

Guala *dispensing* *Bisio* *progetti*

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TABLE OF CONTENTS

03	LETTER FROM THE PRESIDENT
04	OUR STORY
06	SUSTAINABILITY GOVERNANCE
08	CORPORATE COMPANY POLICY
10	THE GREEN EVOLUTION OF TRIGGER SPRAYERS
14	SUSTAINABILITY IN THE COFFEE CAPSULE MARKET
18	THE CHALLENGE OF SUSTAINABILITY IN PHARMACEUTICAL PRODUCTS
20	RESEARCH AND DEVELOPMENT: TOWARDS THE FUTURE OF SUSTAINABILITY
28	PRODUCT'S CERTIFICATIONS
29	INDUSTRIALISATION FOR SUSTAINABILITY
32	SUSTAINABILITY IN THE SUPPLY CHAIN
34	HEALTH & SAFETY
36	FONDAZIONE SOCIAL
40	KEY PERFORMANCE INDICATORS
54	PLANTS
60	NEXT STEPS

GUALA DISPENSING: OUR DNA

Vision: To be a market leader, guaranteeing excellent quality and hinging our innovation on sustainability.

Mission: To be our clients' beacon for anything that has to do with plastic packaging, and offer our people a healthy company, a pleasant environment, and a place where they can do their part for the planet, within a vision of sustainability.



LETTER FROM THE PRESIDENT

The pandemic has been a difficult challenge that made 2020 an extraordinary year for all of us. We had to keep factories running, and quickly learn how to manage our work from home, put safety measures in place, face unexpected personnel absences. All of this while market demand soared, because our sprayers were widely used for the disinfectants required to fight Covid-19. We are proud to have done our best against the health crisis.

We are also proud to have kept our focus on sustainability, despite the emergency. We continued our monitoring activities and implemented others for the development of increasingly ecological products: thus, even in a year as difficult as 2020, we decided to publish our first Sustainability Report. Not just to make our activities known, but also to clearly signal our commitment to always-transparent communication.

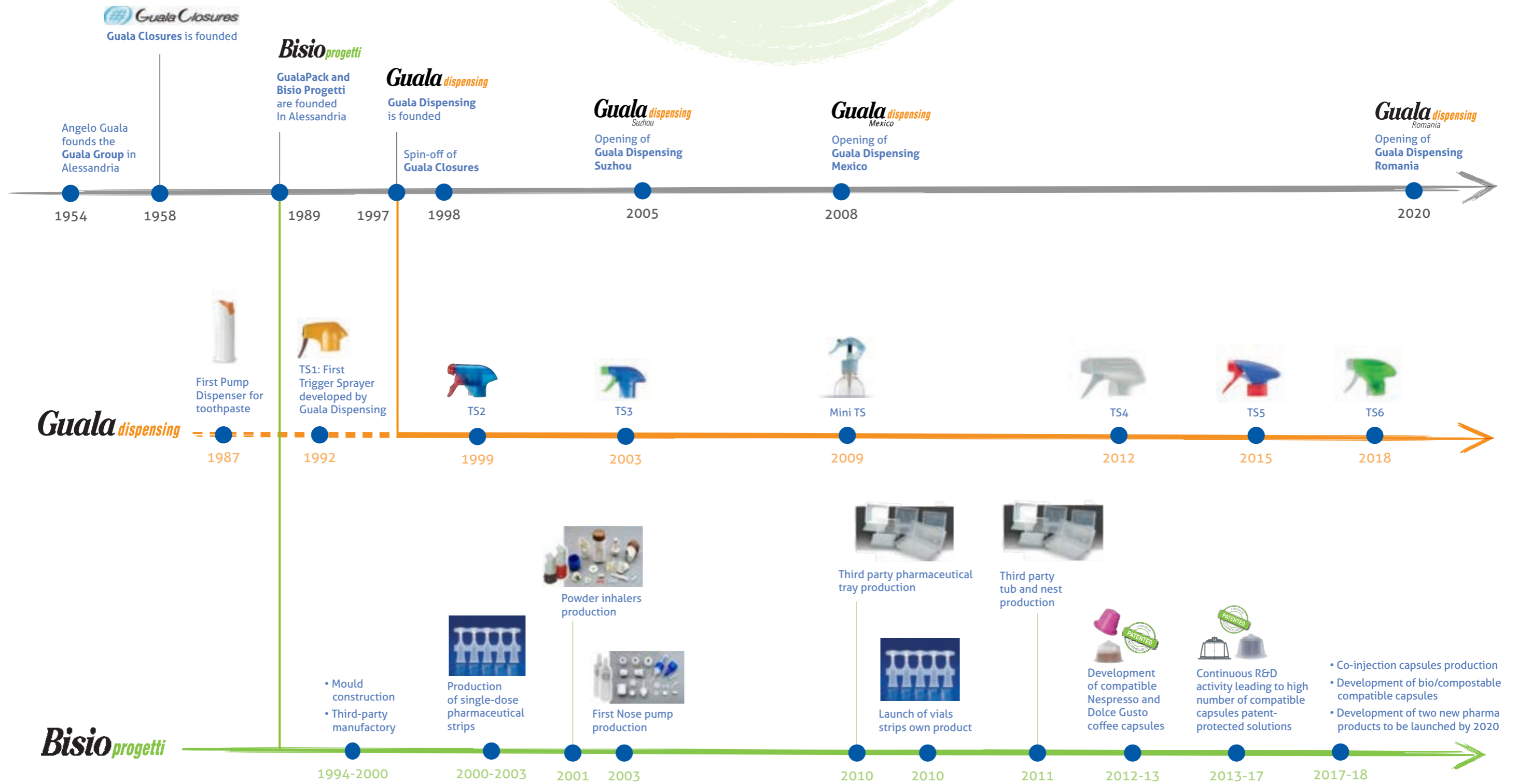
Industry has an increasingly important role in safeguarding the planet: we have turned this awareness into responsibility and tangible commitment, for many years now. Our Group stands out with over twenty years of social responsibility initiatives – through a cultural association and a foundation dedicated to social services – but now wants to tackle the challenge that is the fight to climate change.

As plastic packaging manufacturers, we are accused by the media of having a central role in global pollution – an issue that is still approached with overwhelming confusion. We are sure the negative image of the materials we use will be corrected, in time, and replaced by more rational analyses: although it may seem counterintuitive, plastic is useful for environmental sustainability because turns out to be the less polluting alternative. In the meantime, we are eager to have the opportunity to improve: growing pressure from public opinion, however irrational, has led politicians to define new regulations that spur us to find solutions to further reduce our impact.

After all, innovation geared towards sustainability has always been in our company's DNA: we are always ready to improve our production processes, and have focused for years on the development of new, lighter products that are easier to recycle, or have a higher content of biodegradable or recycled materials. Today, the most important aspect we must work on is end-of-life, and we can and want to make a crucial contribution to this issue.

Stefano Guala, president and CEO of Guala Dispensing

OUR STORY



SUSTAINABILITY GOVERNANCE



OUR ACTIVE ROLE IN CHANGE

In recent years, the need for an economy based on the use of renewable and circular resources, combined with transformation processes with reduced environmental impact, has become an integral part of our business context.

The focus on climate change has inevitably led various countries – and their industries – to question the potential consequences of their environmental impact. This is especially true in Europe, where the world of plastics is completely rethinking its strategies.

In this scenario, Guala Dispensing and Bisio Progetti are convinced that it is essential for them to take on an active role in the definition of the guidelines for the correct management of the value chain, from producers to final consumers. Our Board of Directors made a concrete commitment in this sense a long time ago, engaging every corporate function in specific ways: the research and development and sales teams constantly work to make our product portfolio increasingly sustainable; the quality and HR departments focus on obtaining and renewing environmental and ethical certifications, according to global standards; our plants and production lines are progressively adopting new solutions that have a lighter impact on the environment, while still maintaining efficiency and performance standards as high as ever.

Today more than ever, our companies are creating a solid foundation for an environmentally, socially and economically sustainable future.

In 2021, our Corporate Management decided to show even more clearly its commitment by dedicating an official team to this vision,

which has always been an integral part of the company mission.

The sustainability team is directly responsible for the specific goals, and related activities, it defines with Management.

