

SUSTAINABILITY REPORT 2021



GRUPO *plastilene*®
What matters most is what's inside

COMMITMENTS OF
OUR SUSTAINABLE
INNOVATION STRATEGY

WE ARE
DOING IT

WE ARE
GETTING
THERE

AGROPLÁSTICOS



Novalene
ZF



plastilene
Soluciones de película

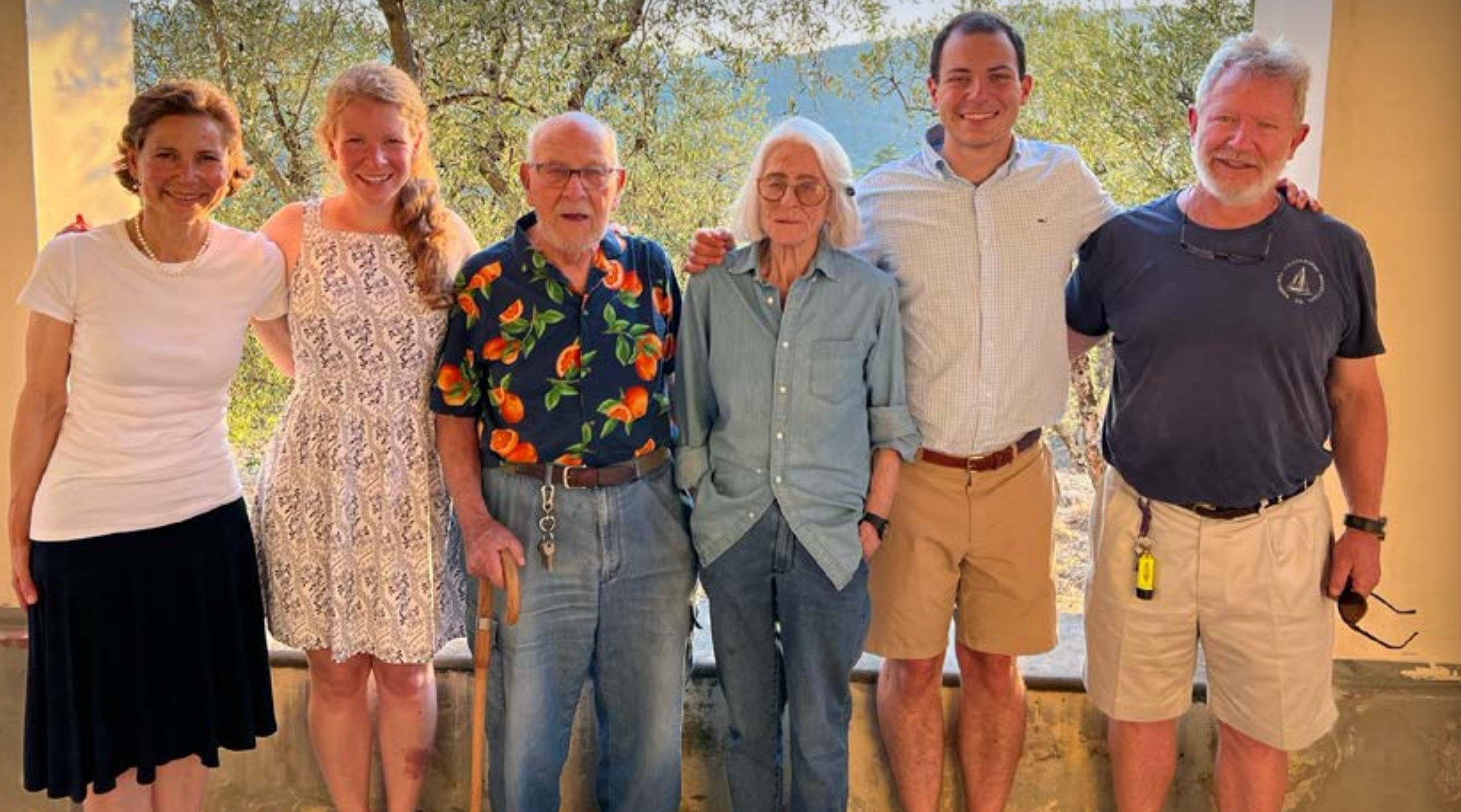
plastilene INC.

RECICLENE

TechnoFilms

1 LETTER FROM STEFANO

PRESIDENT OF
PLASTILENE GROUP



2021 could be described as a transition year. We learned to live with COVID-19, we dealt with one of the most critical logistical crises in recent years, and our lives began to get back to normal as we started to socialize, travel and interact once more.

It was the year we learned to live with a 'new normal', yet we have no idea how long it will last.

But most of all, rather than as a transition year, I would go as far as to suggest that 2021 was a year of reflection and, to take that idea even further, perhaps a year of reinvention.

It is no secret that COVID made us all think, and the mere fact of working virtually from our homes had a big impact on how we feel about things. Virtual work seemed like a dream, a goal that we, as a company, and many people wanted to achieve, of course, because it improved everyone's quality of life.

COVID forced us to move quickly in that direction and we learned that the model functions in the short term, but we also saw that, in the medium and long terms, it is more complex and needs significant fine-tuning.

For someone who knows the business, who knows the process-

es, the technology, and the problems, strengths and secrets of the business as a member of an already dedicated and committed team, virtual work is very different from what it is for personnel who joined the Group during the pandemic and know none of those things. And I do wonder what can be done, when people are so far away from the day-to-day reality, to instill in them loyalty, commitment, dedication, the feeling of belonging and the desire to be part of a project.

Was 2021 a transition year or, as I said above, a year of reflection and reinvention?

2021 was clearly, and above all, a year of reflection. Everyone I have had the privilege of talking to about this has spoken, in one way or another, of their reflections, their conclusions and, very often, of the decisions they made, which differed greatly from what they could have decided barely a couple of years ago.

In 2021 we learned that we can't have a healthy life in a sick world, that a sick world brings with it huge consequences, not just physical but also mental and psychological ones, that everything we take for granted was endangered and subject to discussion, and that we are very often so involved in a project that it overwhelms us and we don't even know where it is taking us.

These recent years have made us think, and I believe I can say that all of us have revised, evaluated and changed many aspects of our lives.

Some time ago I read a very interesting book. It is the story of Unilever CEO Paul Polman (Net Positive, by Paul Polman and Andrew Winston) who had a different vision and was able to strengthen the company itself and its brand in a hitherto unthinkable way. A number of

sentences in the few pages I have read so far have impacted me greatly. This is one of them:

"Our Economic System has two fundamental weaknesses: it's based on unlimited growth on a finite planet and it benefits a small number of people, not everyone".

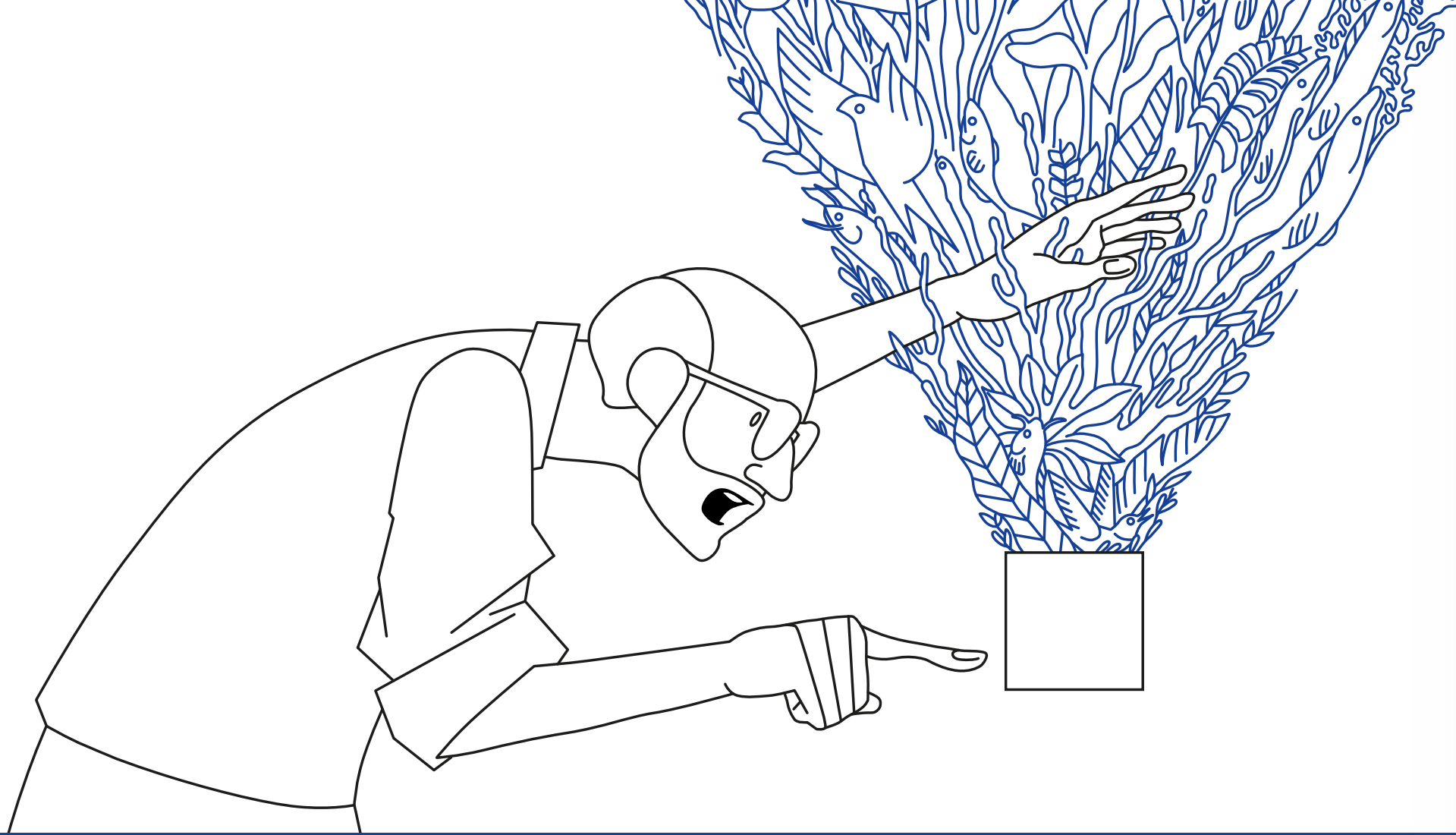
These are the reflections that all of us have made, in one way or another. We live in a sick world, in a social model that has many imperfections, and we should ask ourselves what we can do to change it before it's too late. The previous sentence is a good starting point, one that, if we read it carefully, is no more than a suggestion that we should develop a sound, inclusive and detailed sustainability model that will enable us to ensure the wellbeing of future generations through commitments, actions and, therefore, changes that can be transcendental.

