmental and social solutions and take active part together with the global business sector for future generations.

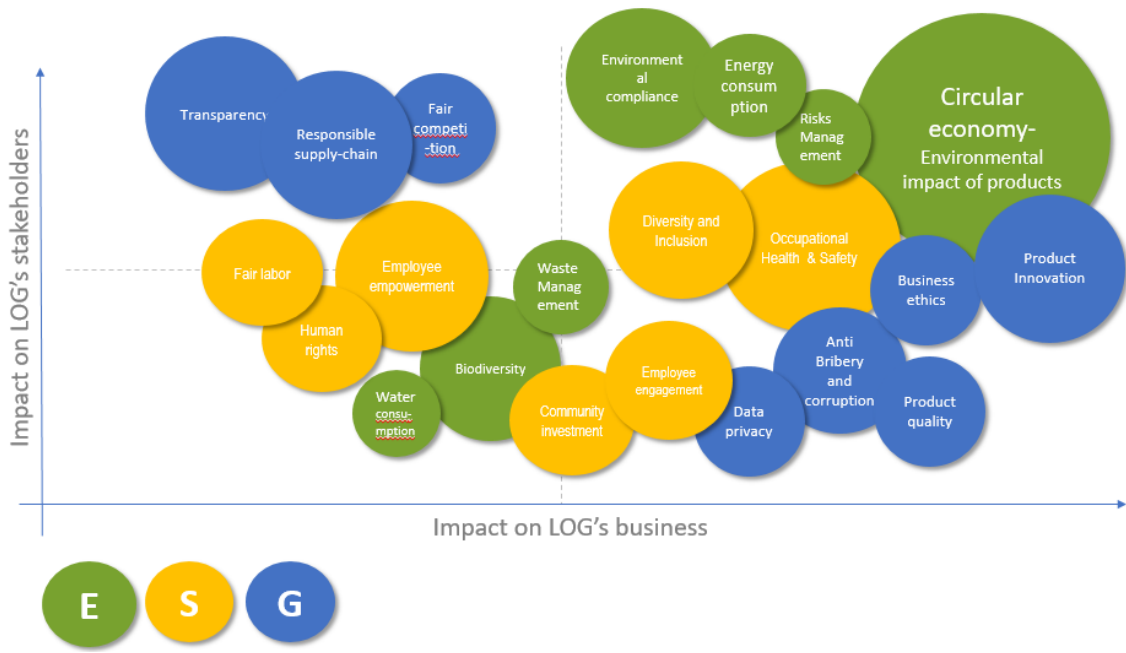
We invite you to read our 2021 Sustainability Report and get to know our work in all the key pillars of the sustainability strategy - our planet, our employees, our supply chain and our business conduct.

Our Sustainability strategy and goals

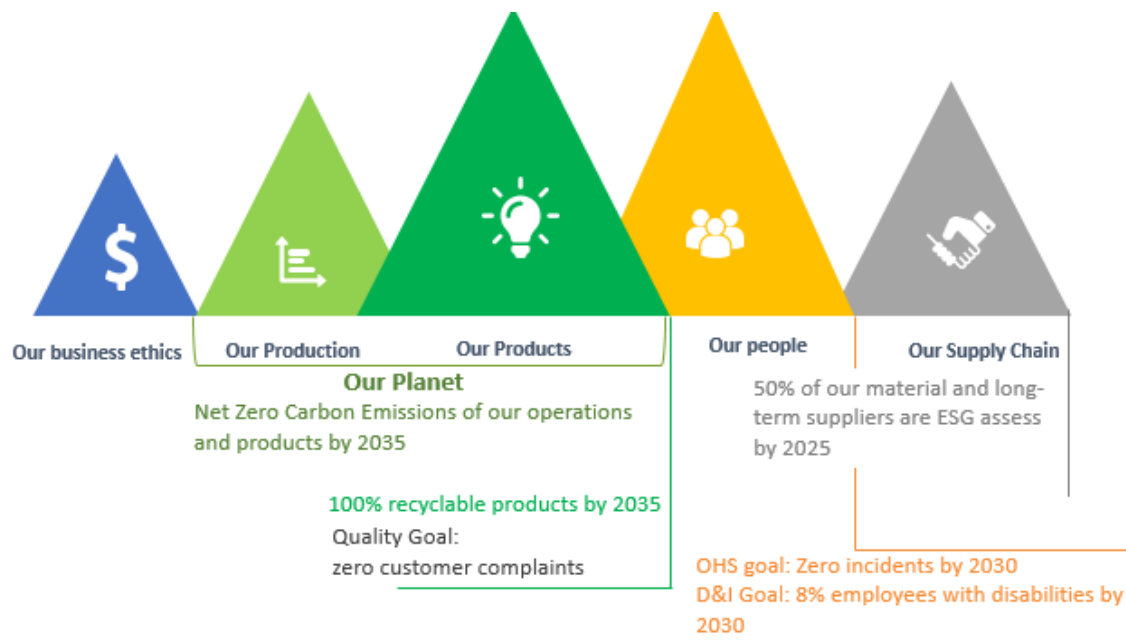
Our sustainability strategy is based on an ongoing and ongoing dialogue with our key stakeholders:



This dialogue helped us recognize the expectations of our stakeholders along with examining industry practices, analyzing SASB-focused topics and analyzing the global urgency to promote environmental sustainability - we have come to understand that the key sustainability issues we need to prioritize are the environmental issues - we can have a positive impact on our business, our people and our environment.



This is why our sustainability strategy addresses our products and manufacturing practices in the lead – in which we have a significant environmental impact. Immediately afterwards the strategy focuses on our people and our community. Finally, we have placed our business conduct, which is the basis of everything we do, but we are confident in the foundations we have laid and we ensure our ethical business conduct, based on integrity and promoting trust with all our stakeholders.





The company has defined supporting KPI's to achieve the goals as part of a metrics team and an organizational excellence team.

Promoting the UN SDG's

The 17 Sustainable Development Goals (SDGs), are an urgent call for action by all countries and organizations in a global partnership. The Goals aim to end poverty and other deprivations together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

We have performed an analysis of the SDG's that are most relevant to our activities and in which we have significant impact potential. Here are the selected SDG's we set ourselves to promote as part of our ongoing activities:





 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p> <p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</p> <p>Our planet</p>
 <p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts</p> <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 Integrate climate change measures into policies, strategies and planning</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p> <p>Our planet</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p> <p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</p> <p>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors</p> <p>Our planet</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation</p> <p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises</p>

	<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation</p> <p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers</p> <p>Our people</p>
	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p> <p>17.6 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries</p> <p>17.7 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships Data, monitoring and accountability</p> <p>Work in progress</p>

Our Planet	Our people	Our business ethics	Our Supply Chain	Message from LOG's CEO	About LOG	About this report + GRI content index
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Our planet

Our GHG emissions in 2021:

	Direct (scope 1) GHG emissions	CO2e tons	453
	Indirect (scope 2) GHG emissions	CO2e tons	5,109
	Direct (scope 1) and indirect (scope 2) GHG emissions	CO2e tons	5,562
	GHG emissions intensity	CO2e tons / ton	1.3

As a company engaged in the production of plastic packaging, we see great responsibility in implementing innovation, thinking and working together with all our stakeholders, to promote solutions to reduce the environmental impacts of this raw material on the planet. In addition, as an organization engaged in the field for about 50 years, we have experience, knowledge and collaborations that can help formulate solutions that enable the use of packaging that address consumer needs, safety of stored materials and prevention of external environmental damage - along with reducing the environmental impact of packaging itself.

We strive to examine and implement solutions that can help ensure a fully **circular economy**, taking into account all existing restrictions and limitations. We set ourselves to meet the goal of **100% recyclable products by 2035**.