One of the first tasks it focused on was drafting this very Report, as a key tool not only to present the company but also to provide a solid foundation for future projects.

We want to begin a journey in which all internal stakeholders can take active part in the company's evolution for sustainability. Therefore, the team also works on and coordinates internal training for employees, offering them dedicated programmes and fostering their engagement in various projects.

Furthermore, the team is directly responsible for specific initiatives meant to enhance circularity in the value chain, such as recyclability assessments or monitoring and analysing current legislation.

Finally, the members of the team coordinate and define guidelines for projects and internal activities, such as energy consumption reporting or new product development.

All of these activities are meant to create added value for our company and our clients, and to communicate our achievements.

The Guala Dispensing Group's mission has always put customers at the centre of daily work and seen sustainability as a key element in ongoing conversations towards shared goals: to uphold product excellence and lower environmental impact.



CORPORATE COMPANY POLICY



Guala Dispensing and Bisio Progetti aim to offer a level of service that constantly satisfies or exceeds the expectations of our internal and external stakeholders, always renewing the commitment to quality, the environment, the health and safety of our workers, as well as the safety of the products we sell.

We are aware this goal can only be achieved by orienting service towards clients' needs, building a partnership that goes well beyond the role of a supplier. We also believe a crucial factor for success is the awareness each and every one of us has about the indispensable role we play to improve performances.

It is based on these premises that the Group's top management has defined a policy to not only meet all applicable legal requirements, but to help all of us commit to constant improvement, inspired by a series of clear principles.

CLIENT SATISFACTION AND CONSTANT IMPROVEMENT

We put client satisfaction front and centre in everything we do, maintaining a high level of quality in our products and offering our assistance also to fine-tune products and processes.

Our integrated management system is geared towards constant improvement.

ENVIRONMENTAL SUSTAINABILITY AND CIRCULAR ECONOMY

Climate change demands tangible actions to guarantee the organisation's long-term continuity. Therefore, we adhere to the

principles of circular economy at every level, and implement them with the best technologies available. We prevent and/or reduce our activity's environmental impact, also focusing on the final user's eco-compatible behaviours we can support, encourage and enable.

RESPONSIBLE USE OF NATURAL RESOURCES

The natural raw matters we use are always manufactured and processed in compliance with applicable regulations for the protection of human rights, workers' health and safety, and the environment: we support sustainable development along the entire supply chain. This is the reason why, for example, we use natural (or natural-origin) raw matter sourced exclusively from suppliers who do not contribute to deforestation or to the degradation of primary forests and other forests that are valuable for conservation.

SAFETY OF THE PRODUCTS WE MARKET

Our products are safe and comply with current regulations, meeting the quality requirements they specify, confirming the responsibility we feel towards clients. We guarantee the products we market are increasingly safe, by monitoring our supply chain.

RISK EVALUATION

We assess our context – with the risks and opportunities it entails for the achievement of our goals – to monitor stakeholders' expectations as well as technical and technological evolution. We apply the risk evaluation principle for prevention and system functionality, and to respond to emergency situations in a suitable way.

TECHNICAL AND SCIENTIFIC PROGRESS

We support research and development in the field of materials and technologies, also to guarantee our products' improved

environmental performance. Our goal is to understand and anticipate the needs felt by our clients and final consumers, adopting the most recent technologies for process automation and innovative artificial intelligence systems.

ETHICAL SUSTAINABILITY, WORKERS' HEALTH AND SAFETY

We align with the ethical principles of the United Nations' Universal Declaration of Human Rights and with the Conventions adopted by the ILO (International Labour Organisation) on the protection of working mothers, the prohibition of child labour and the protection from discrimination deriving from differences in gender, age, origin from other countries or specific types of contract.

We work to reduce all risks to workers' health and safety, accidents at work and occupational diseases, also by engaging, consulting and training all staff.

ENGAGEMENT

We apply these principles also in our interactions with other organisations, institutions and communities. We value individual skills and professionalism and support internal efficiency, through a system of interpersonal relationships based on mutual and professional respect.

Guala Dispensing and Bisio Progetti production sites comply with the ISO 9001 standard at Corporate level, and align with the principles upheld by ISO 14001, ISO 45001, the BRCS Packaging global standard and, where applicable, ISO 13485.



THE GREEN EVOLUTION OF TRIGGER SPRAYERS

INNOVATING FOR SUSTAINABILITY

Guala Dispensing has always strived to develop market products that offer its clients and end consumers a benefit in terms of performance, while still fully respecting the principle of environmental sustainability.

We can find examples of this corporate mission as far back as the 1980s, when the company launched an innovative toothpaste dispenser on the oral healthcare market: a model that allowed users to completely empty the content while also bypassing secondary packaging – i.e. the cardboard box in which similar products are usually presented on the shelf.

Featuring an actuation button, this dispenser also allowed for precise dosing on the toothbrush, thus avoiding waste.

In the early **1990s**, Guala Dispensing decided to also develop a trigger sprayer that could meet a specific environmental need: to offer an efficient and effective alternative to spray cans with CFCs, which had recently been identified as one of the causes of the ozone hole. The project's very ambitious goal was to achieve similar nebulisation performances as spray cans, with a mechanical pump that could replace both propellants that were critical for the environment and flammable substances that were often used as an alternative.

Thus TS1 was born: Guala Dispensing's first trigger sprayer. It was such an innovative model that it is still considered one of the best products in its category. Featuring a warranty seal, TS1 combined a pre-compressed pump and a high-nebulisation nozzle to achieve a spray performance nearly identical to that of an aerosol can.

Furthermore, in a full sustainability framework, TS1 was engineered for reuse to discourage consumers' throwaway habits. Finally, its launch made Guala Dispensing the first company in the world to allow for sprayers to be fitted onto bottles simply by applying pressure: a revolution that set TS1 apart from its screw-on competitors and led to reduced costs and, most importantly, increased efficiency on clients' filling lines.

This functional feature became known as the "snap-on system", and was later implemented on all of our products' subsequent generations.

Seven years after TS1 hit the market, innovation took another step forward with TS2: performances further improved by increasing the amount of product dispensed and by guaranteeing the sprayer would work in any position, even when the bottle was upside down, allowing users to empty it completely and avoid any residues.



THE GLOBAL MARKET REWARDS ENVIRONMENTAL COMMITMENT

In the early 2000s, Guala launched TS3: the first sprayer without metallic components, which also pared components down to eight and further reduced weight – with a 15% decrease compared to TS2. It was an instant success.

With options for either snap-on or screw-on systems, TS3 made Guala Dispensing one of the major players in the sprayer market as well as a global company: by the end of the first decade of the new millennium, a new factory in China (for distribution in Asia and the Far East) and another in Mexico (for the United States and Latin America) were added to the historical production site in Alessandria, Italy.

The debut in the American market hinged on the screw-on version of TS3 and newly launched TS4, the only sprayer in the world without dip tube. The TS4 indeed pairs sprayer and bottle in a way that allows consumers to empty out all the contents, to the last drop, avoiding any waste.

Having no dip tube and being extremely easy to snap on to bottles, TS4 allowed for a sharp reduction in the impact of transport and for increased speed along clients' filling lines. All in all, it optimised the entire process including distribution logistics, with 25% more units fitting in the same space compared to the standard version.



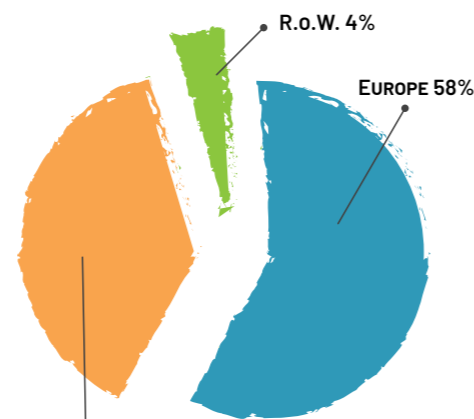
DEVELOPMENT AND GROWTH IN THE NAME OF COHERENCE

In recent years, we have launched two new trigger sprayer, TS5 and TS6, which represent the best technology available in the sprayer industry today.

Both models have a patented pre-compression system that allows users to carefully dose the product on surfaces, avoiding waste and optimising end consumers' cleaning process.