In many companies today, we feel proud of what we are doing and our economic model includes a sustainable model that should save mankind from an eventual catastrophe, but the truth is that we are still doing very little and we are fast reaching a point of no return. The World Economic Forum in Davos released the following declaration.

I quote:

"A company serves society... supports communities... pays its fair share of taxes... acts as a steward of the environment... consciously protects our biosphere, champions a circular economy and a shared and regenerative economy".

2021 was clearly a year of reflection, but I would like to be more optimistic and call it a year of change. We have once again put our lives, our wellbeing and our health at the center of our existence, we have begun to revise values and goals that perhaps contained defects that we hadn't noticed, and we are basically changing toward a society where wellbeing is measured in terms of health, happiness, simplicity, a commitment to help, and an obligation to act in order to protect, to improve, and to deliver a better world. 2021 was the year when a sick world forced us to understand that unless we act quickly, there's no goal or value that will be worth protecting. We should all work toward a sustainable economy, world and society.



THINKING OUT OF THE BOX

At Plastilene Group we are constantly feeling that we should rethink our processes, products, and partnerships and, of course, how we manage sustainability and how we can report it. It is vital for us that we invite all our stakeholders to be part of the change.

We wanted to describe our activities in a different way in this version of our Sustainability Report, using a structure that we

trust is friendly and attractive and makes it easy to understand the challenges facing the circular economy.

An enterprising, generous and human character by vocation, inspired by the values of our founder, Antonio Pacini, thus came into being, and he will accompany us as we relate the various stories about our sustainable commitments and will invite us to reflect on our activi-

ties and results in 2021. Tonio, as we decided to call him, is always ready to do whatever is needed and to rethink things in order to make them even better, and to underline the importance of having someone to turn to when help is needed. And he always turns to those who know best for anything he doesn't understand and he valiantly adapts to changes.

WE'RE DOING IT, WE'RE GETTING THERE

Throughout this report, we will illustrate the progress the Group has made with respect to the four commitments stated in our sustainable innovation strategy, and we will encourage our stakeholders to act with the invitation to **"Get involved, be part of the solution"**.

PROGRESS WITH THE COMMITMENTS

[Click here to read more about the Sustainable Development Goals](#)

1. Circular Economy

"To provide our customers with support in complying with REP and other regulations relating to the circular economy for plastics".
The Group's experience in closing the loop dates back more than 40 years and has become an added value for our customers. We can provide tailor-made solutions and can take part in collective scenarios for EPR.
SDG 12, 13, 14, 15, 17

2021 LANDMARKS

- Inauguration of the Reciclene post-consumption plant.
- Efforts in supplying post-consumption material (partner suppliers)
- Increase in consumption of recovered PET materials

2. Sustainable Portfolio

"To offer customers a competitive portfolio of sustainable products in line with circular economy and ecodesign principles that will enable them to achieve their corporate sustainability targets, since the strategy is linked to the products that are offered".
We innovate from the start and we work with partners in order to boost initiatives based on the concept of redesign, reduce, reuse, recycle and renew.
SDG 12, 13, 17

2021 LANDMARKS

- Stabilization, categorization and marketing of our plastic resins line.
- Ciclolene used only post-consumption recovered plastics.
- Incorporation of recovered material in films, packaging and other plastic products.
- Reduction in caliber and density of new applications.
- New markets entered in the United States.
- Implementation of new seals and ecodesign certifications.

3. Environmental Commitment

"To continue to be climate-positive companies by increasing the internal carbon footprint that is offset through the implementation and continual improvement of the Grupo Plastilene neutrality plan".
We migrated toward more sustainable energy consumption and included measuring indirect emissions (scope 3) as a way to involve our value chain in the carbon neutral commitment.
SDG 13, 14, 15

2021 LANDMARKS

- Purchase of renewable energy for plants in Colombia that are not in a free zone.
- Group greenhouse gas inventory more than 25% down.
- Waste water treatment at the Reciclene post-consumption plant.

4. Social Commitment

"To be socially responsible companies by providing personnel with wellbeing, supporting vulnerable communities in areas of influence, and making donations in cash and in kind in the event of natural disasters".
We provide our personnel and their families with wellbeing at all times. We support vulnerable population groups with scholarships, food parcels and volunteer activities. We also improve the visibility of formal waste-pickers and reinforce their work.
SDG 11, 17

2021 LANDMARKS

- Reinforcement of Plastilene University.
- Contribution to Michín Foundation and Nuestra Sagrada Familia Foundation.
- Honoring formal waste-pickers and reinforcing them.

For 2022

We will continue to work on the circular economy and closing the loop in collective scenarios with recycling associations, customers, academia and final consumers, with a view to increase the integration of recovered material in packaging. Likewise, we will continue to explore new markets in North America and to acquire more partners, in order to boost developments in biodegradable and bio-based structures.

As far as energy efficiency is concerned, our target is to reduce the carbon footprint and its impact in the various countries where we operate, to continue monitoring and controlling indirect emissions, and to implement photovoltaic energy projects. But there can be no doubt that one of our biggest priorities is to reinforce the skills and capabilities of our personnel, with a view to making a long-term environmental, social and economic impact.

WE SHARE A ▶ COMMON GOAL FOR THE PLANET AND THE WELLBEING OF SOCIETY



RICARDO ESTRADA
VICE-PRESIDENT
COMPRAS Y SOSTENIBILIDAD



Our fourth sustainability report represents more than four years since we implemented our sustainable innovation strategy and the more than forty years that Plastilene Group has been recovering plastic materials. This report marks the consolidation of a lifetime of responsible values and principles that have been put into practice by an enterprising and generous Italian immigrant committed to people, to Colombia, and to the countries where he has engaged in his personal and business activities.

Antonio Pacini's experience is a living legacy that inspires every member of the Plastilene family to continue building new paths to progress and sustainable innovation in our industry. Today, we see this in four sustainable commitments that transcend collective work as we seek to join our stakeholders in order to boost the scope and impact of our actions in favor of sustainability.

These sustainable commitments continue to evolve and invite us to

become involved in the active search for tangible results, concrete actions with real products and people, that illustrate business sustainability and the search for the common good.

Our social commitment involves caring for the company's workers and their families and supporting vulnerable communities either directly or through institutions like the Michín Club or Our Holy Family. Additions to these actions that were established and put into practice in a natural and transparent manner by our founder, Antonio Pacini, have included helping formal waste-pickers to improve their quality of life by purchasing materials at a fair price, inclusion and, of course, recognizing the work they do in the recycled plastics value chain, making them the very heart of the circular economy.

Our social commitment leads us to reflect internally on the work done by volunteers, to understand how we can connect with collective causes that encourage us to find

time in our lives to help others, and to feel useful and part of a community. We want to invite you to become involved, to sponsor a formal waste-picker. Let's separate exploitable waste correctly and deliver it to them directly. If we do this, we will see how such a simple action can have a big impact on their quality of life and their income, as well as on the planet, because we reduce environmental pollution and the use of landfills.

If we activate the collection of post-consumption materials from homes, we will mobilize plastics recyclability and connect with our sustainable commitment to the circular economy and to complying with legislation.

In 2021, we made our capacity to recover 10,000 tonnes of rigid and flexible packaging per year available to industry, to our customers, to EPD collectives and to the circular economy in general. It was a concrete fact that illustrated our experience in the field of recovering materials, a story that began

more than forty years ago and which today is headed by Reciclene, the principal company that transforms materials for Plastilene.

The fruit of this undertaking is reflected today in our Ciclolene product brand, a polyethylene and polypropylene resins line that uses only post-consumption recycled material that has the ICIPC recycled content seal. This Ciclolene resins line is being incorporated into new packaging and products made by Plastilene Group companies and by Reciclene customers.

Ciclolene is one of the many ways that we illustrate our commitment to customers, consumers and other stakeholders, by offering a portfolio of sustainable, competitive products with seals supported scientifically by third parties or certified studies.

Ever since the early days, under the leadership of Antonio Pacini, Plastilene Group has placed on the market innovative products that enable food, beverages and other contents to be conserved efficiently, using natural resources in a rational manner and avoiding waste.

Today we are part of a society with greater awareness and we face enormous challenges if we are to maintain sustainability in our industry and on the planet in general. This is why we have evolved toward a specialized product portfolio based on five Rs: Rethink, Reduce, Recycle, Renew and Reuse. This commitment, which is constantly developing, invites customers and citizens to be rational, responsible and aware when it comes to consumption habits. It also invites us to get involved and to select products and packaging that have the least effect on the environment, that are recyclable, that contain recycled material, and that teach us in a concrete manner how to dispose of them and reuse them in order to maximize their use and reinforce the circular economy.

Our commitment to the environment, which is based on the efficient consumption of energy resources and the implementation of state-of-the-art technologies, has developed to such an extent that today we are certified carbon-neutral companies that consume certified renewable energies. Moreover, we have entered the field of solar energy generation for internal consumption.

Society in general is responsible for combating climate change, and this is why we want to invite you to join this cause, in your homes, by controlling energy use, thinking carefully when using transportation and, in general, rationalizing the consumption of natural resources.

Rationalizing the use of natural resources will help us to ensure that future generations have a sustainable planet, to conserve biodiversity, and to improve our life expectancy.

What started out as a dignified lifestyle in the hands of Antonio Pacini, in the form of building companies and acting correctly, has today blossomed into coherent actions that are part of a business strategy that is still headed by the Pacini family and which aims to transmit our commitment to the environment and to society.

We continue to be concerned, amid new conditions and challenges that were unavoidable in our industry but which lead us to have faith in our ability to contribute and in what we can build, with the help of all our partners.