As a manufacturing company, we work to reduce our environmental impacts throughout our value chain - in our factories, with our customers, our suppliers and, as mentioned - in our products. We are constantly working to comply with all environmental regulations and laws and implement strict beyond compliance approach. Therefore, we have set ourselves a target of **Net Zero Carbon Emissions in all our operations and products by 2035**. To this end, we work on improving our environmental impact in our operations, products, with our customers, suppliers and employees.

The climate crisis increases the likelihood of recurrence of environmental extreme events. We, at LOG examine the implication of the impact of these risks on our operations and we search for ways to prepare accordingly. At the same time, we are examining opportunities in the field.

As a company that promotes innovation, we invite start-ups and our stakeholders – mainly our customers and suppliers - to examine and formulate collaborations for the implementation of new technologies and materials that promote a circular economy

We are committed to reducing our energy consumption in all our operations, through the adoption of environmentally friendly technologies and investment in energy-efficient equipment.

We maintain sustainability programs that help us reduce environmental impacts from our initiatives such as reducing waste and supporting recycling. Employees are required to adhere to Company-wide programs, and to be familiar and comply with environmental laws and regulations that relate to our specific work responsibilities. This includes complying with regulations related to the reporting, approval and registration of chemical ingredients used in our production and products.

LOG's Environmental Sustainability Policy – [Click here](#)

Plastic

Plastic is a polluting material, but it also has many benefits - from the consumption of energy needed to process it, to the continued emission of greenhouse gases generated in the process to the weight and transportation costs of the final packaging. Therefore, it is necessary to find ways to maximize its recycling capabilities to eliminate its harmful environmental impact and still enjoy the benefits it provides to cosmetics, food and pharmaceuticals goods.

It is important to emphasize that most of our production is intended for pharma companies and accordingly, we are subject to limitations that narrow the scope of the solutions available to us.

Reducing the environmental impact of our products

We operate in a particularly challenging environment that depends on the existing recycling infrastructure, regulation and relevant needs for maintaining the quality and safety of the contents of our storage packaging products, the cooperation of customers and consumers and most importantly - innovation in developing new raw materials that address these challenges.

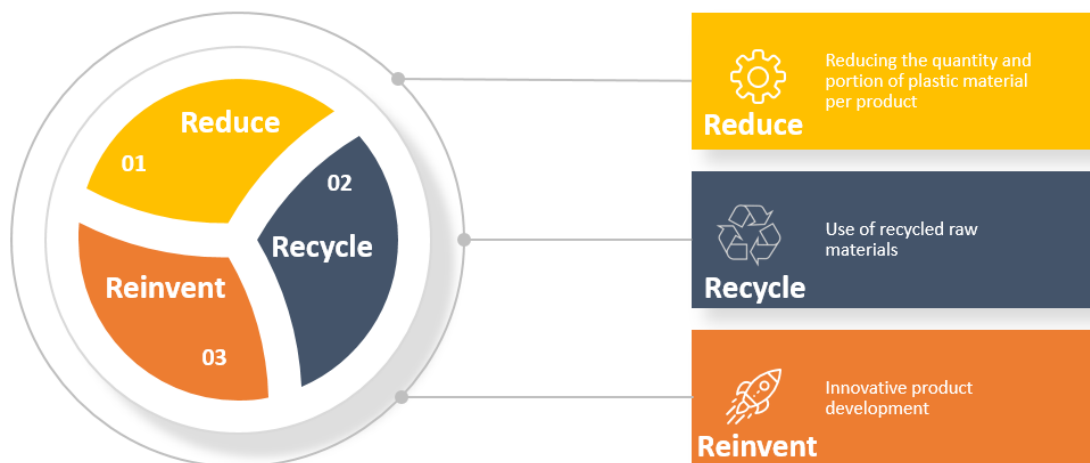
LOG has adopted the definition of **recyclable materials** according to international standards (ISO 14021, ISO 18604):

“Characteristic of product, packaging, or associated component that can be diverted from waste stream through available processes and programs and can be collected, processed, and returned to use in the form of raw materials or products”

To this end, recycling must be ensured as defined:

- Existence of a system for collecting and separating the material for recycling purposes
- Existence of a recycling process that will prepare the material for the production of a new product
- Existence of a market that will absorb the recycled material for the purpose of manufacturing products

We have formulated a strategy for developing an improved product line that addresses these challenges - the **LOGreen strategy** which based on three selected Rs - Reduction, Recycling and Reinventing:



As a company that promotes innovation, we invite start-ups in the field to contact us in order to examine the possibility of cooperation and examine the new technologies in our factory as a beta-site for innovation. We seek to help new technologies enable the industry to promote breaking-through solutions through the **PlasticTech** accelerator.

We are committed to working towards forming collaborations with leading entities that promote a circular economy and possess knowledge, tools and experience in the field such as the Alan MacArthur Foundation, academic bodies, BASF and others.

We are committed to continuous learning and improvement for a more sustainable and recyclable products using international standards (such as ISO 16001), leading manuals such as the RECYCLASS manual maintained by the European Plastic Recyclers Association and conducting frequent recycling compatibility tests.

Reducing the environmental impact of our production sites

We are committed to reducing our energy consumption in all our activities, through the adoption of environmentally friendly conduct and investment in energy-efficient equipment. In recent years, we have promoted the use of renewable energy by installing a solar field at our production site in Israel and we will continue to work to integrate renewable energy solutions in all our sites.

We treat all the waste that comes out of our factories and direct significant portions to recycling plants and suppliers that help us ensure a circular economy implementation. We operate according to the "reduction, recycling, reuse" approach in all our facilities, and are constantly looking for practical and innovative ways to avoid transforming our waste to landfill.

We do not work with hazardous materials and that is why we do not pollute – not by air or by wastewater.

As part of our activities, we strive to minimize water use and recycle water as much as possible. We have reduced the use of water to the required minimum and will continue to search for ways to improve water use in our facilities.

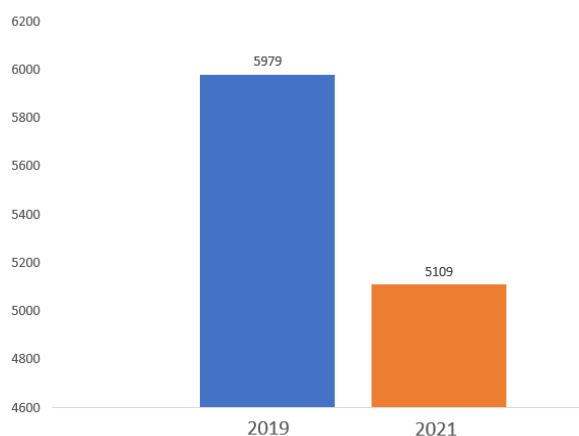
We will work to improve our internal processes so that we can return self-shredded material back to production in order to promote recovery of raw materials, based on quality approval per process.

The climate crisis increases the likelihood of recurrence of environmental extreme events. We, at LOG, examine the implication of the impact of these risks on our operations and we search for ways to prepare accordingly. At the same time, we are examining opportunities in the field.

Energy efficiency ventures

In the last three years, we have been able to slightly reduce energy consumption despite the increase in production during 2020. In Israel, we enjoy green energy due to solar panels installed on the factory roof. In addition, we promote energy efficiency initiatives and thus reduce the use of electricity.

Total energy consumption CO2 tons



In recent years, we have initiated a number of energy efficiency ventures in favor of improving work processes, saving inputs and preserving the environment. Here are some key examples:

- **Ventures in Israel 2020-2021:**

- Conducting an energy survey and sharing results with the Ministry of Energy.
- Replacement of a 200-ton and 125-ton refrigeration chillers that have replaced old chillers over 10 years old.
- Replacement of two 40-year-old machines with an electric machine for injection and extrusion blow molding.
- Replacing the head forming a sleeve (4 -2) which allows doubling the work pace.
- Replacing molds that allowed for a 20% reduction in cycle time.
- Treatment of compressed air leaks.
- Disconnection of pasty facilities that have resulted in significant savings in energy consumption without compromising cycle times

- **Ventures in Hungary 2020-2021:**

- Replacement of 24 cavities molds - tripled the production capacity at the same power consumption
- Assembly line replacement - quadruple the production of products with the same power consumption

We are proud that we have not received fines or lawsuits in the context of our environmental conduct.