Furthermore, TS5 and TS6 were developed exclusively with materials from the polyolefin family (PP and PE) – leading to an increase in recyclability – and are an additional 10% lighter than TS3. Finally, according to a complete sustainability approach, they were engineered to be manufactured with reduced carbon footprint.

Today, all the sprayers and dispensers we developed and launched – exception made for TS2 – are still on the market, confirming their innovative nature and most importantly the foresight that went into their design, according to principles of sustainability under every aspect. It is thanks to this vision and to the commercial success of the products it inspired, that Guala Dispensing has constantly, and globally, grown since 1997.



2020 consolidated turnover, by geographical cluster

READY FOR THE CHALLENGE OF A "LIGHTER" FUTURE

Our clients – including FMCG multinationals, private label product manufacturers and household brands – are increasingly aware of environmental issues. The market now requires more virtuous behaviours and choices, going beyond the current legal requisites for sustainability. Thus, we expect an even greater push towards recycled plastics and plastics from certified sources, bio-plastics and the constant reduction of our products' weight.

Tying in with this market evolution, a few years ago we started making all of our sprayer models available with a percentage of PCR (Post-Consumer Recycled) material.

Other drivers for development are E-com certifications and the reuse of primary packaging (e.g. sprayers with concentrated refills).

We also expect that during negotiation our clients will more and more often consider elements such as Life Cycle Assessment and engagement in social and environmental campaigns, as well as adherence to supranational certification programs such as Ecolabel, of which Guala is already part.

We are ready for these new, positive challenges: they point in the same direction we've been moving towards for the past 40 years. **Our future** is in our ability to quickly understand or even anticipate our clients' requests, as well as those coming from suppliers, end users, social media and mass distribution – as well as the environment itself, which needs solutions that are increasingly more sustainable to use and manufacture.





SUSTAINABILITY IN THE COFFEE CAPSULE MARKET

Bisio Progetti was founded in 1989 to develop, manufacture and market high-added-value plastic artefacts, using proprietary technologies and know-how. The company offers its clients a complete service from rapid prototyping to technology and finished product engineering, thanks to the many investments it has made in corporate assets such as specialised human resources, mould technology and precision automation.

Once it became part of the Guala Group, Bisio Progetti activated a series of powerful synergies that allow it to offer ever more unique products, guaranteeing top efficiency and excellence to clients and end consumers of the Food and Pharma industries. The company is indeed recording strong growth in both markets, while also providing the entire Guala Group with the services of its cutting-edge mould-making workshop.

THE FIRST STEPS OF COMPATIBLE CAPSULES

In 2012, Bisio Progetti launched its first compatible capsule, which achieved international success thanks to a patented solution: the NPE Capsule with univocal “click” opening, made in polypropylene and compatible with Nespresso® systems.

While lightweight and monomaterial, the NPE did not have a sufficient barrier to oxygen to protect coffee until consumption. The market bypassed this limit by introducing a flow pack as secondary packaging, which remains a widely used solution to this day.

Bisio Progetti wanted to take its solution a step forward, and started working relentlessly to develop a new type of capsule that could preserve the organoleptic properties of the product, helping to guarantee it would have an adequate shelf life in line with market requirements, without having to delegate this task to an external protective pouch.

Thus the first polyester Nespresso®-compatible capsules with barrier were born, as a valid alternative to aluminium models in terms of price and machinability. These capsules feature a low gas permeability and **reduce packaging** because they don't require the addition of a flow pack, while still fulfilling their primary function: to protect the product and its portioning, which are indirectly linked to **reducing food waste**.



TOWARDS NEW MATERIALS AND NEW TECHNOLOGIES

In the past few years, our clients have started demanding low-impact products more and more often, also as a consequence of end consumers' enhanced awareness about environmental issues. Given this increased attention for the footprint of plastic waste and for the delicate theme of end-of-life management, Bisio Progetti has oriented its research efforts towards the development and the use of sustainable polymers.

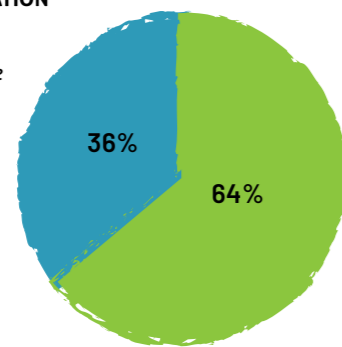
The real turning point was the 2015 launch of the first capsule in **compostable material**, without oxygen barrier at first and later with an OTR (Oxygen Transfer Rate) comparable to polyester models.

In addition to its incessant work on raw matters, Bisio Progetti recently focused on the development of a new technology that could lead to a **light, barrier capsule** with high production cycles: in 2018, the company launched the GD co-injected Capsule, which is compatible with the Nestlé Dolce Gusto® system. The only **mono-component** solution on the market, the GD is made by co-injection: a technology that allows for the maximum gas barrier and extremely high performances in **minimal thickness**, making this model a widespread market success.

Furthermore, the GD co-injected Capsule is stacked and packaged automatically in order to maximise the number of pieces per box, optimising logistics and consequently the **impact of transport**: an outstanding result, given the capsule's complex operating conditions, which further established Bisio Progetti's positioning as the go-to company in the field.

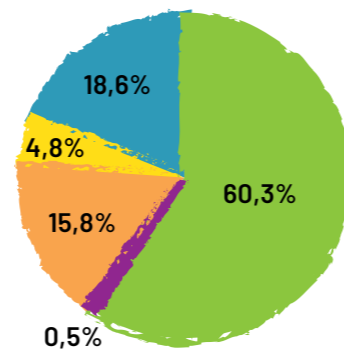
COMPATIBLE CAPSULES: MARKET PENETRATION

- All original
- All compatible



MARKET SEGMENTATION BY MATERIAL

- PP/EVOH/PP
- PP
- Bio-Resins
- Aluminium
- PBT



CIRCULAR ECONOMY AND INNOVATION

The demand for sustainable packaging requires complex and responsible technological choices, in addition to constant efforts for capsules' **end-of-life management**. This is one of the reasons why Bisio Progetti shares the progresses it has achieved, for moulding technology that converts new polymers into cutting-edge products, within partnership with its main clients and material suppliers.

Furthermore, the company takes part in specialised projects and participates in various technical panels, anticipating future decisions about sustainability and – last but not least – promoting debate also within the Guala Group, liaising across departments.

As a leader in its field, Bisio Progetti will be more and more often called upon, by clients and third-party organisations, to express its vision and position on the subject of **circular economy**.

After all, using innovative materials and cutting-edge technologies has always been part of our DNA: that is why we have decided to continue working to **decrease the weight** of our capsules, use **compostable materials** and experiment with **recyclable solutions** while never compromising product performance.

We have a clear path ahead of us. Today and for the future, the focus is on **compostable materials** for industrial and at-home use, and on the use of **second-generation materials** from **agricultural industry waste**.

Recovering these and giving them new value will allow us to **limit the use of virgin material**, contrasting the farming of soil for uses other than food.

Also as regards plastic, we commit to making **monomaterial products** in **recycled polypropylene** or polyester and to promoting a **plan for the collection and recycling of coffee capsules**.

As we embrace and contribute to the current transition, we promise to adopt increasingly responsible behaviours, from the origin of the materials we use to the very end of our artefacts' useful life.



THE CHALLENGE OF SUSTAINABILITY IN PHARMACEUTICAL PRODUCTS

With production in ISO 5 and ISO 7 cleanrooms, Bisio Progetti's Pharma division offers its clients both primary packaging – such as single-dose strips for ophthalmic and pharmaceutical use or inhalers for respiratory diseases (PPEs) – and secondary packaging, such as plastic containers for syringes and vials.

In this field, as regards 2020 in particular, the company supported clients directly engaged in the production of drugs used in the treatment of Covid-19. Today, we are working to introduce single-dose strips for vaccine filling in emerging countries, where using plastic packaging allows for remarkable savings in terms of waste caused by glass vials breaking during transport.

Indeed, the Pharma business unit is particularly careful about sustainability, adopting a global approach that encompasses process and product, and strives to contribute to the diffusion of **sustainable pharmaceutical packaging**. For example, we have been receiving from the market increasingly strong requests to use completely recyclable materials and bio-based

materials for single-dose strips, while still maintaining performances at par with fossil-fuel-based PE and guaranteeing an excellent barrier against water vapour.