We will work to strengthen education, communication and correct messages, so that the circular economy can continue to forge a path toward responsible and prosperous development for all.

ABOUT US

GROUP MISSION

We are plastic resin extruders. We offer our customers the best integrated solution portfolio. We work in an environment of respect, with impeccable ethical principles and highly qualified personnel, based on innovation and continuous improvement. We are committed to the environment, to our employees, and to our customers and our society.

OUR STRENGTH LIES IN OUR PEOPLE

Plastilene Group is part of a family holding company that is governed by a general meeting of shareholders, a board of directors, and a president. Every month, the board discusses subjects relating to projects, investments, labor and legal matters, and issues such

as those associated with safety, social responsibility, and risks. In 2021, the Plastilene Group board began to perform its duties in Plastilene INC.

BUSINESS RISK MANAGEMENT

Risk management takes into account matters relating to our production, customer operation, legislation, and even difficulties inherent in each individual country where we have a presence. In 2021 we overcame a number of difficulties, including the high exchange rate, the shortage of raw materials because of frost in Houston, Texas, the international logistics crisis resulting from the pandemic, and the national strike in Colombia, which affected the

supply chain, among other things.

We have used the AON Risk Maturity Index tool for the last four years as an additional risk measurement support. Our score in the most recent review rose to 3.5, placing us in the "operational" category. We also have risk control mechanisms, such as SAGRILAF, OEA, and the business ethics and transparency program.



OPPORTUNITIES FOR 2022 WITH RESPECT TO RISKS



- Correct management of situations with customers and suppliers.
- New lines and plants in operation, despite logistical difficulties with the arrival of machinery.
- Strengthening of the post-consumption supply chain (teamwork with formal waste pickers).
- Innovation and sustainability as a doorway to relationships with new organizations.
- Identification of opportunities in the plastics-sector legislation implementation process.
- Growth in the Mexico and United States market.
- Development of new, specialized products and introduction thereof on the market.

Business Managements and Corporate Vice-Presidencies, as applicable, are responsible for communicating with the President on social, economic and environmental matters. In addition, the leaders of each sustainable management line are in charge of materializing initiatives in the normal course of the business.

WE ARE WHERE WE SHOULD BE

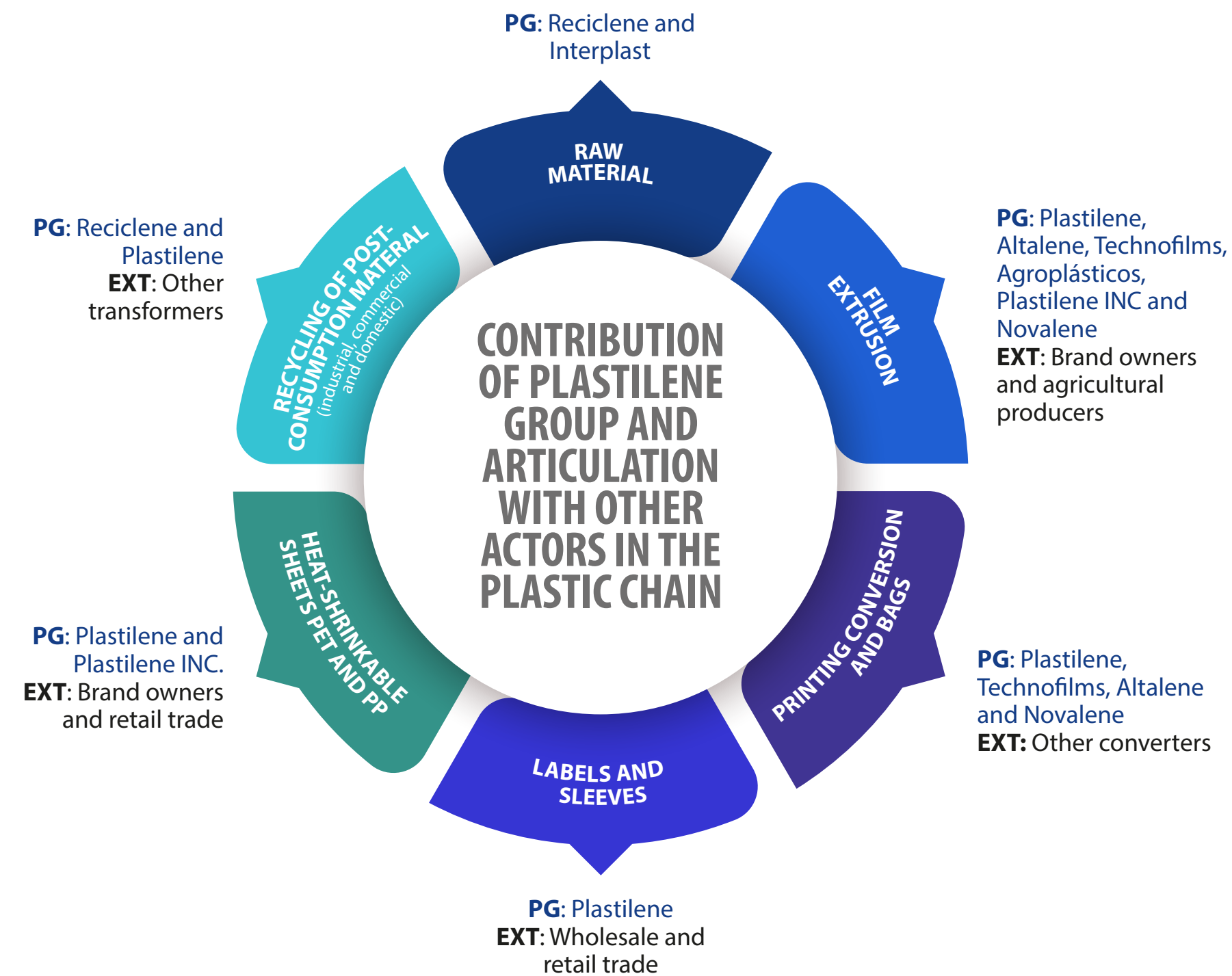
Wide geographical coverage

We have eight production plants, located in Colombia (Plastilene, Novalene, Altalene, Reciclene and Interplast), Ecuador (Agroplásticos), Guatemala (Technofilms), and the United States (Plastilene INC). We have commercial representatives in South America, Central America and North America.

Presence in the entire plastics chain

It is because of our investment in the latest technology and our knowledge of our products, processes and markets, our strict adherence to standards and our financial soundness, together with our closeness to business associations, a local technical

service and the reinforcement of our sustainability, among other components of our strategy, that we have been able to serve different industries and be ever stronger in the all stages of the plastics chain that we are involved in (raw materials manufacture, film extrusion, printing, recycling, reincorporation, closing the loop).



WHAT DIFFERENTIATES US:

"We don't sell what we have, we make that the customer needs"
Stefano Pacini

Following the principles of ecodesign and sustainable innovation, we manufacture **packaging for products** such as salt, sugar, coffee, milk, meat, grains and toilet paper, as well as plastic films for greenhouses, bales and heat-shrinkable products, bags used by trash consortiums, and labels.

We also produce recycled raw material that is later used for

manufacturing new products.

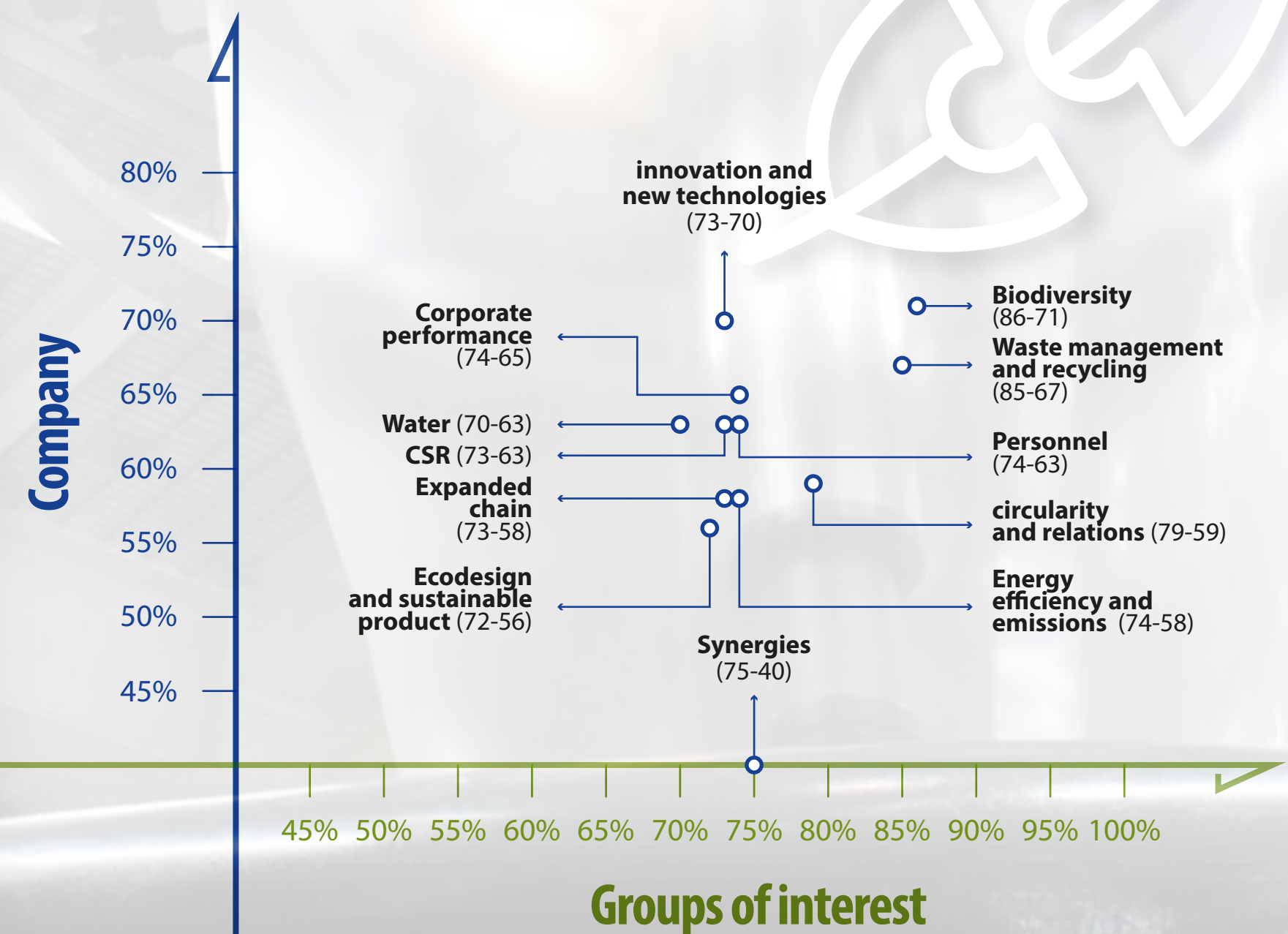
We put discourse into action. We are our own laboratory. We try everything we believe it is possible to do in terms of ecodesign as a function of circularity. We prepare ourselves for the future through a deep understanding of

markets and trends. This is what stimulates new developments in Plastilene Group.