Case Study: waste management in Israel

Over the past few years the company has built recycling mechanisms for the various types of waste that exist in the plant.

In the production hall, there is a waste separation process in place and the waste is transferred to designated bins - for plastic, paper, metal parts, rags and an outdoor container that collects aluminum and nylon. Colored PET debris is shredded on the spot. Next to the chip hall is a dedicated container for collecting rodent products. In addition, fluorescent lighting is collected for recycling (in the few places that have not been transferred to LED lighting).

The cumulative materials are sold to various recycling suppliers who collect the waste from the plant.

The company is currently considering the establishment of an indoor collection and recycling area for the management of some of the waste residues that cannot remain outside. In addition, ways of reusing plastic waste that is currently being shredded and sold are being examined (there are isolated cases where there is an immediate closed process that takes the plastic waste for re-production on-site).

The company is in contact with customers and suppliers and is trying to find recycling opportunities for example: recently the company took pallets from one of the customers who wanted to recycle and at the same time, moved wooden pallets for use by a recycling supplier. The company also recycled supplier large crates in favor of collecting shredded PET.

Following these initiatives and waste management practices - from 10 containers of plastic waste per month in 2006 - we dropped to 4 containers per year in 2020!!!

The main recycling suppliers are:

[/https://ecomunity-info.forms-wizard.biz](https://ecomunity-info.forms-wizard.biz)



Ecommunity - a social corporation for recycling electronic waste while integrating people with special needs into the work circle. The partners of Ecommunity are the businesses, 76 authorities that are located all over the country and the authorized treatment and recycling sites. Every year, thousands of tons of e-waste are recycled by a population with special needs.

[/https://tabib.co.il](https://tabib.co.il)



Tabib - offers a wide range of professional, high-quality, available, effective and, after all, waste treatment solutions. Tabib strives to promote environmental protection in Israel and for over 25 years has stood to the right of companies, businesses, organizations and entities facing challenges related to hazardous waste treatment, industrial effluents, contaminated soils, hazardous materials incidents and more.

[/https://www.eco-srv.com](https://www.eco-srv.com)



Gadot Ecology Services Company - offers waste removal, treatment and destruction services and specializes in the field of industrial waste recycling in Israel. The company uses state-of-the-art technologies developed by the plant engineers to process all types of waste destined for recycling. The company recycles electronic waste, plastic scrap, metal and other waste.





Case study: waste management in Hungary

As part of our waste management strategy, we have been able to expand the scope of our activity and, accordingly, the quantities treated both in Israel and in Hungary. One of our success stories is the sale of our grinded raw material in Hungary. Starting in 2020 we launched an initiative to transfer the raw materials that cannot be used for pharma products to those who can re-use it. In 2021 we have brought about a significant increase in the use of these residues while receiving a respectable business profit.

Grinded raw material sold – 276,832 Kg in 2021

Waste sold – 216,742 Kg in 2021

Case Study: Green offices in Israel

All kitchens in offices and production site use reusable utensils. We also promote awareness to the environment among our employees. For example, we held a dedicated meeting for employees that dealt with 'the challenges facing the human race in the orbit of collision with Earth' and what actions need and can be taken to correct this. The lecture was delivered by Amiad Lapidot, who was defined by the environmental organizations in 2010 as the person who most positively influenced the preservation of the environment in Israel. In addition, activities were held to plant trees together with youth in the kibbutz.



Case study: Recycling of packaging pallets in Hungary

This year, LOG production site in Hungary won a certificate of appreciation for its initiative to recycle packaging pallets. The company promotes a series of initiatives to recycle waste from its factories.



Case Study: Examination of environmental impact in Israel by the Central Bureau of Statistics

LOG participates once every three years in the Industrial Environment Survey of the Central Bureau of Statistics. The survey gathers information on the quantities of waste and sewage, how they are treated, energy consumption and investments in initiatives aimed to protect the environment. The results of the survey are used to compile statistics and will assist decision-makers in the economy in determining policies and procedures for protecting the environment as well as comparing activities to other OECD countries.

Climate change - risk management

The climate crisis increases the likelihood of recurrence of environmental extreme events. We, at LOG, promote climate risk management to make our value chain resilient to all extreme scenarios that are expected. We recommend our suppliers to manage their environmental and climate risks as well in order to prepare for extreme scenarios.

Enhancing our employees environmental efforts

In order to ensure that our approach of promoting environmental sustainability succeeds, we are required to ensure the full cooperation of our employees - who are the source of our success. To this end, we work to promote environmental awareness among employees, communicate the importance we see in our work in the field and ensure that everyone recognizes our efforts

We work to apply the principles of reducing our environmental impact in factories, at headquarters but also provide employees with knowledge and tools for self-implementation, among family and friends.

Case Study: Promoting Carpool in Hungary

We encourage our employees to travel to work using public transportation by paying almost full ticket price (86% of commuting cost). In addition, when an employee travel by private car takes other colleagues that live on the same route with him to work, he receives extra compensation.

Supporting our customer's efforts to reduce product's environmental impact

We are committed to working with our customers to develop integrated solutions tailored to the needs of all involved as well as the needs of the planet. To this end, we will promote proactive initiatives for joint thinking with our customers about ways to improve products that implement our shared environmental sustainability approach.

We offer cooperation and support to our customers' moves to reduce their environmental impact by sharing the knowledge and experience we have accumulated in the field and therefore, offer guidance on prints on packaging, use of advertising sleeves, colors and more - so as not to impair the recycling capabilities of packaging products. We also encourage our customers to add the recycling symbols on the packaging in order to encourage and guide consumers how to recycle optimally.

Empowering our suppliers to improve their environmental practices

We are committed to advancing the concept of environmental sustainability among our suppliers, expecting them to demonstrate a responsible attitude towards the environment and inviting them to join forces and in order to a more significant environmental impact together.

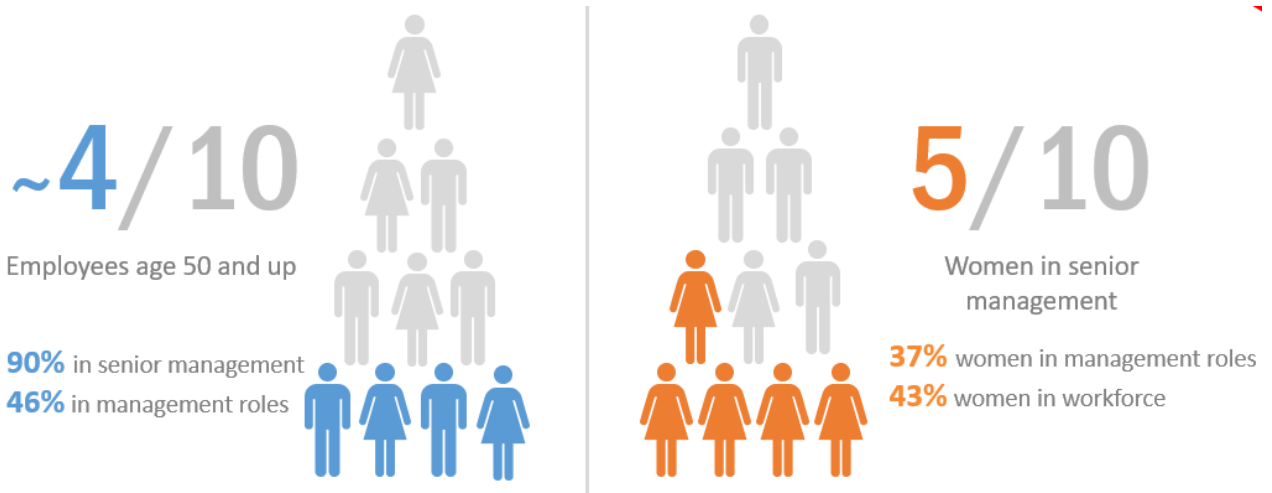
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Our people

Our employees and our community are the source of our strength, knowledge and success. Accordingly, we cultivate our relationship with them and see in this connection the source of everything we are.