In the world of primary packaging for the nutraceutical and homeopathic markets, Bisio Progetti has recently developed a project for the manufacture of single-dose strips in bio-based materials, synthesised from renewable sources such as cane sugar.

As regards secondary packaging and complementary elements for glass products – such as tubs and nests – Bisio Progetti is already tackling the request to adopt more sustainable materials for pharmaceutical use.

As in all the markets where we operate, our commitment towards the pharmaceutical industry is always geared towards the implementation of more ecological and green solutions, which can contribute to reducing our carbon footprint and to protecting the environment.



RESEARCH AND DEVELOPMENT: TOWARDS THE FUTURE OF SUSTAINABILITY



REDUCE

- Reducing the number of components and weight of trigger sprayers
- Coffee capsules become lighter than ever
- Optimising consumption
- Replacing virgin plastic with PCR materials in trigger sprayers

REUSE

- New uses for industrial waste

APPROACH AND TECHNOLOGICAL EQUIPMENT

RECYCLE

- Nothing but polyolefins to favour recyclability
- The future of capsules is 100% plastic

NEW MATERIALS

- Coffee capsules go beyond recycling
- Compostable materials for pharmaceutical applications
- Bio-based materials for pharmaceutical and cosmetic applications

Technology today can help us make strides towards a more ecological future, if we accept sustainability as an integral part of every aspect of production, from project ideation or – even better – from the very goals we set for our research and development activities.

Guala Dispensing and Bisio Progetti have embraced this proactive approach, implementing over the years a series of actions that tie in with the 3R principle: Reduce, Reuse, Recycle. A concept so simple anyone can apply it, yet so powerful it can truly guide our choices in every facet of our work.

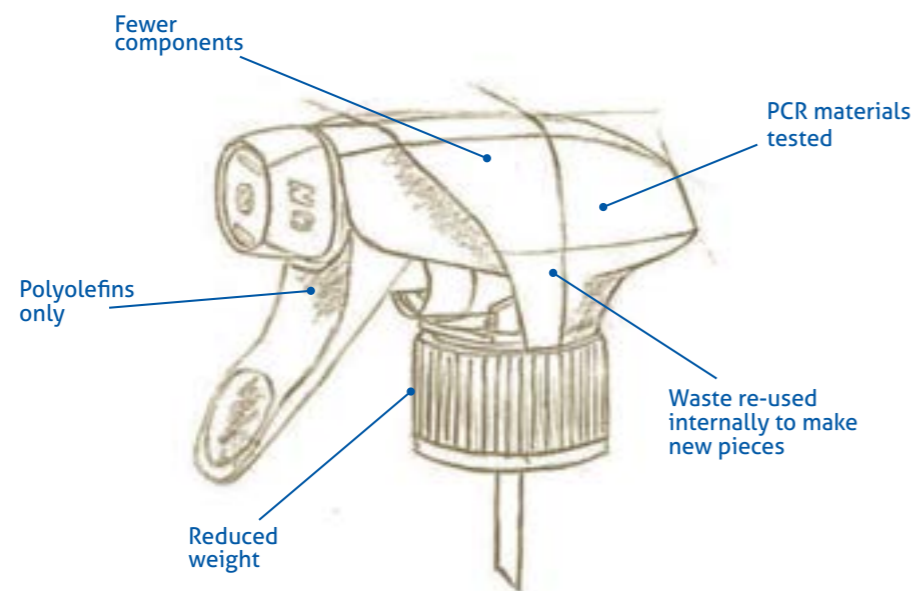
APPROACH AND TECHNOLOGICAL EQUIPMENT

Over time, the packaging industry has seen different key issues rise and compete for attention depending on their relevance and priority. Today more than ever, design and manufacturing are influenced by the need to reduce weight, limit the number of components, replace virgin materials with other recycled options, guarantee recyclability and minimise waste; all of these factors are currently influencing the choices made in the entire sector, and even more within the Guala Dispensing Group, which has always considered sustainability a guiding value.

On top of decades of experience in product development, over the years the companies in the Group have also consolidated their know-how in the most modern design tools available today: these technologies, combined with our designers' expertise, allow us to minimise risks and to fine-tune products' design even before tackling the pilot phase (with mono-cavity moulds), positively affecting time-to-market.

- **3D printing** to create aesthetic/ergonomic mock-ups;
- **Mould-flow analysis** to select the best filling for each component during moulding;
- **FEM analysis** to fine-tune structural components' geometry and simulate drop tests;
- **CFD (Computational Fluid Dynamics)** as a means to predict our devices' vaporisation performance.

Furthermore, we independently developed an innovative darkroom that helps us analyse spray patterns and PSD (Particle Size Dimension) generated by the nozzles we make, to provide our clients with customised performances. Ecological awareness now affects the entire supply chain, from product design to the end-of-life phase: the approach has changed, but new paths towards sustainability have also been blazed thanks to years of research and development on new moulding and assembly technologies, combined with the creation and discovery of new materials.



REDUCE

Reducing the number of components and weight of trigger sprayers

Decreasing the number of components and final product weight is a crucial issue in the framework of sustainability that Guala Dispensing has always upheld: when we began manufacturing spray triggers, TS1 weighed 27 grams and had 16 components. While it remains an effective product with excellent performances to this day, we have committed to improving it with new evolutions that are increasingly lighter and require fewer and fewer components.

Thus, in 2003, we provided a strong innovative impulse to the industry with the new **pumping technology** integrated in TS3, which merges into a single detail the functionalities that most standard sprayers delegate to 5 different components.

The project was indeed a harbinger of the importance sustainability would soon gain: the device's internal components are fully moulded with polyolefins, making the final product extremely light; the pump offers outstanding functional efficiency, guaranteeing a higher nominal dose than many competitors while still remaining within the dimensional range for its sector.

Before achieving the current configuration, which is still on the market today, we studied and prototyped dozens of membrane geometries, using dedicated software to simulate the deformation pattern of the component.

It was not the first time that our commitment to "reduce" had led to industry innovations. With TS1 we had already introduced a **snap-on application system** that allowed us, for the first time, to replace the screw collar and gasket: this decreased the number of components while also offering clients a solution to close bottles faster on the production line. Furthermore, a snap-on device weighs on average 10% less than the screw collar equivalent, with obvious advantages in terms of greater efficiency and lower consumption, both for us and for our customers.

To continuously improve our technical solutions, in 1998 Guala Dispensing also introduced – with TS2 – a particular application of the "bayonet" snap-on system, which allows consumers to remove the trigger from the bottle with a twist action (45° rotation) instead of a continuous rotation. This technical solution is still used on the new TS6 platform introduced on the market in 2018, proving we made the right choice over 20 years ago.

Developing **pre-compression technology** was another goal that Guala Dispensing was able to achieve to contribute to the sustainability of its production.

The initial market performance of this technology, completely based on plastic materials, was excellent in terms of vaporisation quality but showed dripping defects after just a few weeks. Thus, Guala Dispensing developed a new pre-compression valve that maintains performance over time and works in different conditions, with an extremely compact layout making



for a lighter device, ready for more sustainable product platforms. And even after this new achievement, the company did not stop its research and development efforts.

A dedicated in-house team developed the **aesthetics of TS5**. The complex project was quickly optimised thanks to 3D printing technology. Indeed, both aesthetics and **ergonomics** are crucial aspects that come into play in developing a new trigger: 3D printing allowed us to fine-tune both by creating numerous mock-ups, while our modelling software provided all the information we needed to keep components' weight under control. The combination of these technologies helped us make TS5 even lighter and more appealing, so it could integrate with any bottle on the market as an easy-to-use and most importantly sustainable trigger.

Last but not least, we developed the **TS6** with only 8 components and an even lighter weight. And there's more: for this trigger, our R&D department found the way to integrate the spring into the operating mechanism, making assembly more functional.

Coffee capsules become lighter than ever

Reducing the amount of plastic used in packaging poses specific challenges in the field of compatible coffee capsules, which must comply with stringent specifications to be used with existing and strictly codified dispensing systems. This type of packaging must not only perfectly preserve the product but also resist to highly severe use conditions, entailing the injection of water at high temperature and pressure.