Material matters

The material matters defined the previous year remained active in 2021 and we grouped similar subjects together when executing the different initiatives. Meanwhile, our stakeholders continued the prioritization determined the previous year.

MATERIALITY MATRIX



ECONOMIC RESULTS

	2020	2021
VEG	512.416.770	697.186.111
VED	454.586.714	625.879.922
VER	57.830.056	71.306.189

VEG: DIRECT ECONOMIC VALUE GENERATED, GROUP
VED: ECONOMIC VALUE DISTRIBUTED, GROUP
VER: ECONOMIC VALUE RETAINED

Because of our investment in sustainable projects, in 2021 we obtained the following benefits: Income (applied in 2020) and VAT (came into effect in 2021). We were also granted an extension of the deadlines for paying taxes in Colombia, due to the pandemic. Our economic results were as follows.

CHALLENGES IN 2021

FLEXIBLE PLASTICS

Flexible plastic packaging such as films, bags or wrappings plays an important role in reducing the carbon footprint and waste, and also in protecting and preserving foodstuffs when these are being transported. It nevertheless gives rise to a big challenge when it comes to recycling it.

According to Andigraf, 27% of packaging of this material in Latin America in 2021 was plastic, but only 8% of it was recovered. This was mainly because the collection system for flexible plastics is in the process of maturing. Greater consumer involvement in source separation is being promoted and new technologies are being implemented to optimize the quality and value of recycled flexible plastics.

One of the **cornerstones of our Sustainable Innovation Strategy** is that we work proactively with our customers, suppliers, industry partners and academia to face the challenges involved in recycling this type of materials. This is the contribution we have made to closing the loop for flexibles.

(See Circular Economy Chapter).

HOW WE GENERATE VALUE IN THE CHAIN

SUSTAINABLE SUPPLIER BASE

Just as it is a priority in the Group to work hard on our environmental management and clean production, we are also interested in supporting our partners and encouraging them to achieve a high level of commitment in these fields. In 2021, we therefore continued the process of acquiring new suppliers based on sustainability criteria and we made a start on measuring the impacts of our current suppliers. A total of 204 suppliers joined the Group, and we highlight the fact that 35 of these were for post-consumption recycled materials.

Discover the award that Coca-Cola granted us, as a sustainable supplier. Scan this QR code.



NEW CHANNELS FOR INTERACTING WITH OUR CUSTOMERS

With a view to involving customers in our circular economy projects and keeping them informed of developments in the Plastilene Group, we began to send them a newsletter every two months. This new instrument, the first issue of which was for customers in Colombia, enables us to strengthen communications, receive constant feedback, and reinforce the commercial relationship. A second phase will see us focus on customers in Central America, Ecuador and the United States with whom we currently have direct communication via our commercial teams and who we supply with information on a permanent basis through the Group's communications ecosystem.



ASSOCIATIONS

In the context of SDG 17, Partnerships for the **Goals (see Goals)**, it is a priority for us to belong to business or industry associations in each of the countries where we have operations and to play an active role in them. We thus establish a relationship with other parties in society and in our production chain, we contribute our experience for building knowledge, and we promote responsible legislation in our industry.

ftcoplásticos
Plásticos - Cauchos - Petroquímica - Pinturas - Tintas - Fibras

cempre
compromiso empresarial para el reciclaje

ICIPC

ANDI

Asoleche

Asociación y Comisión Guatemalteca del Plástico
coguaplast

Member of
SUSTAINABLE PACKAGING COALITION*

ANDI

- As members of the Vision 30/30 collective, we took part in communication workshops that set out to foster a greater recycling culture in consumers. We took some of the lessons learned from these on board and incorporated them into our own communications.
- We are members of the Vision 30/30 collective technical and functional committees, with a view to reinforcing REP compliance among its members.
- As a result of an evaluation of priorities and resources, we withdrew from the Chemical Industry Committee.



ANDI **MÁS PAÍS**

CEMPRE

- We are members of the board and the communications committee. We played an active role in planning the organization's strategy and in communicating the different projects carried out, based on the strategic lines established.
- Through our membership of the Red Reciclo (Recycle Network) collective, we worked in conjunction with Postobón and Grupo Familia, with Reciclene as transformer, on the "Bogotá, Recycle with your Recycler" initiative, which set out to strengthen recyclers and recover material that could be transformed in various applications, including packaging for these two brands. Discover one of the project's most significant moments. Scan this code.

Discover one of the project's most significant moments. Scan this QR code.



ACOPLÁSTICOS

We are members of the board of directors, the sustainability committee, and the communications committee. We supported the collective work by the organization in developing a responsible plastics industry in the country; we joined the Acoplásticos ACOREP collective. We were involved in regulations that could impact our industry and we played an active role in draft laws. ([See video](#))

ASOLECHE

As member of the suppliers committee, we contributed our knowledge about packaging sustainability, in order to provide production companies in the industry with guidance when decisions have to be made with respect to the challenges raised by EPR and coordinating efforts to achieve their own sustainability goals.

COGUAPLAST

We are members of National Plastics sector Assembly in Guatemala and we received an award for our involvement in the organization during the last ten years.

SPC

We continued to be members of the final markets committee and we took part in various webinars and forums as part of the learning process and to help us understand the world of sustainable packaging in the North America region.



PERSONS TO CONTACT IF YOU HAVE ANY QUERIES RELATING TO THIS EPORT:



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We are inspired to build long-term life projects with our human team. **THERE'S STILL A LONG WAY TO WALK TOGETHER.**

SOCIAL RESPONSIBILITY COMMITMENT



SOCIAL RESPONSIBILITY COMMITMENT

"Machines are bought, money is borrowed from banks, but the human factor has to be loved by the company, and has to grow with it".

ANTONIO PACINI

SOCIAL COMMITMENT SEAL



OUR FAMILY IS STILL GROWING

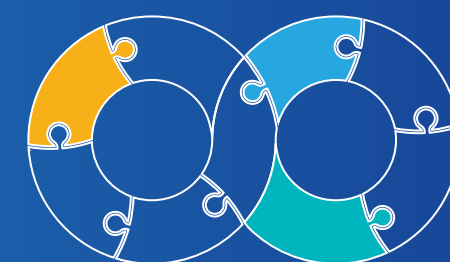
More than being just staff, customers, suppliers and partners, we are people who share a common goal: to be happy.

This is why it is so important for us to look beyond the immediate needs of the company and what we are obliged to do by law in each country. Like one big family, we care for our mutual wellbeing because we want to work with people who can develop their potential, who feel motivated and are satisfied with what we do and how we do it.

We learned this from our founder, don Antonio, who said, "we aren't interested in short-term relations with anybody".

IT ALL BEGINS AT HOME

In the Wellbeing area, which is headed by Human Talent, we believe that personal growth is as important as professional growth. It is because of this that we focus our efforts on comprehensive, overall development and we include support for the family environment.



Sustainable Innovation Strategy
Clients, RCSR, Regulations and associations



GOOD HOUSING

Pacini Award

An initiative that has been implemented year after year in Colombia by some companies in the Group for staff who want to improve or acquire housing, pay off their mortgage and, in very special cases, pay for their children's further education.

Improving and/or purchasing housing in Guatemala

Funds are set aside in Guatemala to provide staff with finance or economic support for improving or acquiring housing.



SUPPORT FOR FURTHER STUDIES

High school graduates

Technofilms achieved a figure of 100% for workers who had graduated from high school. In 2010 it had been only 50%.

Bilingualism

- Managerial level, corporate figure: 33% are classified as B2
- Administration level, corporate figure*: 175 staff started the program

Technicians

27 staff in Colombia graduated in the SENA specialization entitled Manufacture of Plastic Products by Injection and Blowing.

Technologists

- 27 staff in Colombia started plastic film extrusion training.
- In Ecuador, support was provided to help one staff member finish their technical studies and start engineering.

Undergraduates

On average, 19 staff in Colombia received economic support in the form of 75% of the cost of the semester.

Postgraduates

Six staff in Colombia and two in Guatemala received sponsorship equivalent to 80% of the cost of the semester.

Process leaders in standards

Process leaders in Colombia were certified in, and updated on, standards FSSC 22000 (17 persons) and process statistical control (12 persons).



SUPPORT FOR STAFF MEMBERS' CHILDREN

Support for academic excellence

3 in transition, 17 in primary school, 17 in high school

*Plastilene has been supporting and rewarding the children of staff members who stand out academically for the last 15 years.



"This is one of the children who inspire us most. Scan the QR code to discover his story".

The Group is what it is today because it has a team of more than a thousand people in Colombia, Mexico, El Salvador, Honduras Nicaragua, Panama, Ecuador, Guatemala and the United States and have grown with it. This is our team:

NUMBER OF STAFF IN 2021							
PLASTILENE	NOVALENE	ALTALENE	RECICLENE	INTERPLAST	TECHNOFILMS	AGROPLÁSTICOS	TOTAL
577	45	95	77	8	202	26	1.030

EDUCATION IS THE BEST LEGACY

Ever since the start, the Group has always tried to do things well, and to do things well they have to be based on knowledge, scientific criteria, research and innovation processes, and a vision for the future. The knowledge

acquired from this dynamic has enabled us to administer our knowhow internally.

It was because of this that **Plastilene University** came into being, a vital, internal training program in growth, innovation,

and knowledge management. It has been on a virtual platform for the last two years, accessible for all staff.