Our core values are based on our people: **Teamwork and Cooperation and Diversity and Inclusion.**

Main achievements - Israel data:





95%
on permanent contracts



38%
of training hours for managers
– were done for women
managers



100%
received Employee
Performance Reviews



We are proud of the low pay gap between senior management and the last production workers in Israel – **3.9** (without performance-dependent bonus)

Main achievements - Hungary data:

~5/10

Employees age 50 and up

13% in senior management

8% in management roles



Women in workforce



55%

65%



45%

35%

2020

2021

25% women in senior management

28% women in management roles

Main achievements –Diversity and Inclusion - Israel and Hungary:

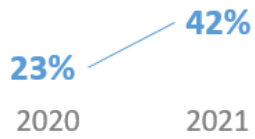
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Employees age 50 and up

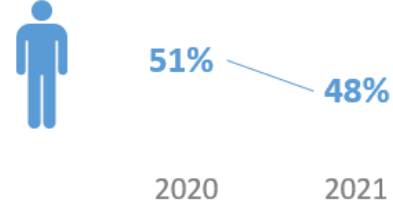
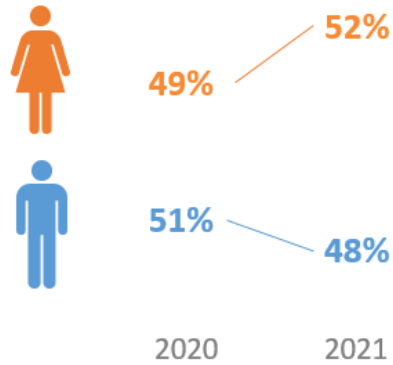
56% in senior management

30% in management roles

50 and up in workforce



Women in Work-place

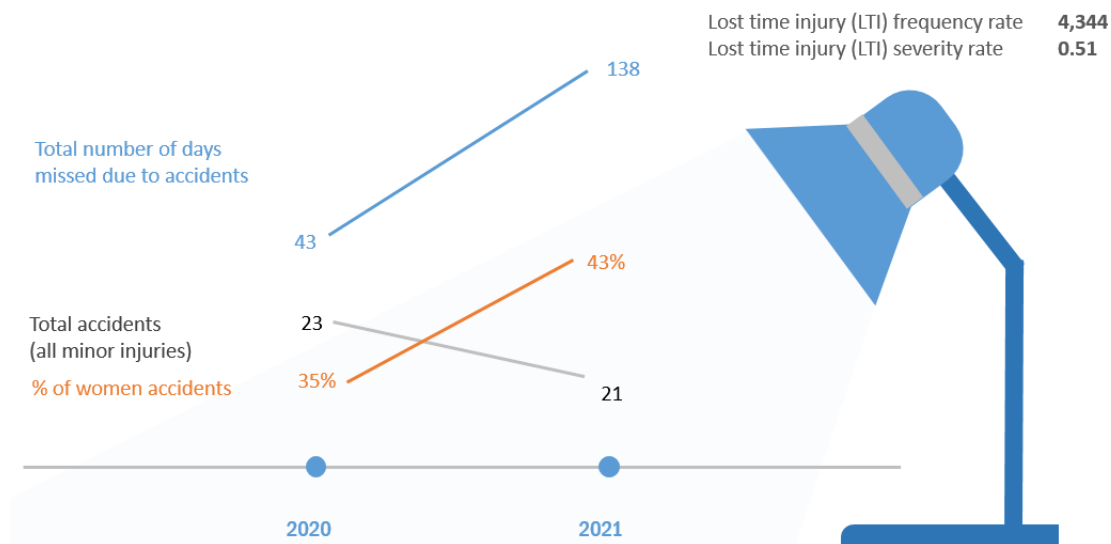


39% women in senior management

33% women in management roles



Main achievements –Occupational Health and Safety - Israel and Hungary:



Our Employees

We are committed to our employees - we respect, empower, reward and encourage our employees to be full partners in our endeavors. We encourage them to innovate, work collaboratively, be fair, demonstrate personal responsibility and respect their colleagues to maintain a work-life balance.

We maintain an ongoing dialogue with our employees in order to support mutual expectations to the satisfaction of all. We expect our employees to be professional and in control of all activities within their area of responsibility. In addition, we expect them to demonstrate personal responsibility when it comes to avoiding risks and disclosing sensitive information about the company, including on social media.

Maintaining the privacy and dignity of employees is extremely important to us. As part of our privacy protection efforts, we make sure to keep the information we collect and process in relation to our employees private and confidential. Use of this information is done in strict compliance with the provisions of the Privacy Protection Laws and use of the information for the purposes for which this information was collected only.

We adhere to ethics in interpersonal relationships in society and encourage the obligation to report interpersonal relationships in cases of power relations. In these cases, we are working to change roles or disconnect conversions.

We avoid conflicts of interest and exploitation of business opportunities for personal needs in the course of our work, we act solely for the benefit of the company, and we do not let foreign considerations interfere with our judgment. We do not accept gifts and we do not use inside information to make personal profit.

We make sure not to employ workers under the age of 18 and to ensure fair working conditions, their health and safety and their wellbeing. All our employees hired on a permanent contract.

100% of our employees receive formal performance review during yearly reviews

Our meetings with employees are evidence to our efforts. From the analysis of the meetings with the employees that take place during the year, we learn about very high employee satisfaction from the employment relationship and welfare conditions. As part of the meetings, the employees make suggestions for improvement and we work immediately to examine their implementation. At the same time, we are also asking regarding conservation issues to get full feedback on our initiatives.

Case study: LOG Israel salary and remuneration policy

LOG's salary and remuneration policy serves as a tool for locating and retaining professional and quality personnel, while addressing the needs of the organization and its strategic plan. The policy supports development and promotion of employees based on their performance while supporting the organization's values of promoting professionalism, fairness, long-term human capital capacity building and encouraging a sense of respect, trust and appreciation for all levels of work in the company.

Employee benefits include a training fund according to years of seniority and managerial level. All employees enjoy days of vacation, illness (in accordance with the law) and payment of convalescence and clothing allowances. In addition, the company subsidizes lunch for all employees in a closed list of restaurants, regardless of the number of working hours per day (the employee has only a payment of NIS 5 per meal).

Intermediate-tiered employees and above receive an extension of vacation days beyond what is required by law. Employees whose job allows it can enjoy flexibility and work from home. All employees receive 24 hours rest within a time frame of 7 consecutive days.

Vehicle is provided to employees according to job needs and management levels as well as payment for telephone use.

It is important to emphasize that there are **no employees who are paid below the minimum wage** set by law in the company.

Every two years on a regular basis, uniform wage discussions are held for all employees in which the employee's contribution to the organization, his professional and organizational progress is examined, all under the values of fairness and uniformity and in accordance with defined criteria.

These days, we have initiated a process for the formation of similar and adapted salary and remuneration policy for LOG Hungary.

We are proud of the low pay gap between senior management and the last production workers in Israel – 3.9 (without performance-dependent bonus)

In addition - this year, for the first time, we awarded bonuses to all production workers in accordance with the evaluation of their performance in the factory.