In developing its second generation of capsules compatible with the Dolce Gusto® system, Bisio Progetti has tackled these specific challenges and driven improvements in three directions:



- Weight reduction;
- Addition of the "barrier" function;
- Packaging optimisation for stacking.

Despite adopting the co-injection technology to add a barrier effect to capsules, we were able to decrease product weight with a 28% reduction in material thickness. This was achieved by injecting a thin layer of EVOH – which creates an oxygen barrier – with the polypropylene that capsules are mainly made of. This solution allows us to avoid secondary packaging and gives our clients more flexibility in choosing the packaging they prefer. Finally, we designed the product to combine high quality and optimised transport: when stacked, capsules are not subject to pressure in any way that could compromise their shape, and therefore a much larger number of units can be placed in each box, reducing volume.

As regards our efforts to reduce product weight, we recently achieved positive results with the Nespresso®-compatible PBT capsule, which offers a suitable oxygen barrier. Also in this case, reducing thickness – by over 30%, with some geometrical alterations to compensate for loss of sturdiness – allowed for a sharp reduction in the amount of material used for each capsule, improving environmental impact.

Optimising consumption

Guala Dispensing's R&D department has also tackled the challenge sustainability represents with constant efforts to create products that reduce electricity consumption and CO₂ emissions caused by transport. That is how we came to launch two revolutionary triggers: TS4 and TS6.

The innovation behind TS4 stemmed from a collaboration with a partnering client, which led to the development of a dip-tube-free trigger: a feature that reduces consumption tied to logistics because up to 25% more units can be packaged and shipped in the same volume compared to standard models.

TS6 also reflects our strong inclination for sustainability: having fewer components allowed us to create unique and more efficient lines, while the integration of spring and trigger means assembly can be carried out on a single assembling machine. Both innovations contribute to a sharp decrease in consumption. Furthermore, TS6 stands out because we strongly narrowed down its functional variants, focusing on clients' main needs: standard spray, standard foam and CRP foam. This simplification translates into an optimised production process and further reduction of both consumption and costs for the finished product.

Replacing virgin plastic with PCR materials in trigger sprayers

Using PCR (Post-Consumer Recycled) raw material is the latest challenge sustainability has posed in the plastic industry. Guala Dispensing has included PCR materials in various triggers, in varying percentages depending on technical feasibility: in new platforms, for example, they can represent as much as 60% of the product's total weight.

PCR materials are darker and not as bright as virgin ones, and therefore make obtaining certain colours particularly difficult. With remarkable effort, the Guala Dispensing team was able to fine-tune the process to obtain a range of colors in different hues for the TS5 platform, maintaining its functional properties.

Introducing PCR materials is even more complex for new platforms because, due to their structure, spraying puts the liquid inside the bottle into contact with almost every component in the trigger: this is a serious problem because PCR materials are not compatible with aggressive chemical formulas. Our R&D team is currently studying the issue to find a solution that is both functional and ecological.

We continue to carry out tests to further increase the use of recycled material in our product portfolio, in the firm conviction this is one of the most strategic choices we can make to foster sustainability.





REUSE

New uses for industrial waste

Carefully reusing waste is a key action for sustainability: Guala Dispensing is fully aware of this and is committed to finding ways to reuse the waste produced in manufacturing TS5 and TS6. After an in-depth analysis of the trigger's components, we have been able to use the production waste of these two models to create stoppers for other product ranges. This allows us to reuse internally part of our so-called PIR (Post-Industrial Recycled) materials, while the rest continues to be managed through sales to neighbouring companies, within our objective to foster a vision of sustainability throughout the local territory.

RECYCLE

Nothing but polyolefins to favour recyclability

The exclusive use of polyolefins is a topical issue today, first and foremost because of how easy it makes processing and recycling finished products – one of the goals Guala Dispensing pursues to the limits of technical feasibility in order to improve sustainability.

TS3 was our first product to exclusively use polyolefins, but our most recent platforms follow in its footsteps with polyolefin-only internal components. The entire product portfolio is constantly subject to analysis and research on new materials, aimed at replacing critical components with PP and PE components.

The future of capsules is 100% plastic

One of the factors that strongly limits capsule recycling is the presence of metallic components inside them. However, in Bisio Progetti's Dolce Gusto®-compatible capsules, the film sealed to the bottom – which constitutes the valve allowing for product release, and was originally made of aluminium – was successfully replaced with a plastic alternative. We developed and patented a specific

detachment technology that allows our product to offer this undoubted advantage compared to other products on the market, which only feature aluminium film.

The challenge we are currently tackling is creating a capsule body with the same type of plastic. Creating such a complex and articulated structure as the one required for the Dolce Gusto®-compatible model might seem impossible, but we are certain that by carefully selecting material variants we can make end-of-life recycling more convenient and effective.

Within a circular economy framework, we are also interested in developing a coffee capsule made of recycled material. At the moment, the biggest difficulty in this is the lack – or total absence – of recycled materials that are technically suitable and approved for contact with food. We constantly monitor evolving materials and technologies to seize the opportunities that will allow us to carry out this important project.

NEW MATERIALS

Coffee capsules go beyond recycling

The structure of coffee capsules itself determines the fact that they remain full of ground coffee once they have been used. For this reason, using industrial compostable materials is particularly effective: after use, content and container can be thrown together in the bin for biodegradable waste, without worrying about separating them.

Bisio Progetti's R&D team constantly studies new solutions for this application and was able to introduce compostable solutions for the Nespresso®-compatible capsule a few years ago. More recently, in close partnerships with our raw matter suppliers, we were able to engineer a version with oxygen barrier as well, to better preserve coffee without resorting to secondary packaging. The Dolce Gusto®-compatible capsule was developed more recently because its fine-tuning required more time, due to the higher complexity determined by the film inside. Our next challenge will be engineering a "home compost" capsule that can be recycled directly by



consumers with a home device. We are currently working with some of our raw matter suppliers to develop a suitable material that can both comply with functional and food safety requirements and also be simply thrown into a home composting bin.

Compostable materials for pharmaceutical applications

There is a growing interest for compostable materials also in the field of pharmaceutical products, and especially for single-use products. The challenge in this case is particularly hard because applications require an even higher level of purity and non-toxicity than those in the food sector, and must be suitable for products that vary greatly in terms of physical and mechanical properties. At the moment, we are testing different solutions designed for disposable vials in the pharmaceutical and cosmetic field.

Bio-based materials for pharmaceutical and cosmetic applications

In the past few months, Bisio Progetti has noticed clients' growing interest for the use of materials that are bio-based or at least partially

recycled, for applications in the pharmaceutical and cosmetic fields.

As regards secondary packaging in the medical sector, we are assessing the use of materials that are at least in part derived from chemically recycled matter or originated from plants according to a "mass balance" approach. The latter combines feedstock from chemical recycling or originated from plants with fossil-origin virgin material with International Sustainability & Carbon Certification (ISCC). This would allow us to work with a material that has the same chemical-physical and mechanical properties of virgin material, while shifting towards more sustainable sources upstream.

For some single-use vials for the cosmetic market we are already using polyolefins made with bio-ethanol, which are plant-origin and renewable: an example of raw matter that offers technical performances similar to fossil-origin alternatives and completely recyclable. In the cosmetic field, which is subject to less stringent constraints, we are also fruitfully using recycled materials (PP).



PRODUCT'S CERTIFICATIONS



CIRC-PACK

SUEZ.circpack is based on an objective quantitative analysis of a packaging's actual day-to-day recyclability. The result of the assessment is presented in the form of a percentage of recyclable material: the mass that can be reprocessed and replace similar virgin materials, over the total mass of the complete packaging.

CRP

According to the Child Resistant Packaging (CRP), all manufacturers must submit their packaging for testing and certification for child-related safety before selling the product on the market.

ISTA 6 FOR E-COMMERCE

ISTA 6-Series protocols are developed by the International Safe Transit Association (ISTA) with its members, to evaluate packaging effectiveness against hazards in the supply chain. They are at the basis of ISTA Members Performance Tests such as 6-Amazon.com, 6-Fedex and 6-Samsclub.

ISO 14021

The ISO 14021 standard specifies requirements for self-declared environmental claims, including statements, symbols and graphics, regarding products. It further describes selected terms commonly used in environmental claims and gives qualifications for their use.