In 2021 we launched a course consisting of 63 modules, with a target of training 319 staff in our Sustainable Innovation Strategy. Over 80% of them graduated, and each staff member received an average of 36 hours' training during the year.

We offered courses to strengthen the management of multi-product sales, disclose the business continuity plan, strengthen computer skills, among others. All the courses are of a corporate nature, and depending on the subject, they are offered for specific areas or for workers in general.



WEBINAR	NO. OF SESSIONS
Water Quench extruded films	16
Flexible packaging, bags. Manufacture and markets	12
TOTAL SESSIONS	28

Google Office suite courses, aimed at working in a swift, opportune and efficient manner.

COURSES	NO. OF SESSIONS
Business Continuity Plan	17
Google Sheet, Basic Level	11
Google Sheet, Intermediate Level	15
Google Sheet, Advanced Level - Data Studio	8
Google Drive	11
TOTAL LESSONS	62

Motivated by our interest in becoming an Authorized Economic Operator (AEO), another course we offered was the Business Continuity Plan. We therefore guarantee that we will provide a solution, continue operating and recover in the shortest time possible if an unexpected event occurs.

WE UNDERSTAND REALITIES SO WE CAN HELP FROM DIFFERENT PERSPECTIVES

Just as we seek wellbeing among our staff, we also focus on the wellbeing of vulnerable communities in our areas of influence.

In Guatemala, we achieved the following in 2021 with the Nuestra Sagrada Familia Foundation:

- We provided the nursery with special support as a result of the problems faced **during the Covid-19 pandemic**.
- **We provided unemployed parents with food**, in conjunction with the Order of Malta and the Alejos Foundation.
- **We handed over provisions**. This enabled Technofilms to get close to the parents of children in the nursery, to persons interested in continuing their studies, and to people living in extreme poverty.
- **We granted ten scholarships** for completing their primary school education to mothers of kids from Nuestra Sagrada Familia foundation and in the future could support the family economy.
- **We supported 58 children** who had problems with virtual training by granting them scholarships to study in private schools. This was achieved due to Technofilms contacting TIGO and TOTTO.

In Colombia, meanwhile, we continue to provide economic support for the **Michín Foundation's** mission. We have had close contact with its new director, which has enabled us to identify better opportunities for supporting its two programs, prevention and protection for children in Bosa and Palermo, and involvement by Group staff.



Have a look at this platform, which is part of the future for the business. Scan the QR Video code for a tour of the platform.

THE HEART OF THE CIRCULAR ECONOMY FOR PLASTIC

Official recyclers

Because we work with recyclers on a daily basis, we appreciate that they are the heart of the circular economy for plastics, not just because they make it possible to collect and classify the post-consumption material that we transform at Reciclene, but also because they put their heart into this work, despite the scanty recognition they receive and the difficulties they face because waste is badly separated in homes.

It has thus become a priority for us to train them, make them stronger and more professional, and promote cooperation in the chain (customers, citizens, trade associations, collectives, etc.).

Our most important contributions in 2021 are summarized below.

- Our most important contributions in 2021 are summarized below.
- Tribute paid at Reciclene to our partner associations in Bogotá, Tocancipá and Cajicá, and handing-over of Christmas hampers.
- Training at our post-consumption plant, so that recyclers have an opportunity to understand the processes and share with us the problems they face in their activity, as well as the successes.
- Cash donation to the Reciclando Amor Foundation, volunteering in its recognition campaign, and handing over year-end gifts to recyclers.
- Visits to the warehouse of RECITOC, a partner association in Tocancipá, so that customers and partners could experience the everyday challenges that are faced and learn about the achievements that have been made.

These were the customers who accompanied us in this pilot program. Scan the QR code.



Positive results have been achieved from the visits. Awareness work has opened up new opportunities for conversations about incorporating post-consumption material in products that we hope to develop cooperatively in 2022.



LOCAL ENVIRONMENTAL PROMOTERS

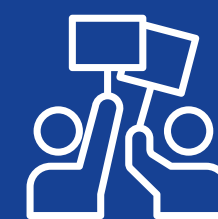
With the common purpose of closing the loop of plastic from our floriculture customers in Ecuador, we accompanied environmental promoters in the task of collecting the one that had come to the end of its useful life from the greenhouse.

The initiative by our company Agrolásticos consists of putting

them into contact with farms and guiding them in good commercial practices for reinforcing their relationship with their customers, who will incorporate this waste in light hoses, black sheaths and dark packaging, among other things.

These promoters currently deal with up to 20% of our customers'

sheets and we hope that, with our support and that of the floriculturists and associations linked to the sector, we will continue to consolidate this new source of revenue for these vulnerable organizations. We also hope to increase exploitation rates with local promoters.



GET INVOLVED!

Join the volunteers. Put your time and skills, at the service of vulnerable communities or environmental causes, significantly contributing to the world's sustainability.



Listen to two of the promoters we have supported during the last five years. Scan the QR.

Circular economy of plastics is not invented at all,
**THERE WOULD ALWAYS BE DIFFERENT WAYS
TO SEE THINGS.**

SUSTAINABLE PORTFOLIO COMMITMENT



SUSTAINABLE PORTFOLIO COMMITMENT

"We function as a production laboratory, we speed up developments, and we guide our customers toward opting for a more sustainable solution".

STEFANO PACINI

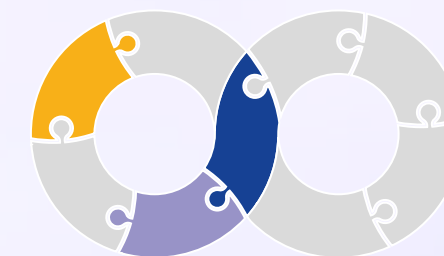
SUSTAINABLE PORTFOLIO SEAL



► THE SCIENCE OF RETHINKING

For many years in the plastics industry, priority was given to exploiting the qualities of an innovative, high-technology, low-cost material with high mechanical properties. To this end, the focus was on designing efficient, functional products that took into account its many attributes, such as harmlessness, flexibility and strength, which made it ideal for storing food. Nowadays,

with more knowledge available and a greater awareness of the importance of sustainability and the circular economy for combating climate change and the shortage of resources, the urgent need to ensure that all plastic materials reenter the production cycle illustrates a critical point: **thinking of their final disposal when designing them and having the least environmental and social impact when producing them.**



Sustainable Innovation Strategy
Clients, **P**ortfolio, **C**losing the loop

HOW CAN WE DO THINGS BETTER TO ACHIEVE THIS?

At Plastilene Group we like to adopt an innovative spirit as we rethink packing materials, industrial packaging, films for agriculture, and compounds and products containing recycled materials, based on the principles of the circular economy and ecodesign and centered around our experience,

state-of-the-art technology, and our presence throughout the value chain.

We function as a production laboratory, we speed up developments, and we guide our customers toward opting for a more sustainable solution, taking into

account criteria such as life-cycle analysis which enable us to compare environmental footprints using tools like Compass and Umberto. We thus analyze the impacts of the current structure, the eco-designed or the substitute materials.

THE RESULT?



Listen in our podcast the successful cases in Colombia, Guatemala, Ecuador and United States. Scan this QR code.



AN EQUATION WITH MULTIPLE ANSWERS

Research, development and innovation in the field of new materials and applications have enabled us to build a robust line of sustainable solutions for our customers. We aim to apply the most vital rules of the circular economy to our products, without sacrificing functionality.

RESULTS ACHIEVED WITH POSTOBÓN



In 2021, 10% of post-consumption resin was incorporated into 15% of heat-shrinkable products for Postobón. This project was possible because of the materials that were collected by our partners in the Plastilene Group post-consumption supply network and the provision by the customer of reusable material, all of which were transformed at our Reciclene post-consumption plant.

2022 CHALLENGE

To incorporate post-consumption material in 100% of heat-shrinkable products produced by **Plastilene Group** for Postobón.

BEAR IN MIND!

Post-consumption material (industrial, commercial or domestic) cleanness and classification are a vital factor in determining the quality of the pellet that is manufactured. At Plastilene Group we are working with the entire value chain on programs to **reinforce this and assist official waste-pickers in meeting this challenge.**

RESULTS OBTAINED WITH GRUPO FAMILIA



We established a circular economy model with Familia whereby we collect waste from one of its plants (in Cajicá) and take it to Reciclene for transformation. Later, Plastilene and Altalene use this to manufacture films. In 2021, Plastilene incorporated 20% of the material recovered from Grupo Familia into 66% of the printed bales it produced.

Altalene incorporated 20% of the recovered material into packaging for napkins, 30% of the recovered material into repackaging, and 33% of the recovered material into diaper packaging.

Sugar Industry



Initiative

REDUCTION IN CALIBER / THICKNESS

Benefit

- Up to 20% reduction in weight per packaging unit
- Smaller carbon footprint

Development phase

APPLICATIONS TO BE LAUNCHED IN 2022

SINGLE MATERIAL STRUCTURE

- Simplifies recycling
- Disposal less complex (consumer / chain)

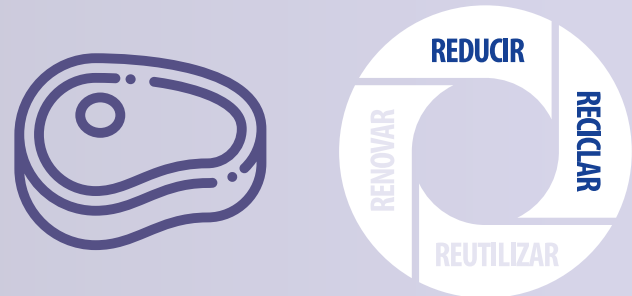
COMMERCIAL

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand and company targets

COMMERCIAL

Meat



Initiative

SINGLE MATERIAL

Benefit

- Simplifies recycling
- Disposal less complex (consumer / chain)

Development phase

COMMERCIAL

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

COMMERCIAL

Confectionery



Initiative

SINGLE MATERIAL

Benefit

- Simplifies recycling
- Disposal less complex (consumer / chain)