We are proud of the low pay gap between senior management and the last production workers in Israel – **3.9**
(without performance-dependent bonus)

Case Study: a series of benefits for our employees in Hungary

Being a fair employer is one of our core values and that is why we make sure all our employees receive fair pay and benefits. In Hungary, we have a series of benefit such as:

- SZEP-card 100.000 HUF/year – uploaded on a monthly basis (8,000 HUF/month) into the card as part of a yearly bonus. This SZEP-card can use as a credit card to pay for all kinds of goods and service such as: foods, entertainments, etc.
- school-starting voucher - for those who has school-child
- Christmas gift - based on seniority
- travel compensation – subsidize for public transport or compensation according to distance. In case of carpools – when an employee takes other colleagues with him to work, he receives extra compensation.

Employee empowerment

Employees are the source of our strength and therefore we invest resources in trainings and development programs. In 2021, three of our employees in Israel participated in unique programs for higher education subsidized by the company. Another manager in Hungary participated in a unique and tailored development program that led to his promotion from warehouse manager to production and warehouse manager.

100% of our employees receive performance review. Bonus is payed according to the assessment results.

Diversity and Inclusion

We respect and believe in the value of each individual. Our business was built on honesty, openness and acceptance of others' views, culture, experience and knowledge – that is the only way we can thrive and develop our full potential.

We give everyone an equal opportunity, encourage employment diversity and invest resources in personal development. We believe that diversity will allow the uniqueness of each of us to enrich and strengthen the work environment while adapting to the changes that apply in the business environment and the future labor market.

We oppose any discrimination based on race, skin color, religion, physical disability, national origin, age, sexual orientation, gender, gender identity and gender expression, marital status, marital status or any other characteristic of diversity. We will not tolerate any form of harassment, violence or threats among us.

We are committed to respecting and promoting human rights. We will never be part of Modern Slavery, Human Trafficking and Child Labor or any way of exploiting human beings.

We give everyone an equal opportunity, encourage employment diversity and invest resources in personal development.

LOG's Human Rights, Diversity and Inclusion Policy – [Click here](#)

Case study: Diverse recruitment in Israel

We promote the employment of workers over the age of 55 and strive to recruit new workers from underemployed populations - Arabs, Israelis from Ethiopia and more. In 2021 **42%** of new hires are employees **age 50 and up**. Our workforce is composed of **13%** employees from minorities, **6%** of People with disabilities, **37%** employees over age 50 and **43% women**.

We are proud to have **60%** women in senior management and overall, **40%** women in management roles.

One of our important ventures is to promote the employment of rehabilitated prisoners and we have success stories when such an employee received the Outstanding Employee Medal and even brought his son to work in a factory. We recently recruited a combat soldier that suffers from battle shock who has chosen his field of work in cleaning and is showing great satisfaction.



ביטלו את התמונה

Occupational Health and Safety

LOG considers it of paramount importance to ensure the health and safety of its employees and aims to provide the infrastructure required for the success of its efforts in the field. To this end, we have designed a proactive approach to Occupational Health and Safety (OHS) based on mechanisms of monitoring, control, management and continuous improvement. We invited our employees to formulate with us the ways to improve our conduct in the field and set appropriate mechanisms, action plan, procedures, safety trustees and resources to meet the ambitious goal we set for ourselves of **zero accidents by 2025**.

LOG encourages its employees to live a healthy lifestyle through a variety of options for participating in sports activities and training.

The company provides its employees with a variety of financial supporting mechanisms, including wage advances and benefits in addition to bonuses and subsidies for lunches at a rate of about 85%.

In addition, LOG provides its employees with collective health insurance that provides optimal protection with extended coverage.

Promoting employee safety and well-being among our customers and suppliers

We are committed to promoting awareness of the importance of maintaining employee health and safety among our customers and suppliers. To this end, we share with them our efforts in the field and invite them to take pro-active approach on the matter.

LOG's Occupational Health and Safety Policy – [Click here](#)

Case Study: OHS practices in Israel

The Occupational health and safety managed in Israel under a proactive approach and with the full involvement of senior managers. Beyond immediate reports, when necessary, regular discussions are held 8 times a year as well as a regular annual management discussion.

The organization treats every safety incident severely and therefore, "almost an accident" is reported as an accident as well as, accidents on the way to and from work. We do not separate company employees from contractor employees and treat everyone equally.

All events are documented and investigated, and we do not save budget to implement immediate improvements.

All new employees are required to provide physician permit and to be instructed on the OHS procedures that are accessible in three languages: Hebrew, Arabic, Russian. In addition, field training is held on various topics, such as firefighting training with exercises, first aid, etc.

LOG Israel also manages 20 employees who constitute 'safety trustees'. These workers undergo a dedicated course and help increase attention to the implementation of safety guidelines, possible hazards and 'negligent' behaviors. These employees have been carefully selected in accordance with their suitability for a dedicated profile, have an understanding of the field and care for the subject.

A dedicated instruction booklet is currently being produced to be given to every employee and / or visitor to the company as a means of increasing the ways of conveying the OHS messages and awareness of safety.

Employees are invited to make suggestions and submit requests for measures to improve their safety. For example: a unique silicone device was recently purchased for the benefit of an employee who requested it for increased comfort at work; For a worker with a disability who comes twice a week, a dedicated interpreter was brought in to ensure good safety training since he spoke only Arabic.



Due to this policy and investment in employees' health and safety, we have succeeded to reduce accidents in Israel in **30%** between 2020 and 2021. **No women had to miss working days** due to injuries, in comparison to 12 days missed in 2020.

We also promote healthy lifestyle through participation in local races. Just recently, employees were invited to participate in the Sunrise Race. We also manage a running group of employees and functional training is offered to them. Our employees also participate in various periodic tests such as vision, hearing and more. We conduct these tests in the factory and offices to ensure convenience and engagement of all employees.



LOG values the health of its team and the health of others. Multiple members of the LOG team participated in the Tiberias Marathon last December weekend. We were happy to run on behalf of [Sunrise Association](#), an organization, which, runs free camps and leisure activities for children with cancer alongside their family members from all sectors of society. Cheers to good health and to keeping families healthy and together!

Employee welfare - Employees can apply for advances, bonuses, salary benefits and more. Lunch for the employees is fully subsidized when the employee pays only 5 NIS (\$1.5) for a meal from restaurants on a closed list.

Employees participate in annual feedback and are invited to trend talks with managers. From time to time, round tables are held with the VP of Operations and the VP of Human Resources in favor of an open conversation and feedback.

Our community

Kibbutz Ashdot Yaakov Ihud established our factory with the aim of addressing the older members of the kibbutz who needed comfortable and suitable employment. In accordance with these values and foundations, we will continue to be committed to supporting the social and environmental needs of the communities wherever we operate. The resilience of the community in which we operate will affect our business, workforce and sustainability.

We are attentive and caring to the various communities, conduct an open and ongoing dialogue and promote local initiatives to support their well-being while focusing on promoting diversity and inclusion. We encourage our employees to be personally involved in the social activities we initiate.

Our Community investment strategy

LOG Plastic Products Ltd. sees itself as an integral part of the communities in which it operates, in Israel and abroad. LOG strives to be involved in these communities and contribute to their **prosperity** through community involvement and social activities for different populations and sectors, in areas and activities that are related to the social goals that LOG sets for itself.

LOG believes that community investment and social involvement will help create **a stronger, healthier and more prosperous community and society**. For that end, LOG encourages engagement with the community in which we live and the involvement of employees in volunteering activities. This perception stems from the understanding that this activity enables the empowerment of the employees alongside the contribution and cultivation of the community in which we operate.

Diversity and Inclusion

Diversity holds social and business benefits.