ECOCERT

All the products marketed with the Ecocert logo have been verified by Ecocert's teams under every aspect, from composition to processing to final packaging validation.

OK COMPOST INDUSTRIAL

The Ok Compost Industrial certification guarantees the conformity to the European law EN 13432 about compostability in industrial compost plants

INDUSTRIALISATION FOR SUSTAINABILITY



Over time, the R&D and Engineering departments of the Guala Dispensing Group have developed an increasingly close collaboration, which has led to new products being designed also according to mouldability and ease of assembly. The fact is integrating a manufacturer's point of view as early as product ideation makes the entire process more effective, optimising each phase and also improving environmental sustainability.

We see the results of this commitment in the moulds we use, which have an increased production capacity, as well as in the assembly machines in our new production lines, while injection moulding machines have evolved technologically: a set of factors that optimise consumption, and finally reduce environmental impact.

Following this philosophy, Bisio Progetti in particular has always recognised one of its biggest strengths and competitive advantages is its designers' know-how, which extends from final products to moulds. Designing plastic components and moulds are complementary tasks, but require different skills. The synergies that emerge from this allow the company to achieve the best result possible, considering both the product and the tool used to manufacture it.

Our skills have developed and grown over the years, keeping up with technology's progress. Everyone in Bisio Progetti's staff receives thorough training, covering everything from product design (both for pharmaceutical and food applications) to mould design (including mono-cavity and multiple-cavity models). Furthermore, the company promotes lifelong training

in design software so employees are always up-to-date with the most efficient use of the programme. This corporate culture allows us to train personnel in the best possible way, granting them the knowledge and experience to work autonomously and face even the most complex projects. This is also made possible by the fact the company has an area dedicated to building and making moulds, with which designers interact constantly.

At Guala Dispensing and Bisio Progetti, we see opportunities in industrialisation and in every new technology we can implement on the equipment we use – also to take another step towards increased sustainability.

INJECTION MOULDING MACHINES: THE TRANSITION TOWARDS ELECTRIC AND HYBRID MODELS

Guala Dispensing Group began its transition from hydraulic to electric and hybrid injection moulding machines in 2008, at the Italian plant. Hydraulic injection moulding machines are still the majority in our production sites abroad, which have often inherited equipment from Guala Dispensing Italy, but the ratio is destined to align with the headquarters' as the current, gradual replacement process progresses.

By the end of 2021, Guala Mexico, for example, will receive new hybrid injection moulding machines that will bring the plant to the same level as the Italian one.



Indeed, fully electric injection moulding machines guarantee:

- Reduced maintenance costs, thanks to a closed-circuit lubrication system;
- High dynamism and reduced injection times;
- Efficient production: drive systems feature low consumption and high performances, thanks to extremely short idle cycle times;
- Precise cleaning and suitability for clean room applications, where necessary;
- Energy savings ranging from 50% to 70% compared to hydraulic injection moulding machines.

MOULDS: TECHNOLOGICAL EVOLUTION AT EFFICIENCY'S SERVICE

Our moulds have changed over time following technological evolution, but also adapting to the growing need to reduce their number and improve efficiency and reliability. Today's models have shorter cycles on average and a larger number of cavities compared to those used in older production lines.

Steels and alloys with high thermal conductivity are widespread in moulds for recent lines. They are all designed in a 3D environment, which allows for the optimisation of cooling circuits – and consequently for faster and more effective heat exchange. Furthermore, in some cases introducing conformed cooling via FDM (Focused Deposition Modelling) allows us to reach previously inaccessible areas. All this has resulted in a reduction in the average time required to solidify injected plastic, consequently speeding up cycles.

Bisio Progetti has always aimed for excellence in mould making, considering every aspect from the

selection of the best machine tools to targeted research on the performance of different steel grades, from fine-tuning each processing phase to training high-level technicians. In the past few years, in addition to all this, the company has introduced sensors to optimise the production cycle: pressure sensors allow for more realistic and timely measurements of the pressure inside the mould, providing the data necessary to improve injection moulding machines' work cycle; presence and consent sensors, on the other hand, allow for faster mould movements and, consequently, reduce cycle time.

Using hot runner systems has also largely eliminated alternatives that produced, together with the component, waste materials that flowed into the so-called "sprue". This has led to a remarkable simplification of production lines and processes. Systems are now faster and, above all, injection moulding machines no longer need devices aimed at separating, granulating and recirculating sprues (or storing them for subsequent sale), with obvious advantages in terms of both management and energy saving.

Finally, moulds have grown in size on average. New production lines work with a smaller number of moulds, and therefore of injection moulding machines, and this also contributes to improving costs and energy consumption.

The coffee capsule sector, in particular, sets stringent requirements both for contact with food and for oxygen protection with adequate barriers. Most of the products on the market meet these requirements by resorting to thermoforming, a technology which however requires an additional energy input when heating the material and which produces waste when the sheet is cut during the preparation phase. Bisio Progetti relies instead on injection moulding using, in some cases, a sequential injection system that allows for better

control of the flows of molten plastic inside the cavities. Our know-how focuses on the management of the injection process, where we need to add the barrier at the same time as the main material during the production of the piece, guaranteeing perfect distribution. We worked with our partners to face a range of critical issues in the manufacture of this unique model, including the requirement of a barrier effect that is constant, reliable and reproducible on multicavity moulds, and the need for a productive cycle that is identical to normal capsules. Special injection moulding machines and moulds were designed and built to create the right solution.

TRIGGER ASSEMBLY MACHINES: FASTER, AND LIGHTER ON THE ENVIRONMENT

Assembly machines are another area where the drive towards innovation, aimed at increasing

plants' efficiency and capacity, has allowed Guala Dispensing to take steps towards lowering its energy impact. Over the years, production rate – i.e. the number of pieces processed per unit of time – has gradually increased from 50 to 70 cycles per minute. Furthermore, machines combining single pieces have been replaced by those that assemble two pieces per cycle.

Thus, today, our plants yield over 45 million pieces a year, compared to the 22-35 millions produced by old lines.

With its reduced number of components and the specific conformation of its parts, our most recent trigger model – TS6 – has even allowed us to develop a single-step assembly process: the two assembly machines that made up the production lines of the old sprayers are now replaced by a single, high-capacity machine.





SUSTAINABILITY IN THE SUPPLY CHAIN

Guala Dispensing believes environmental, social and economic sustainability must be a principle inspiring the entire value chain, in full collaboration with suppliers and clients. This is the only way sustainability can extend beyond the company's dimension, and foster circularity in a tangible and solid way.

THE ROLE OF SOCIAL SUSTAINABILITY IN THE VALUE CHAIN

We make a specific commitment to building lasting relationships based on shared principles of respect, trust, transparency and ethics. This is why we consider attention to social policies for the health and safety of workers a priority that can never be neglected, neither by us nor by our partners, in the growing awareness that clear and immediate actions are needed to protect all work environments.

With this in mind, in the context of a sustainable supply chain structured in an increasingly correct way, ethical certifications such as SMETA (Sedex Members Ethical Trade Audit), already acquired by our production site in Mexico, take on an important role. Furthermore, in 2022 we expect to join the Ecovadis Sustainability Assessment System, of which we already share values and intentions.



DAILY ATTENTION TO ENVIRONMENTAL POLICIES

We are hugely interested in evaluating any step we can take forward to implement environmental policies, thanks to the relationship we nurture with our suppliers and clients. Guala Dispensing has always collaborated with major, global plastic manufacturers, who already have structured and put in place clear policies and strategies for sustainability. From raw materials to finished products, methods for timely and rigorous monitoring of energy consumption and environmental impact have become a topic of daily conversation for us, aimed at the search for increasingly sustainable solutions and materials.

Internally, we have already implemented several actions in the logistics department, such as our wooden pallet recovery programme, the adoption of reusable packaging, and the recycling of cardboard ones. Our partners adhere to the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC). Where possible, we encourage the use of intermodal transport and carefully and constantly evaluate alternatives to reduce the impact of handling goods.

Finally, we always monitor consumption at various production sites and are considering alternative sources of energy, in line with the

environmental policies of the countries involved. The Spinetta Marengo site, for example, has already activated a photovoltaic plant and a trigeneration system.