Development phase

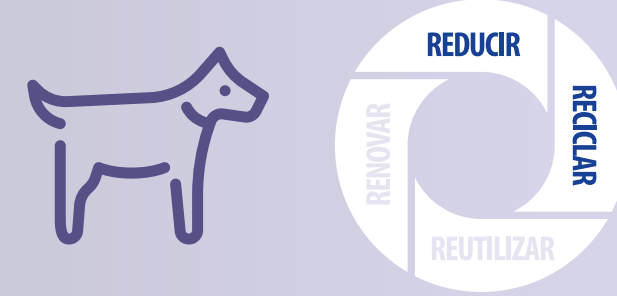
COMMERCIAL

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

COMMERCIAL

Petfood



Initiative

REDUCE DENSITY

Benefit

- Fewer raw materials used (between 10% and 23%)
- Less plastic used
- Reduction in use of fossil fuels
- Reduction in weight of packaging
- Smaller carbon footprint

Development phase

COMMERCIAL

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

COMMERCIAL



These are the two prize-winning packaging materials in the 2021 Global Flexo Innovation Awards. Scan the QR code

Successful cases

Alimentos Raza (Colombia),
Concentrados Alianza (Guatemala),
Nutroline (México)
Nutresa (Colombia), Sugar Creek (EEUU)
Lala (Nicaragua), Productos Lácteos
Aura (Colombia)

Dairy Produce



Initiative

REDUCE DENSITY

Benefit

- Menor uso de materia prima (Entre 10 y 23 %)
- Menor uso de plástico
- Reducción uso de combustibles fósiles
- Reducción peso empaques
- Reducción huella carbono

Development phase

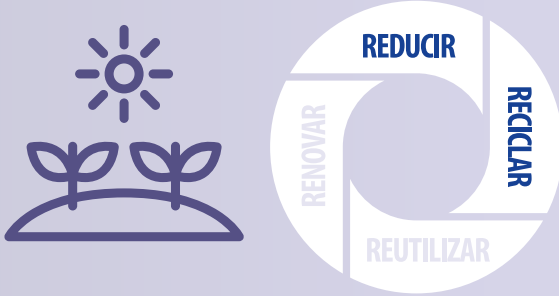
COMMERCIAL

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

COMMERCIAL

AGRI-CULTURE AND GRAPHICS INDUSTRY



Initiative

SHEETS WITH RPET

Benefit

- Technically recyclable
- Easy to close the loop
- Up to 98% recycled content

Development phase

COMMERCIAL



This is the model for closing the loop that will be implemented (locally) with GR Chía in 2022

Successful cases

GR Chía (Colombia),
Papelcard (Colombia)

Heat-shrinkable material



Initiative

USE OF RECOVERED MATERIAL

Benefit

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

Development phase

COMMERCIAL

Successful cases: Postobón (Colombia)

Packaging for trade and industry



Initiative

REUSABLE BAGS AT POINT OF SALE

Benefit

Highly resistant, thus favoring multiple use for shopping or merchandizing

Development phase

VALIDATED FOR THE UNITED STATES

USE OF RECOVERED MATERIAL IN BALES OR HEAT-SHRINKABLE MATERIAL

- Reduction in use of virgin raw materials
- Smaller carbon footprint
- Lower water consumption
- Lower fossil fuel consumption
- Properties or functioning of the packaging not affected
- Contributes to sustainable brand targets

COMERCIAL

Successful cases: Grupo Familia (Colombia): Packaging for diapers and repackaging Drypers (Colombia): Bales - Reciclene (Colombia): Bags with recovered material content

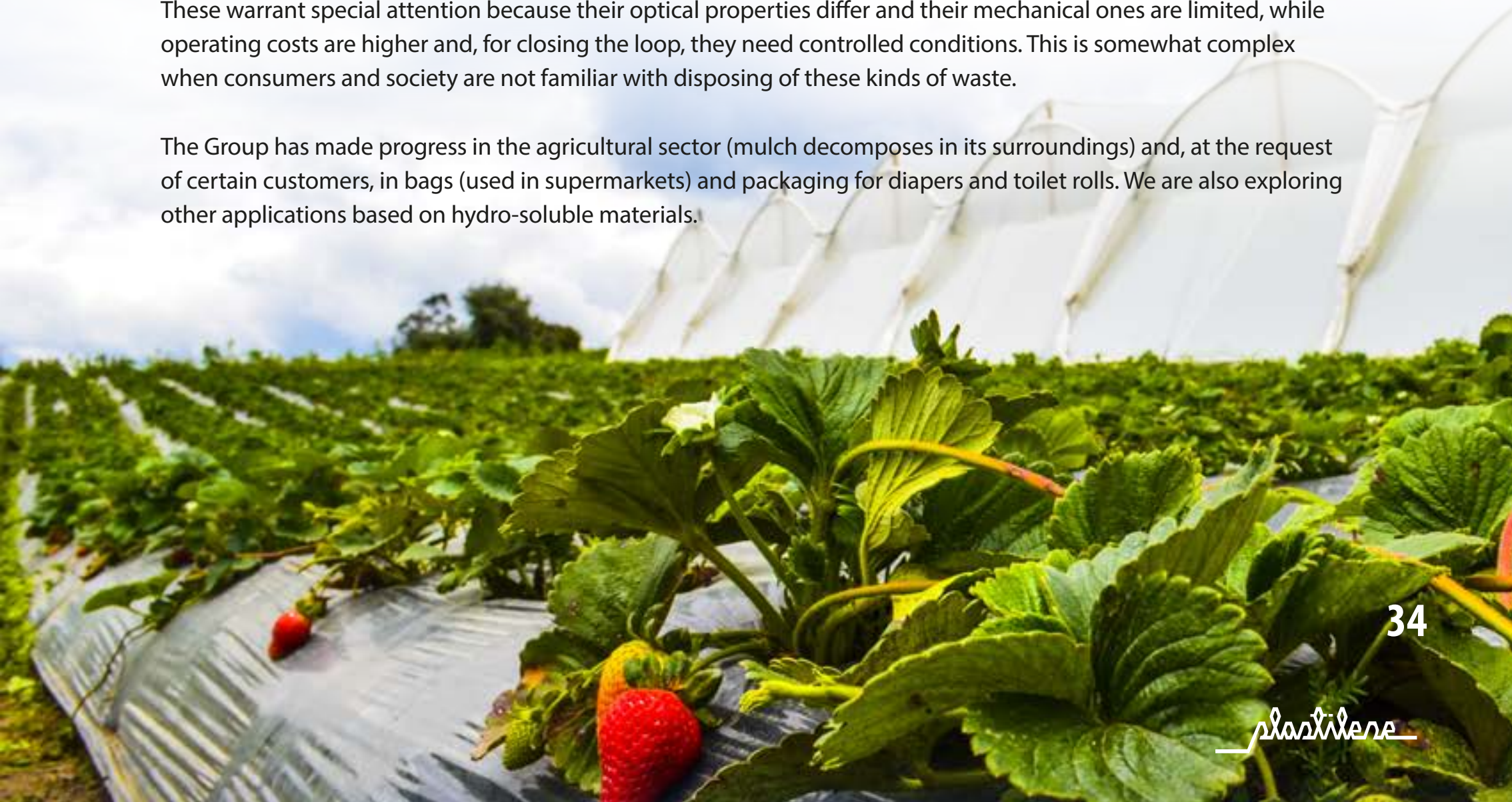


This is the "R" that we can use to help waste pickers. Scan this QR to discover how.

RENEW: WHAT HAPPENS WITH BIODEGRADABLE AND BIO-BASED MATERIALS?

These warrant special attention because their optical properties differ and their mechanical ones are limited, while operating costs are higher and, for closing the loop, they need controlled conditions. This is somewhat complex when consumers and society are not familiar with disposing of these kinds of waste.

The Group has made progress in the agricultural sector (mulch decomposes in its surroundings) and, at the request of certain customers, in bags (used in supermarkets) and packaging for diapers and toilet rolls. We are also exploring other applications based on hydro-soluble materials.



► RECYCLE: INCORPORATION OF RECOVERED MATERIAL INTO PACKAGING THAT COMES INTO CONTACT WITH FOOD

Currently, if flexible packaging (such as that for rice, sugar and salt) is to be transformed and used in its original application, it needs high-tech transformation processes and a custody chain.

Because of this, the Group is evaluating processes and materials, with help from technical benchmarks like the **Plastic and Rubber Research and Training Institute** (ICIPC, its acronym in Spanish) and Colombia Productiva, in order to determine the path for obtaining resins and films with mechanical recycled properties that meet

requirements for coming into contact with food and beverages.

This is not an easy task. The key to success lies in parties in the recycling chain, brands, regulatory institutions and consumers all providing assistance and becoming involved, in order to implement disruptive changes that bring us close to the circular model in primary packaging that comes into contact with food.



This is what the project with ICIPC and Colombia Productiva is doing. Scan the QR code.

► SPECIAL ATTENTION TO REACTION

In order to avoid inaccuracies in sustainability attributes or type of material, everything that the brand states on the packaging should have a technical backup by the manufacturer.

Plastilene Group accepts responsibility for recommending that its

customers adhere to good labeling practices, in terms of both the resin identification triangle and sustainable packaging features. We ensure that our customers do not engage in involuntary greenwashing practices.



SELF-DECLARATIONS



Pioneers in Guatemala and Colombia*

Lower material consumption



Grupo Plastilene seal

Technically recyclable

THIRD-PARTY CERTIFICATION



When recycled, can be used in primary packaging (no contact with food), secondary packaging, and as raw material for injecting into high-value industrial items.

This seal provides an opportunity for 40% of films for the automatic packaging of solids to be replaced by single-material structures with polyethylene.

Already in process of customization in 2022.

*Based on ISO 14021 labeling and environmental declarations standard

► THE HEAT-SHRINKABLE LAW FOR PROTECTING FOODSTUFFS

More shine and less material consumption while not failing to protect what is inside

Waterquench technology is a film blowing extrusion technology which minimizes the crystallization process by cooling with water. We are producing the following products in 2022:

- Water-quenched films for thermal shaping with and without oxygen barrier, high clarity and shaping ability, which prolongs foodstuff life.
- Micro-foamed water-quenched materials which enable plastic resin consumption to be reduced.



NORTH AMERICA LOG

2015

Forging strategic alliances with members of the chain was a fundamental factor in entering the North American market, because it enabled us to implement our sustainable developments and technologies. Experience and available equipment are not enough when it comes to finding innovative packaging solutions; sharing a common interest in sustainability with partners is fundamental.