- LOG encourages diverse employment and full integration of **people with disabilities** (such as: Hashahar community – supports people with special needs in Tiberius and its surroundings)
- **Elderly and rehabilitated prisoners**

Health and well being

Financial contributions to social organizations that promote health:

- The Institute for Brain Surgery in Poria Hospital, Israel
- One-time / one-year projects with significant added value (Sunrise marathon, Ilan summer camp, robotics department, Israelis, etc.)



Environmental support

Promoting environmental sustainability in the community by Collaborating with local environmental organizations and community training

Employee engagement

Initiating and participating in social/ educational programs with NGOs according to the following criteria:

- Geographical proximity.
- win-win for both the giver and the receiver.
- activities involving our employees.

Our community investment during 2021 in Israel:

Total community investment in NIS	
Donations	50K
In-like donations	10K
Total value of employee volunteering hours	201K
Total	261K

2,517 hours
employees
volunteered in Israel



Case Study: Promoting Diversity and Inclusion in Israel

Our social activity in Israel focuses on the nearby community and non-profit organizations that work in its vicinity. We advocate secret giving but when we promote employee volunteering then the contribution is known to all. Some of our community projects:

- 'Life Skills' Association (Kishurey HAYim) - All employees volunteer at the association according to their preferences. In addition, the organization makes a donation to the association.
- Lectures for the rehabilitation of the prisoner in Haifa
- Volunteering at Yemin Orad for Israelis of Ethiopian descent
- The Dawn Community (Kehilat hashar) – volunteering with people with disabilities
- Planting trees and recycling potted bottles by teenagers at Kibbutz Ashdot Yaakov Ihud

In the summer of 2021, we re-established the tradition of hosting the ILAN summer camp with the youth of Kibbutz Ashdot, after last summer the Corona crisis prevented us from doing so. The youth of the kibbutz run the camp and thus strengthen the local community while integrating the values of diversity and inclusion that are especially important to us.

ILAN – is an Israeli association for injured children, which since its establishment in 1952 has cared for thousands of children and adults with physical disabilities who face physical and motor disabilities and various muscle and nerve diseases such as polio, cerebral palsy, muscular dystrophy and more.

תודה גדולה מקייטנת איל"ן



LOG also supported this year through a donation to the 'Springs Riders' Club, which is a social framework for tandem and single cycling that combines people with disabilities and volunteers from the Springs Valley communities for both social and sports activities. The Springs Riders Club is an organization in which one of LOGs employees volunteers regularly and strengthens the community near LOG.

The donation was made through the Akim organization - the national organization for people with intellectual disabilities and their families operating in about 88 localities throughout the country. Since its establishment in 1951, the organization has been working to exercise their rights, promote and improve their quality of life and well-being through legal and community advocacy. The organization promotes the assimilation of positive attitudes towards people with intellectual disabilities, inclusion in the community, provides them with tools for independent coping and taking personal responsibility and encourages them to make their voices heard.



Case study: Supporting the community health and well-being in the valley

This year, LOG participated in financing the activities of "Hapoel Emek Hayarden", a water ball association that is a center for sports and competitive activities for children, teenagers and adults from the valley and in recent years also from the Springs, Golan and Galilee valleys. The association has about 60 participants between the ages of 9 and 60 who also enjoy social-educational activities and a daily framework that educates for personal, competitive and self-discipline alongside the assimilation of a healthy and sporty lifestyle. Special emphasis is given to strengthening women's sports and strengthening self-confidence and leadership for girls and boys. The financial contribution helped to establish competitive groups, expand the training hours and expand the accessibility of water sports to the residents of the north.

One of the leading players in the water ball association is an employee of LOG.



Case study: Support individual requests for assistance from the community

LOG periodically receives requests from members of the nearby community for supporting various requests and agrees to assist as much as possible. This year came a touching request from an 11-year-old girl suffering from a chronic genetic disease - cystic fibrosis (CF) - treated at Rambam Hospital. As part of her many treatments, the girl is treated with regular and daily physical therapy and needs regular pool care. Ensuring regular treatments for the girl also during the corona period, days when there is a fear of reaching the pool as a focus of infection, could be done by building a private pool at her house. LOG helped funding the private pool that allowed the treatments to continue and help improve her functional ability and respiratory functions.

Case study: Supporting the needs of families dealing with cancer

Four LOG employees volunteer on a regular basis in 'Noladet Lenatxach' ('Born to win') - supporting the needs of families dealing with cancer.

'Born to win' is a voluntary-social organization, established in 2018 to provide community support to families battling cancer. The volunteers bring home-cooked food for the families, in order to facilitate them during the complex period of dealing with the disease and allow them to concentrate their resources and attention on the treatments. Beyond that, the volunteers give the families a supporting hand, love and an understanding that they are not alone and part of a caring and supportive community. The organization operates in 50 cities across the country as well as in the Jordan Valley.



Photos of volunteers' dishes and pastries:



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0 incidents of non-compliance with regulations and/or voluntary codes concerning corruption, anti-competitive behavior, anti-trust and monopoly practices, product health and safety and data privacy and security

Our business ethics

We are committed to conducting ethical business towards all of our stakeholders. Our core values are Fairness and Accountability and Excellence – innovation and high quality and we uphold our commitment through our daily practices.

We have formulated this commitment into our Code of Ethics and in a series of policy documents that serve as a compass, for us and our partners, for a fair and ethical business conduct - because we know of no other way to do business.

We invite you to read our Polices on:

- [Code of Ethics](#)
- [Environmental Sustainability](#)
- [OHS](#)
- [Quality](#)
- [Responsible supply chain](#)
- [Human rights and Diversity and Inclusion](#)
- [ABAC](#)

All our employees are required to undergo training on the Code of Ethics as well as, policies to prevent bribery and corruption.

Compliance with the law is a necessary and minimal condition for ethical conduct. We consider ourselves committed to meeting higher standards than those set by the laws and regulations applicable to our operations, wherever we operate.

We respect competition and competitors and we are committed to maintaining fair and proper competition rules in our relationships with and aside of our competitors. We are committed to full compliance with the relevant global laws, with particular care to ensure compliance with antitrust laws.

We are proud that in recent years we had no incidents of non-compliance with regulations and/or voluntary codes concerning corruption, anti-competitive behavior, anti-trust, product health and safety and data privacy and security.



0 incidents of non-compliance with regulations and/or voluntary codes concerning corruption, anti-competitive behavior, anti-trust and monopoly practices, product health and safety and data privacy and security

Excellence – innovation and high quality

Our excellence consists of excellent people, processes and innovation and strict adherence to quality!

Established in 1971, LOG Pharma Packaging is a pioneer in packaging innovations and the trusted partner of global pharma companies, providing the industry with unique and innovative packaging solutions for oxygen and moisture sensitive drugs. LOG has combined 50 years of industry experience with the innovative Israeli state-of-mind to deliver the future of pharmaceutical packaging while being fully compliant with US FDA and European pharmacopoeia standards.

LOG earned its business partner's confidence and trust as a company that deliver advanced innovation that meet current and future market needs. As a well-known market leader in innovative solutions for sensitive drugs, LOG will continue to offer active and passive advanced products; Packaging with child and adult protection (Child resistant and Senior friendly); Counterfeit solutions; Smart packaging and more.

LOG is also committed to improve its impact on the planet. Log will invest its efforts on developing new innovative and sustainable products that will offer solutions to the environmental challenges plastic packaging holds.

LOG strives for the highest quality in primary pharmaceutical packaging. We value the trust placed in us by our customers and work constantly to anticipate and exceed requirements. Our quality standards apply across the entire organization and we continually review all our processes for continual improvement. We are fully committed to compliance with GMP standards, and the entire LOG team focused on **our goal of Zero Customer Complaints**.