DEVELOPMENT OF SUSTAINABLE MATERIALS AND WASTE RECOVERY

As regards materials, the direction is clear: the market requires – and suppliers now cater to – an ever increasing use of raw materials derived from mechanical or chemical recycling, or from renewable and alternative sources. Guala Dispensing is engaged in frequent and fruitful conversations regarding the use and implementation of these materials. Several proposals have already been developed at an industrial scale, while others will be marketed in the short or medium term, as new opportunities are already under consideration. In the meantime, the recovery and reuse of plastic waste is already a reality for us, both inside and outside the company.

Thanks to its complete and rigorous approach to sustainability, Guala Dispensing plays an active role in the creation of sustainable value, and is more aware than ever of its role and responsibilities even in a context as complex – and full of opportunities – as the entire supply chain.



HEALTH & SAFETY

THE CONSTANT EVOLUTION OF OUR CULTURE OF SAFETY

The Guala Dispensing Group has always considered workers' health and safety and the protection of the environment as essential duties. In order to make the company a safe and welcoming place for all employees, over time we have invested in human, instrumental and economic resources to pursue our continuous improvement goals. To reaffirm the entire organisation's commitment, we have created a management system for health and safety at work, according to the following guidelines:

- Respect, in terms of both content and principles, the laws on safety and hygiene applicable to the activities, products and services of the companies in the Group;
- Create safe and healthy work conditions by eliminating hazards, preventing accidents at work and reducing risks;

- Promote every possible initiative to prevent in every activity accidents, of any extent, which could compromise workers' safety;
- Promote initiatives for the consultation and engagement of workers and workers' representatives for safety, also by providing information, training and raising awareness;
- Pursue a progressive improvement of safety management in the Group's various sites, also by identifying the risks associated with the activities carried out and by defining objectives for their reduction, in accordance with development plans;
- Manage products and use procedures that guarantee the safety of workers;
- Promote a transparent and collaborative relationship with public and private organisations and with local communities.

Furthermore, we constantly commit to verifying health and safety management through internal audits, in compliance with the current legislation and taking into account any

applicable guidelines. All of the Group's plants follow this policy, even when they are subject to different international regulations.

Every year, during the Management Review, the entire process is analysed to verify its effectiveness, and the objectives and programmes for the following year are defined.

We can therefore state that attention for safety and health at work has always been one of Guala Dispensing's strengths, to the point that – with the growth of the company and of the number of employees in recent years – the need has emerged to create a dedicated HSE team.

THE HSE TEAM'S FIRST YEAR

The HSE team began its activity in 2020. In its first months, it focused on analysing the causes of any accidents, in order to identify interventions for the elimination, mitigation and correction of risk factors, periodically updating the risk assessment document and implementing technical and organisational solutions to improve equipment and workplaces.

The work carried out by the team has promoted the culture of safety, and increased engagement among employees towards this goal. A useful indicator is provided by improvement reports (Near Misses), which have increased significantly in the last year, thanks to:

- The constant presence of HSE services in production departments;
- The introduction of a system to gather workers' reports about safety;
- A system to reconstruct past events, also with the aid of photographs;
- The events that can impact health and safety being shared in the weekly Operations Report.

The HSE team maintains and constantly improves the safety management system, which is based on the internationally recognised standard UNI EN ISO 45001 certification.

This provides a systemic approach that is useful to formalise and structure risk management, to

comply with current legislation, to disseminate safe work practices and to evaluate workers' safety and health.

THE CULTURE OF SAFETY IN THE TIME OF COVID

The global pandemic has made everyone more aware than ever that health is a top priority.

The coronavirus has led us to break with the past and has changed our habits at every level, and especially in the workplace. Within the company, we have reviewed our risk assessment in terms of impact on business processes, considering both operations and, above all, the health and safety of our people. In particular – with great care for prevention and for our workforce's wellbeing, and by adapting workplace practices where necessary – we have:

- Maintained and strengthened our system to monitor personnel health;
- Guaranteed the safety of the workplace by rigorously sanitising spaces, in accordance with the hygiene requirements set by national and regional public health authorities;
- Strengthened safety training, establishing guidelines for employees self-protection and raising awareness on risk prevention;
- Updated biological risk assessments, as soon as new government measures were issued for the health risk stemming from Covid-19 contagions.

This last year has taught us how the culture of safety is actually evolving constantly. The goal we had set for ourselves, and which we are proud to have achieved together, was to go beyond simply knowing rules and procedures, empowering each employee through the principles and values shared by the whole organisation. Thanks to each person's fundamental contribution, the entire community appreciated the benefits we accomplished.

FONDAZIONE SOCIAL

SUPPORTING LOCAL COMMUNITIES, WITH FONDAZIONE SOCIAL



WHO IS FONDAZIONE SOCIAL

Fondazione Social was established in early 2013 by the companies owned by Alessandria's Guala family, with the aim of using part of the proceeds they generate to support initiatives that promote culture and provide social assistance.

The **founding principles** of the Foundation are justice and social equality, democratic participation, freedom and security for people, trust and intergenerational solidarity. Guided by these values, the Foundation promotes democratic engagement and social cohesion through cultural commitment, economic support and the organisation of Third Sector initiatives, in the fields of education, culture and social assistance.

In 2020, Guala Dispensing contributed € 580,000 to Fondazione Social's assets, which come entirely from the Guala Group.

THE FOUNDATION'S 2020 ACTIVITIES

Starting in March 2020, Fondazione Social launched various initiatives to help Third Sector organisations **contrast the health and social crisis linked to the Covid-19 pandemic**, and contributed to supporting the hospitals in Alessandria and Piacenza. This extraordinary support for the categories most affected by the emergency is a clear expression of our desire to always be close to the communities in the areas where the Guala Group operates.

Furthermore, in 2020, the Foundation introduced a new line of funding to foster territorial ecosystems and solid organisations capable of managing contemporary challenges with more flexibility and awareness. The 2020 Call for Tenders supported 26 initiatives ranging from computer literacy programmes to home care, from job placement to social housing, from the redevelopment and regeneration of urban spaces to social gardens for citizens.

Furthermore, the Foundation continued its cultural, educational and entertainment activities for the institutional and socio-economic fabric in the province of Alessandria, through projects by **Associazione Cultura e Sviluppo**.

THE ACTIVITY OF ASSOCIAZIONE CULTURA E SVILUPPO

Associazione Cultura e Sviluppo carries out activities that contribute to improving the quality of life and to enriching the cultural offer in the local context, fostering engagement and civic responsibility. Its main initiatives are:

- **Giovedì Culturali (Cultural Thursdays):** a series of conferences on economic, socio-political and ethical-philosophical issues in both national and international contexts;
- **Progetto Giovani (Youth Project):** an introductory course about teamwork and contemporary political and economic dynamics, designed for students in their final year of high school;
- **Caffè Scienza (Science Coffees):** meetings that combine scientific themes with socialisation, to bring science back into the cultural debate;
- **Progetto Genitori (Parents Project):** a training course dedicated to parents, educators and teachers.

The Association also manages a small library within its headquarters and welcomes and supports initiatives consistent with its spirit, collaborating with other associations, schools and universities in the implementation of cultural and social development projects in Alessandria's area.



FOCUS: MEDICINES ARE DELIVERED AT HOME, WITH ANTEAS ALESSANDRIA

Fondazione SociAL has collaborated with various Third Sector organisations to adapt pre-existing projects to the current crisis period.

One of them was Anteas Alessandria, which on 15 March 2020 activated a home delivery service for pharmaceutical products in collaboration with Italy's Civil Protection Department, CISSACA (Consorzio Servizi Sociali Alessandria), family doctors and several pharmacies in Alessandria. The usefulness and impact of the initiative are clear just looking at the results of the first 15 days of activity: 494 deliveries, covering a total of 3,440 km for dozens of users who live in the centre and suburbs of Alessandria, as well as in more distant municipalities.

Fondazione SociAL supported the initiative, which counts on the daily commitment of six drivers and one telephone operator from Monday to Saturday, by contributing petrol vouchers needed to compensate for transport costs.