TAILOR-MADE INSTRUMENTS

2015

Success with our developments and personalization of our commercial relations resulted in these partners quickly becoming our friends and asking us to make packaging locally. This is why our plant in the United States is located in Ohio, a strategic point for meeting our customers' needs and carrying out innovation projects in cooperation with government institutions, academia and industry.

L-board, Anchor product

The technology we use for reducing film density enabled us to forge links with a company that processes and packs proteins for distribution in the USA, Canada and Mexico and had been trying for many years to replace its packaging material, which was hard to recycle because of the combination of materials and waxes.

Consequently, we developed a plastic alternative which:

- Is technically recyclable;
- Has a better material performance per kilogram;
- Uses little water and few raw materials;
- Generates a lower carbon footprint because it uses fewer raw materials;

- Behaves mechanically in the same way as the material it replaces;
- Saves costs on transportation, electricity, wastage, etc.

At the moment we are exporting it from Colombia, but we estimate that we will be producing locally in 2022. Our new Plastilene INC plant will enable us to work on the following product lines.

LINES	PRODUCTS
Flat head co-extrusion with capacity to incorporate PCI and PCR	PET and polypropylene sheets for thermal-shaping processes.
9-layer co-extrusion by blowing to produce flexible films (solid and foam).	High- and medium-barrier technical films to be used in conversion processes and/or automatic packing processes.
	Foam films for meat packing applications, with sealing layers in laminated structures and automatic packing processes.
	Micro-foaming technology in two productive lines
	Industrial waste recovery systems.

ALLIANCES FOR ACHIEVING GOALS

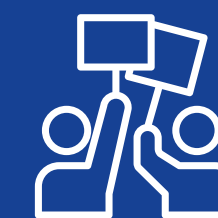
Since we are considered to be a good team member for experimenting, we were invited to participate in such sustainable packaging development initiatives as the Sustainable Food Packaging Initiative (SFPI), which includes state and private entities such as Ohio State University, Jobs Ohio, CIFT, University of New York, So Fresh, and Wingate.

As a result of this synergy, we obtained economic support from the **USA Department of Energy** (DOE), through the REMADE Institute, to carry out a rigid packaging RPET (Recycled PET plastic) circular economy project.

We have also been working on the following:

- We have also been working on the following.
- Development of a circular economy model for rigid polyolefin-based packaging.
- Promoting and supporting the development of anti-fungus packaging that prolongs the useful life of foodstuffs.
- Developing bio-based biodegradable materials for packing food.

Similarly, Jobs Ohio provided us with economic assistance for setting up an industrial-scale research and development center for sustainable packaging solutions. This center will have a laboratory and extrusion equipment that will be available to the North American market for developing disruptive solutions.



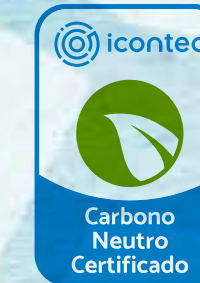
GET INVOLVED!

Customers: Let's talk about your sustainability targets and rethink your products on the basis of ecodesign

Associations: Let's coordinate so that the circular economy can move from discourse to practice (SDG 17).

A GLOBAL CHALLENGE. We are all responsible. We are all beneficiaries. We all have a common goal.

CIRCULAR ECONOMY COMMITMENT



CIRCULAR ECONOMY COMMITMENT



SUPPORT PROVIDED BY OUR CIRCULAR MODELS

The fact that **Plastilene Group** has a presence in the entire plastics chain has enabled us to appreciate the close relationship that exists between rethinking sustainability aspects as a function of closing the loop (recycling) and creating demand for recovered material through ecodesign.

We have succeeded in producing responsibly (SDG 12), handling waste in such a way that it does not pollute ecosystems (SDG 13, 14, 15), and supporting our customers so that they can achieve their sustainability targets or comply with circular economy regulations (SDG 17).



Sustainable Innovation Strategy
Closing the loop, Associations, Clients, Portfolio, Suppliers

A NEW LIFE FOR PLASTIC WASTE!



IMPORTANT PROGRESS



CLOSING THE LOOP WITH FLORICULTURISTS

Our Vinipack brand produces recycled-PET sheets for various applications in the industry sector (POP publicity, packaging for such products as toothbrushes, air fresheners, batteries, etc.) and the agriculture sector (flower covers). In 2021, together with GR Chía,

one of our agriculture market customers, we implemented a circular model for recycling the **plastic that protects roses** ([view video](#)) while they are being exported to the United States.

In Ecuador, Agroplásticos works

with floriculturists and local operators to close the loop for the **plastic that is used in greenhouses** ([view Sustainable Portfolio Chapter](#)) and prevent it from reaching sanitary fills or ecosystems.

NEW RECICLENE POST-CONSUMPTION PLANT



If the recycled-plastic packaging market is to grow stronger, it is essential that all parties in the chain not only participate but are also committed to it. An adequate consumer separation-at-source process is required, together with efficient and effective collection by formal waste-pickers, interest

by the different brands in using recovered resins in higher-value applications, and consumers who are motivated and prefer these types of products, rather than ones made from virgin materials.

Our most important deliverable, in this sense, in 2021 was the

commissioning of the new Reciclene post-consumption plant for industry and the whole country, with a view to exploiting flexible and rigid polyethylene and polypropylene plastic materials like sachets, packaging and bottles.

RESOURCES, NOT WASTE

The commissioning of this plant has enabled us to increase our interaction with waste-picker associations, so that they can provide us with post-consumption plastic. We have also started new projects with customers such as ARA, Grupo Familia and Postobón, to take their waste.

Similarly, we have established cooperation mechanisms with Bavaria, Coca-Cola, Postobón and

Grupo Familia to integrate recovered materials into their products: primary (no contact with foods) and heat-shrinkable packaging, and bales.

In the first few months we produced more than a thousand tonnes of post-consumption resin of a quality that was comparable with that produced using virgin raw materials. This translates into a smaller carbon footprint and less

plastic waste ending up in sanitary fills and ecosystems, and helps to comply with EPR in Colombia, to reinforce the (principally flexible) plastics value chain, and to achieve growth in the use of recovered raw materials.



This is how we succeeded in getting 10,000 tonnes of plastic waste to the new plant. Scan this QR code.

NOTHING IS WASTED

All companies in the Group handle the post-industrial waste that is generated in the extrusion and conversion processes. More than 85% of this material is reprocessed internally. In the case of Colombia, what is not used in this way is sent to Reciclene to be exploited and subsequently sold. Finally, the small quantity that cannot be transformed by the Group is sent to strategic partners for manufacturing other products.

Post-consumption materials from external sources such as industry, commerce and homes are also transformed by Reciclene into recovered raw material.

These pellets are later used by Plastilene and Altalene to manufacture primary and secondary packaging that contains different percentages of recovered material.

Our company in Guatemala, Technofilms, started a circular economy pilot program in 2021, together with a local waste dealer. This initiative enabled us to recover nearly 16 tonnes of post-consumption material. Our partner collected, classified and compacted the material, and Technofilms sent it to Reciclene to be transformed and reincorporated into new products. Because there are a number of major challenges in this operating model in terms of environmental impacts and managing the logistics chain, we are considering providing local solutions in the short and medium term.



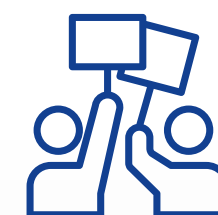
► CHALLENGES

When we entered the post-consumption world, we were pioneers in the transformation of flexible plastics in Colombia and we were therefore faced with big challenges that tested our resilience, such as contamination of packaging by external elements (syringes, sandbags, dead animals, clothes), and problems with handling materials and processing them in our equipment were therefore challenges that resulted in our working with the entire chain. We had to quickly learn how to do the following:

1. Optimize material collection and delivery logistics (fewer movements) by our new suppliers, waste-picker associations and customers.
2. Train waste-pickers and handlers in identifying, classifying and correctly handling waste, in order to achieve a good quality in the material that would be converted into post-consumption resin.
3. Assist waste-picker associations in the process of formalizing and professionalizing their work, so that they could adhere to Group policies and meet government requirements.
4. Promote the environmental, social and economic advantages of products made from recovered raw materials and make our customers and final consumers aware of them, so that the resins could be incorporated into higher-value applications (**upcycling**).
5. Develop knowledge and adapt material recovery technologies to local conditions in our market, in order to consider the quality level and classification of post-consumption plastics in Colombia when producing.
6. Make progress with our partners on researching and developing processes and technologies for reincorporating flexible post-consumption material into packaging that comes into direct contact with food. (**view video**) **ICIPC Project and Productive Colombia**).



You are part of the solution!



GET INVOLVED!

Staff: Let's be flag-bearers in the consumption of products that contribute to the circular economy, including our packaging.

Customer: Let's incorporate more recovered material into your structures and inform consumers of its sustainable attributes by taking advantage of the physical characteristics of eco-designed packaging.

Associations: Let's face business reality in order to legislate or act responsibly in terms of the circular economy for plastics.

WE MUS GO FURTHER

New generations are aware of the unique opportunity to restore the balance of the planet. It is our responsibility.

ENVIRONMENTAL COMMITMENT



ENVIRONMENTAL COMMITMENT

"If we don't act quickly, there is no object or value that will be worth protecting".

STEFANO PACINI

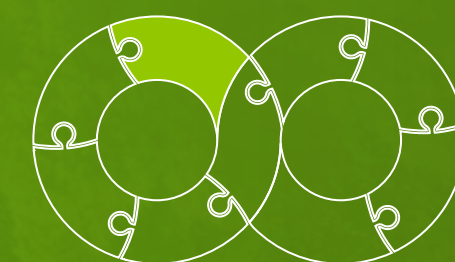
ENVIRONMENTAL COMMITMENT SEAL



► SUSTAINABLE GROWTH CULTURE AT INTERNAL LEVEL

Certifying our management systems has been a priority for **Plastilene Group**. By incorporating our sustainable innovation strategy actions in line with the guidelines set out in our internal regulations, we can generate permanent environmental and social progress for our companies and their stakeholders.