At LOG, we seek every opportunity for improvement, by constantly inspecting, surveying and auditing all processes across all departments. We embrace the challenges as an opportunity for excellence. To achieve consistent improvement in our performance, all levels of our professional and highly skilled

workforce are fully engaged in the LOG quality culture. At LOG, quality forms an integral part of every job definition. We encourage taking personal responsibility and full participation among all employees.

LOG's Quality Policy – [Click here](#)

We conduct a full customer survey once every 2 years to keep an open communication channel with our customers, to learn more of their needs and expectations from us and to find ways for improvement. We also analyze on going inquiries. Our last survey conducted in 2020 showed an average satisfaction rate. We have analyzed all customer inquiries during 2020.



Following the latest customer survey and the understanding that customers are looking for quality while meeting delivery times tailored to their needs along with a competitive price, we have made extensive investment in new machines in Israel and Hungary. These machines will deduct depreciations, which will lead to an improvement in quality and delivery times to our customers.

Information security and privacy

We see great importance in maintaining the information we hold with special emphasis on information about our employees, our customers and other third parties with whom we do business.

In 2019, we began formulating clear procedures in the field, conducting information security training for employees and conducting risk surveys and audits using an external consulting company that specializes in the field. We initiated these practices in Israel and we plan to start implementing them in Hungary during 2022.

We have invested heavily in protecting the data and information we received, and we will continue to do so in order to ensure the confidentiality of our data.

25% women in Israel BOD – one of whom is the chairperson; 50% women in Israel management board

25% women in Hungary BOD ; 33% women in Hungary management board

Our Corporate Governance

The Board of Directors of LOG Israel is composed of 10 members. One of the BOD members completed his role but still has no replacement. Two members of the board are women - one of whom is the chairwoman of the board.

LOG Hungary (LHU) Board of Directors is composed of four members, including one woman.

The following is the details of the members of the group's board of directors, which presents the diverse professional experience:

Board of Directors member	Short Bio
Dr. Nurit Nahum – Chairperson	<p>Dr. Nurit Nahum is experienced in a wide range of business capacities, including serving as the CEO of an international private equity investment company, the VP of Business Development of a leading industrial, publicly-traded company in Tel Aviv stock exchange, and the manager of an Israel-based PWC consultancy group.</p> <p>Mrs. Nahum serves on boards of global listed companies as well as privately held, and she is highly experienced in leading strategic turn arounds, global business development processes, M&As and global joint ventures.</p> <p>Nurit Nahum holds a Ph.D. in Strategy and Entrepreneurship from Tel Aviv University, she has graduated Harvard Business School Executive Education Program and an affiliated researcher at Jönköping International Business School, Sweden.</p>
Chen Eitan	<p>Mr. Chen Eitan is a member of Kibbutz Ashdot Yaakov Ihud. 56 years old. Chen holds 25 years of managerial experience in a variety of senior management positions.</p> <p>For 10 years Mr. Eitan served as business manager (Farm Manager) at Kibbutz Ashdot Yaakov. For 5 years he managed the poultry breeding division at 'Of Tov', was a national sales manager at 'Fibro Israel', an international company for the production and sale of vaccines, medicines and animal feed supplements. Currently, Chen is the business manager and marketing manager at Kibbutz Mishmar HaEmek at 'Mishmar HaEmek Chicks' company.</p> <p>Mr. Eitan currently serves as a director on the Board of Directors of 'Tzemach Mifalim' and 'Tzemach Leasing'.</p>
Inbar Alter	<p>Mr. Inbar Alter hold a degree in computer science and mathematics from Bar-Ilan University.</p> <p>For the last 10 years, Mr. Alter is the CEO of 'zemach leasing', a leasing company owned by 31 kibbutzim.</p> <p>Mr. Alter have Board experience and he is currently a Board member at "deshen hatsfon" a fertilizer company, and "mishkei emek hayarden" which is a finance organization.</p>
Arie Weisberg	<p>Mr. Arie Weisberg serves as a member of the Board of Directors of Lumenis Ltd., an Israeli Nasdaq-listed company, Plastopil Hazorea Company Ltd., an Israeli TASE-listed company, Advanced Vision Technology Ltd., an Israeli company listed on the Frankfurt Stock Exchange, and Metzterplas Cooperative Agricultural Organization Ltd.</p> <p>He also acts as a consultant to various companies.</p> <p>Mr. Weisberg was President and Chief Operating Officer of the Company, after serving in various roles: Co-President for Global Resources, Executive Vice President for Global Resources, Chief Financial Officer, Corporate Vice President for Finance and Administration, co-general manager of Orbotech S.A. and director of finance and operations of Orbot's subsidiary in Belgium.</p>

	<p>Prior to joining Orbot he was general manager of Sinus Ltd., a manufacturer of internal combustion valves, and served as west region general manager of Solcoor Inc.</p> <p>Mr. Weisberg received his bachelor's degree in agricultural economics from the Hebrew University in Jerusalem</p>
Ronen Zexer	<p>Mr. Ronen Zexer holds a bachelor's degree in economics and management and MBA from Tel Aviv University.</p> <p>From 1988 to 1995 Mr. Zexer served as CEO of Log Plastic Products. From 1995-2004 held senior managerial positions in a hi-tech multi-national NASDAQ traded company. From 2004 -2011 held CEO positions at two hi-tech Start-Up companies and 1 mid-size agro-tech company in Israel. From 2011 – to present independent consultant.</p>
Yaniv Barkan	<p>Mr. Yaniv Barkan in a board member of Log Since 2014, serving simultaneously as a member of the Kibbutz's Financial management. Since 2019, Yaniv is the Chairman of the Kibbutz's financial and community managements.</p> <p>Mr. Barkan is also a Single-Family office of a high net worth individual, specialized in portfolio-management and Real Estate activity, as well as managing the family's Philanthropy funds.</p> <p>Mr. Barkan holds a B.A Summa cum laude in Psychology and an MBA – Management major from Bar-Ilan University.</p> <p>Mr. Barkan is a Member of Kibbutz Ashdot Yaakov Ihud, and a proud father of 4 princess.</p>
Yishai Shapira	<p>Mr. Yishai Shapira serves as a member of LOG's Board of Directors since 2019. He serves as a director on behalf of the owner by virtue of his position as the business manager of Kibbutz Ashdot Yaakov Ichud.</p> <p>In the past decade, Mr. Shapira has held a series of kibbutz management position, as chairman and business manager .In addition, Mr. Shapira serves as chairman of the Health Food Companies association (including the brands Harduf, Hassade, Vega, Ecover, etc.).</p> <p>In the 1990s, Mr. Shapira was one of the founders of the "Harduf" organic food company (Tnuva Group), and served as the company's CEO from 1996-2012.</p> <p>Mr. Shapira studied agricultural economics at the Hebrew University.</p>
Aliza Barkai	<p>Ms. Barkai serves as the director of the LOG Plastic Products, Kibbutz Sde Eliyahu holdings, the Jordan Valley farms secretariat, the board of directors of Kinneret College and in the economic management of Ashdot Yaakov Ihud.</p> <p>Ms. Barkai served as business and finance manager of different kibbutzim for the last twenty-five years.</p> <p>Graduate of Geography Studies at Tel Aviv University and Business Administration Studies at Bar Ilan's Branch at Kinneret College.</p>

LOG Hungary (LHU) management team is composed of six managers, two of whom are women.

Board committees:

- The Finance Committee, which also serves as the Audit Committee, is chaired by the Chairman of the Board
- Risk Management Committee
- In addition, there are a variety of other committees: a community donation committee; Costing committee; Raw Materials Committee; Inventory Committee; Construction Committee; Quality Committee; Depreciation Committee

Starting in 2020, the Board of Directors will hold an annual meeting of one of its committees on sustainability.

The risk management committee holds an annual meeting after a preparatory discussion in the group's management. The discussion based on a dedicated survey conducted by Quality Assurance as well as a risk management report conducted by a product development unit. Insights from these reports presented for in-depth discussion in favor of making decisions for further action.