Our Integrated Management System currently focuses on quality, harmlessness, health and safety at work, supply chain security, environmental management, and carbon footprint quantification, among other areas (SDG 13, 14, 15).



Sustainability Innovation Strategy
Environmental

AT EXTERNAL LEVEL

Since climate change is an irreversible reality, we should all contribute to mitigating its effects. With this in mind, and boosted by the carbon neutrality certification obtained in 2020 by the companies in the Group, in 2021 Plastilene, Novalene, Altalene, Reciclene and Interplast took part in the National Carbon Neutrality Program, a Colombian government initiative with tangible targets that strengthens the private sector and provides it with technical advice on the need to incorporate climate change actions.

Of the first hundred companies that initially signed up to the initiative, we were the only ones in the plastics industry at the most advanced level, Group 4, "Alignment of Nationally Determined Contributions (NDC) and E2050 Strategy". This was because of the greenhouse gas management plan and the certification we were granted in 2020 by ICON-TEC: carbon neutral and declaration of climate-positive companies.



What is the advantage of carbon neutral certification?
Scan this QR code.

SCOPES 1 AND 2 MITIGATION STRATEGIES

Direct and indirect emissions generated by production activities

GOAL	INDICATOR	2021 TARGETS	2021 RESULTS
Purchase renewable energy for the plasti-lene, altalene and reciclene plants.	Acquire renewable energy	Above 36%	66 %
Replace existing illumination systems with efficient and environmentally responsible ones.	Percentage of LED lights in the Group at year end (LED lights / total lights)	Above 70%	75 %
Generate and consume photovoltaic energy at the novale-ne plant.	Photovoltaic energy consumption (KwH) in the year	Select supplier to implement project	Chosen provider

Important:

From 2022, we also envisage having a greenhouse gas, scope III, inventory (relating to the entire chain: suppliers, customers, users, etc.).

- Invest in more efficient machines and equipment.
- More efficient production processes and programming.

ABOUT OUR CORPORATE CARBON FOOTPRINT

Bearing in mind that over 85% of the Group's greenhouse gas emissions are associated with electricity consumption from the grid, emissions mitigation targets focus on reducing electricity consumption and migrating to conventional and nonconventional renewable energies.

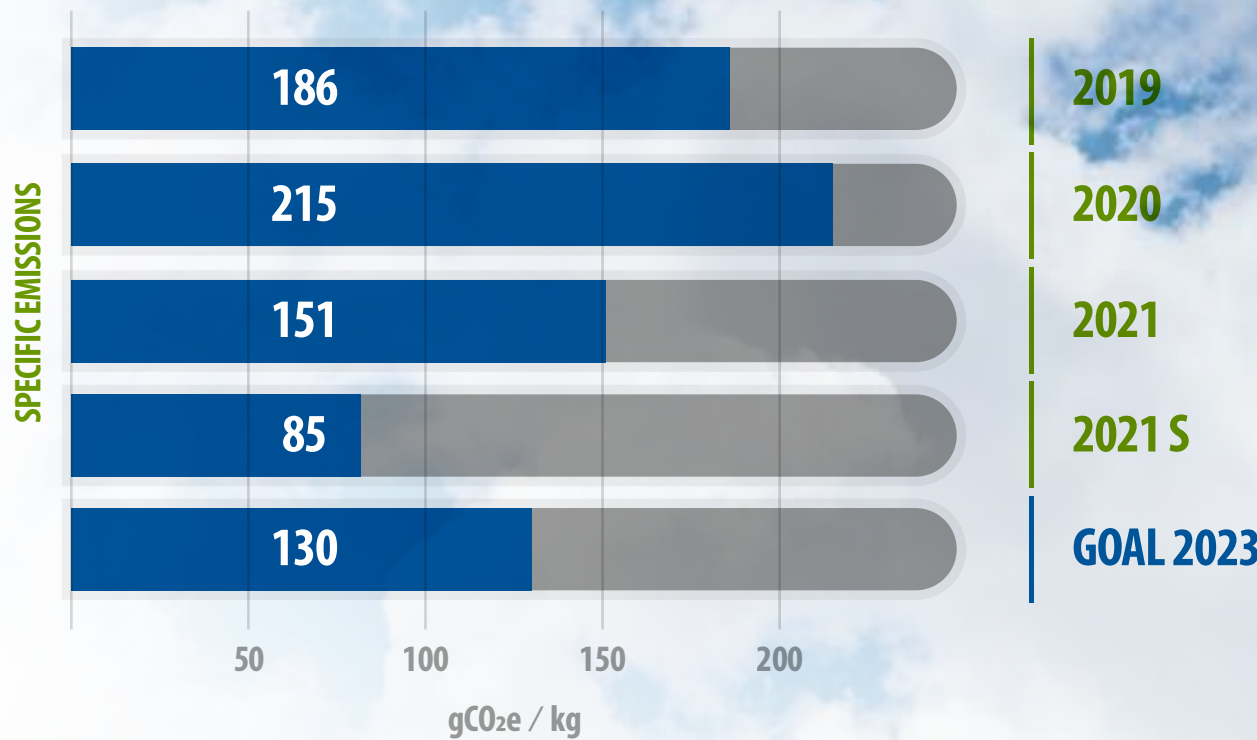
The corporate greenhouse gas inventory for 2021 was **10,911 tonnes** of CO2e, more than **25%** down on the previous year. Specific emissions were also **42%** down on 2020.



COMPANY	2020	2021	2021 S
AGROPLÁSTICOS	19	20	20
ALTALENE	63	115	115
INTERPLAST	1	15	15
NOVALENE	23	31	31
PLASTILENE	320	419	419
RECICLENE	56	199	199
TECHNOFILMS	438	343	343
VINIPACK	53		
TOTAL DIRECT EMISSIONS	973	1,141	1,141

COMPANY	2020	2021	2021 S
AGROPLÁSTICOS	439.26	696.17	696.17
ALTALENE	911.48	534.55	0.03
INTERPLAST	30.32	27.33	27.33
NOVALENE	682.17	534.55	534.55
PLASTILENE	4,876.03	3,359.12	0.08
RECICLENE	1,038.81	873.60	0.10
TECHNOFILMS	4,389.94	3,744.13	3,744.13
VINIPACK	384.66		
TOTAL INDIRECT EMISSIONS	12,752.67	9,769.45	5,002.39
GRAND TOTAL	13,725.40	10,910.72	6,143.66

The acquisition of renewable energy at Plastilene, Altalene and Reciclene, backed by I-REC certificates, from supplier ENEL-Codensa, enabled us to offset 4,767 tonnes of CO2e, equivalent to the consumption of 37,911 MWh at these plants, using this mechanism.



As a result, instead of offsetting 10,911 tonnes of CO₂e, we offset 6,144 tonnes of CO₂e in order to achieve neutrality. Bearing in mind the target of continuing to be climate-positive companies, we also offset a figure of more than 6,700 tonnes of CO₂e.



COLOMBIA

The contract to purchase renewable energy for the Plastilene, Altalene and Reciclene (hydraulic) plants started on January 1, 2021. This negotiation included green certification for the MWh consumed in Soacha, Bosa and Tocancipá, and therefore reduced the corporate footprint offset through carbon credits.

By replacing fossil fuels with renewable ones in Colombia, the offsetting of the Group's carbon footprint through carbon bonds fell by 55%.

Additionally, we began to select suppliers for carrying out a photovoltaic energy generation project in Mosquera and Tocancipá, and also, in some individual cases, because of supply problems and the risks and costs associated with production, we began to evaluate innovative sources, such as a mixture of natural gas and hydrogen.



GUATEMALA **WE ARE EXPLORING BETTER OPTIONS BASED ON WHAT WE LEARNED IN COLOMBIA**

Technofilms currently uses the Guatemalan energy grid, which contains a higher mixture of fossil fuels (less clean) than the Colombian one. Studying energy self-generation is therefore one of our priorities in 2022; however, the fossil fuel share of the

energy generated in the country was lower than in previous years, resulting in a lower emission factor than in 2020.



ECUADOR **THE BIG CHALLENGE IS THE LOCATION OF THE PLANT**

Carrying out alternative energy proposals is a challenge for Agrolásticos, since it is located in a residential area where it has a differential tariff and also depends on a mix of its own energy and that purchased from

other countries. We continue to search for alternatives, not just because of the existing infrastructure but also with a view to having less of an impact on the surrounding community.

WASTE MANAGEMENT

In line with our slogan of preventing exploitable materials from ending up in sanitary fills or ecosystems, we work hard to identify and implement better practices in the every-day handling of waste that is generated in our plants, such as plastic, cardboard, scrap metal and file paper.

Through strategic partners (SDG 17), we also correctly manage waste that is harder to treat, such as contaminated textiles.

- Contaminated solids
- Leftover inks
- Polyurethane adhesive (liquid)
- Waste photopolymer
- Grease-tower sludge
- Lights
- Knives
- Cartridges and toners
- Used oil
- Plate-washer remains

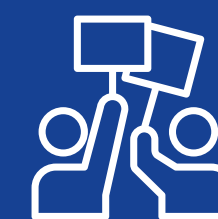
NEW RESOURCE TO MANAGE

Large quantities of water do not have to be consumed for manufacturing plastic, and water management in the Group has therefore tended, historically, to be related to domestic-type consumption (in cafeterias and administration offices); however, the new Reciclene post-consumption plant required a process for washing materials, and the need arose to install a waste-water treatment plant (WWTP). This WWTP enables us to treat the water used in this process with rainwater and recirculate it in optimum condition, without generating any kind of pourings.



Find out here how water enters our WWTP and how it leaves it, after treatment. Scan the QR code.

Let's care for the planet, people, and the economy



GET INVOLVED!

- **Customers.** Let's work together on actions that will mitigate climate change. Let's start by reinforcing the way you analyze your products' life cycle, checking out eco-designed options, and favoring local suppliers.
- **Staff.** Let's be good environmental citizens and take action to reduce our individual carbon footprint, such as by separating exploitable waste at home, taking part in tree-planting sessions, reusing rainwater and changing generic light bulbs for energy-saving ones.
- **Associations.** You can count on us in the event of a possible Carbon Neutral or emission reduction strategy in the sector. Our experience is at your disposal.



SCAN
THIS CODE
TO SEE THE
GRI-TABLE