LOG Board of Directors approved the salary and remuneration policy on September 2020. According to the policy, salary discussions will be held once every two years with the participation of the CEO, VP HR and relevant VP.

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Our Responsible supply chain

LOG is committed to conducting business in a responsible, fair and an ethical manner and with full compliance will the international and local laws. To uphold this commitment, we expects all our stakeholders to promote the same business conduct and we strive to conduct business only with suppliers that share the same commitments and that promote the highest ethical standards.

We see our suppliers as our key business partners for our joint success. To this end, we believe that full cooperation for the promotion of ESG - including concern for human rights, employees' health and safety, community support, sustainable raw materials, transport efficiency and activities to reduce environmental impact - will lead to a resilient business relations, better economic, social and environmental conduct and a better world for future generations.

We strive that our suppliers will embrace the ESG pathway and for that end, we will promote this approach in all our interactions and will offer guidance using this policy that will serve as our **'Suppliers Code of Conduct'** alongside our [LOG Code of Ethics](#). In addition, we set a goal to assure that **50% of our material and long-term suppliers are ESG assessed, by 2030.**

In 2021, we updated our 'form of establishment of a new supplier' and combined questions in different ESG areas. In addition, we conducted a supplier evaluation questionnaire and began collecting information about supplier activity in the field. In 2022, we plan to expand these efforts and promote the collection of environmental data in favor of initiating Scope 3 calculation among our key and material suppliers.

We see an opportunity for mutual enrichment and development through meetings with our supplier and promoting multicultural, sectoral, inclusive and enriching joint work routines. That is why we encourage diverse procurement - working with suppliers that promote diverse employment and / or represent diverse under-employed groups such as: women-owned businesses, minorities, people with disabilities, etc.

LOG's Responsible Supply Chain Policy – [Click here](#)

Fair and diverse procurement

We make sure to act responsibly, fairly and caringly towards our suppliers. We share with them the ethical values and principles of behavior we have set for ourselves as well as our expectations for promoting sustainability and responsibility for society and the environment. We therefore prefer working with suppliers that share the same values.

We see an opportunity for mutual enrichment and development through meetings with our supplier and promoting multicultural, sectoral, inclusive and enriching joint work routines. That is why we encourage diverse procurement - working with suppliers that promote diverse employment and / or represent diverse under-employed groups such as: women-owned businesses, minorities, people with disabilities, etc.

Promoting environmentally sustainable procurement

As an organization that was founded 50 years ago, we have experience, knowledge and collaborations that can formulate solutions for a more sustainable industry. Our suppliers are an important partner to help us fulfil our ambition for a **circular economy** and the goals we set to ourselves to reduce our environmental impact – focusing on our products and production sites.

To that end, we will learn what our suppliers' commitments in the field are and will invite them to offer new and environmental raw materials and solutions.

Suppliers shall ensure that their facilities comply with environmental laws, including all applicable laws related to waste disposal, air emissions, discharges, toxic substances and hazardous waste disposal. We expect our suppliers to take commitment to further invest in reduction of their environmental impact and promote renewable energy use, minimize their water consumption and work on ways to measure their progress.

Furthermore, suppliers shall diligently manage their supply chains to support responsible sourcing.

Joining forces to reduce our product's environmental impact

We are committed to working with our suppliers to develop integrated solutions tailored to the needs of all involved as well as the needs of the planet. To this end, we will promote proactive moves for joint thinking-sessions with our suppliers to promote sustainable production and products.

Empowering our suppliers to improve their environmental practices

We are committed to advancing the concept of environmental sustainability among our suppliers, expecting them to demonstrate a responsible approach towards the environment and inviting them to promote their practices in the field together through combined efforts.

The first training sessions we held to our food suppliers in Israel was on the subject of employing people with disabilities. We plan to expand these empowerment sessions during 2022.

Material suppliers ESG assessment

During 2021, we conducted our first material supplier's assessment in Israel. 41 responses were received. About 30% have ESG targets while 73% have environmental policies. Similar rates also been found regarding

the existence of human rights policies, diversity and inclusion, employee health and safety, anti-bribery and corruption policies and more. These data are consistent with the fact that about 66% have an Ethical Code. About 50% of the providers who responded are diverse providers (owned by women, minorities and / or employ people with disabilities, social businesses). 71% of the businesses that responded are tiny and small businesses.

This encouraging experience allows us to expand our supplier's assessments towards next year, including in Hungary.

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About LOG

LOG serves the pharma industry for more than 50 years, to make its products accessible to the general public with maximum safety, **quality and using innovative solutions** for maintaining public health. We offer more than 400 packaging solutions, tailored to its clients and market needs. In accordance with this strategy, LOG wishes to continue to **address these needs with specific focus on Sustainability**.

LOG group (Log Holdings) operates in two main locations: in Israel through Log Plastic Products (1993) LTD, which constitutes close to **60%** of the group's total production; And in Hungary through its subsidiary Log Plasticon ZRT. LOG considered a small sized company.

LOG was founded by Kibbutz Ashdot Ya'acov Ichud, Israel, and to this day operates in the same place, many of its employees are kibbutz members and are involved in the life of the local community. In Israel we development and manufacture packaging for pharmaceutical, food and cosmetics industries. In Hungary, we focus on manufacturing packaging only for the pharmaceutical industry.



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Message from LOG's CEO

Dear reader,

We welcome you to LOG's first Sustainability report, detailing our commitments, methodologies and performance in Environmental, Social and Governance fields.

The global business landscape, the environmental urgency regarding climate change and our stakeholder's expectations has led us to document our ESG practices and formulate this report as a tool for constant improvement. During this process, we found out that we must prove our responsibility to our planet, people and communities but also, we must promote transparency to all stakeholders.

This report details our efforts to minimize environmental impact related to our operations and products; to strictly maintain the health and safety of all individuals involved in our activities; to provide quality employment and give back to our communities; and to govern and handle all business actions in a proper and ethical matter.

I am proud to share LOG also joined this year to UNGC's [10 principles](#) as a signatory company and we will upload a sustainability report once a year. All 10 principles are included in LOG Code of Ethics.

We wish you a pleasant reading- and welcome, any feedback you may have, as part of our commitment to open dialogue and to continuous improvement.

Sincerely yours,

Mr. Shaul Bassi

LOG's CEO

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About this report

LOG's 2021 Sustainability report reflects the current ESG practices and performance and is the first ever-published report.

In order to effectively choose the qualitative and quantitative topics to include in this report, LOG has conducted a benchmark analysis of similar report by other sector leaders and has reviewing main requirements arising from reporting frameworks such as GRI, SASB and the U.N. SDGs. We believe the topics included in this report constitute the majority of the material aspects related to our business sector.

This initial report and the data cited in this [GRI content index](#) is for the period from 1 January 2021 to 31 December 2021 with reference to the GRI Standards. We aim to constitute and expand the scope of the reported topics, KPIs and policies in the upcoming years, and plan to thoroughly examine the possibility of fully aligning our ESG reports with one or more of the above frameworks.

The report has been prepared with assistance from external ESG specialist consultants. While a certified party has not externally verified the report, we have conducted both internal and third-party appropriate checks on the validity of the detailed data, and have reasonable confidence in all published figures and practices. However, as in any document, there may be generalizations, inaccuracies, errors or omissions. All Forward-Looking Information within this document is based on the company's current estimates/intensions, but may not materialize due to various reasons.

As part of our commitment to open dialogue, we welcome any feedback or comments from our various stakeholders. We invite our stakeholders to send suggestions and feedback regarding our 2021 Sustainability Report to our HR and ESG VP, Hadas Yafe: ESG@logpac.com

We would like to thank Efrat Musk for the photos from the factory and to Max Molner for the CEO's photo.