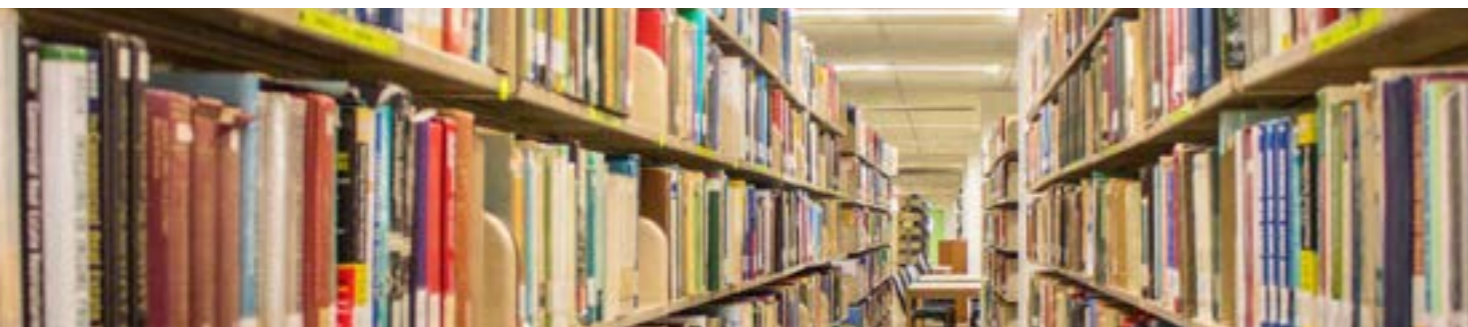


FOCUS: INMATES REOPEN THE SEWING WORKSHOP FOR FACEMASKS

An active presence in Alessandria's San Michele prison since 2009, for the past two years ICS Onlus has offered daily art workshops throughout the week, to give inmates a way to express themselves and work through painting, contemporary art, cinema and woodcut printing.

Many of the NGO's projects were interrupted when external contacts were suspended due to

the pandemic: amongst these the sewing workshop, co-financed by Fondazione SociAL. However, fabric, furnishings and equipment were soon repurposed thanks to the skills of a handful of inmates, who began to sew facemasks driven by "necessity, and with an undoubted autonomous initiative, by both the prison management and the incarcerated people" – as the president of ICS Onlus, Mohamed Ed Derras, commented. Fondazione SociAL supported the relaunch by purchasing a supply of fabric.



KEY PERFORMANCE INDICATORS



INTRODUCTION

The United Nations has defined 17 Sustainable Development Goals (UNSDGs) relating to various issues of environmental, social and economic interest. They are meant to provide a clear guideline for strategies implemented to improve the planet and people's wellbeing, counteracting climate change and promoting healthy and lasting economic growth. The KPIs (Key Performance Indicators) presented in this first Sustainability Report fall under the UNSDGs and are reported according to the Global Reporting Initiatives (GRI) standardisation. The KPIs described in the following sections paint a picture of our company. The data are presented in aggregate form for the Spinetta Marengo (Italy), Silao (Mexico) and Suzhou (China) plants; contributions by the Buchin (Romania) plant and Bisio Progetti (Italy) – both of which became part of the Guala Dispensing Group in 2020 – will be included from the next issue of the Sustainability Report.

The section dedicated to environmental indicators focuses on the impact of the production process, from the moment materials enter our premises until products leave the warehouse ("gate to gate"). The indicators are expressed in terms of consumption per metric ton of finished product or in percentage, in order to provide a correct value that is independent of production variations and yet conveys plants' actual efficiency. The indicators were monitored over three years (2018-2020) and their variations were critically analy-

sed, in each paragraph, thanks to production sites' full collaboration.

Gathering and organising data was a hefty part of the work required to carry out a quantitative analysis of consumption. Over the past few years, the quality assurance and plant management teams directly monitored and recorded information about electricity, methane, waste and water, playing a crucial role in precisely aggregating and interpreting the data.





We must note that standardised indicators – required to make different companies on the international level comparable, and to provide an objective interpretation of data – can be complemented by other types of information that are useful to correctly showcase our work. In certain cases, to make interpretation easier and more intuitive for the reader, we decided to add a different unit of measurement to the main indicator: for example, regarding the amount of waste generated, we also included an analysis of the quantity and types of waste per metric ton of finished product. This way, we were able to highlight the positive ratio of recovered over undifferentiated waste per product unit.

Finally, the section dedicated to social indicators offers a clear summary of the Guala Dispensing Group's constant efforts to help human resources grow, guarantee increasingly safe work conditions, and also generate positive impacts for the communities in the territories where it operates.






OUR KPIs, ALIGNED WITH UNITED NATIONS SDGs

ENVIRONMENTAL INDICATORS

INDICATOR	DESCRIPTION (and unit of measurement)	GRI CODE	GRI CODE DESCRIPTION	SDG ICON	SDG DESCRIPTION	2018 RESULT	2019 RESULT	2020 RESULT
CO ₂ emissions	Amount of CO ₂ equivalent per plant (metric tons of CO ₂ /metric ton of finished product)	305-4	Direct and indirect total greenhouse emissions, by weight		CLIMATE ACTION Take urgent action to combat climate change and its impacts	1,4	1,4	1,3
Methane consumption	Methane consumption (m ³ /metric ton of finished product)	305-4	Emissions of substances that damage the ozone layer, by weight			194	194	151
Electricity consumption	Electricity consumption (Kwh/metric ton of finished product)	302-3	Direct/indirect energy consumption by primary energy source		AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all	2.853	2.888	2.779
Renewable energy share	Energy consumption from alternative sources/total consumption (%)	302-5	Initiatives aimed at reducing total indirect energy consumption and consequent reductions			1,63	1,35	0,58
Total waste produced	Amount of waste produced (metric tons/metric tons of finished product)	306-2	Total weight of waste, divided by type and disposal method			0,09	0,08	0,08
Landfill waste	Amount of landfill waste/total waste (%)	306-2	Total weight of waste, divided by type and disposal method		RESPONSIBLE CONSUMPTION AND PRODUCTION To ensure sustainable consumption and production patterns	3,1	4,1	3,6
Products with reduced environmental impact	Turnover from improved products/total turnover (%)	306-5	Percentage of products sold and relative packaging material that is recycled or reused, by category			11,6	28,6	39,4
Recycled materials	Percentage of PCR materials/total materials used (%)	301-2	Recycled materials used			-	0,16	0,29
Water consumption	Water used (metric tons/metric tons of finished product)	303-5	Total water used per type and destination		CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all	4,7	4,9	5,1

SOCIAL INDICATORS

Hours of training	Hours of training per employee/year (h)	404-1	Average hours of training a year per employee, divided by worker category and gender		QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	13	13	10
Frequency of injuries	Number of injuries per million hours worked	403-9	Percentage of injuries at work, sicknesses, missed days, absenteeism and total number of deaths, divided by geographical area and gender		GOOD HEALTH AND WELL-BEING To ensure healthy lives and promote well-being for all at all ages	13,6	14,5	9,0
Severity of injuries	Number of days of absence due to injury per thousand hours worked	403-9	Percentage of injuries at work, sicknesses, missed days, absenteeism and total number of deaths, divided by geographical area and gender			0,25	0,32	0,26
Social initiatives	Number of social initiatives per year (no.)	413-1	Number of social initiatives per year (no.)		PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	44	56	58

FINANCIAL INDICATORS

NFP/EBITDA	NFP/EBITDA	201-1	Direct economic value		DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	1,47	1,55	1,19
NFP/Equity	NFP/Equity	201-1	Direct economic value			0,56	0,53	0,43

ENVIRONMENTAL INDICATORS

CO₂ emissions

Today, the Guala Dispensing Group has more than ever turned its attention to climate change and its consequences, with particular commitment to the reduction of greenhouse gas emissions, expressed in terms of CO₂ equivalent. The calculation for this first KPI includes the consumption of electricity from the grid and the consumption of fossil fuels (methane and diesel).

The chart – which, as we mentioned, aggregates the Group's homogeneous data for the last three-year period, therefore including the Spinetta Marengo, Silao and Suzhou plants – shows the trend in CO₂ emissions from 2018 to 2020, calculated as metric tons of CO₂ equivalent per metric ton of finished product.

The indicator improved in 2020, mainly thanks to the Suzhou plant increasing production while managing to contain electricity consumption, the main culprit of carbon footprint. Bringing many lines to full capacity over the year made it possible to optimise consumption.

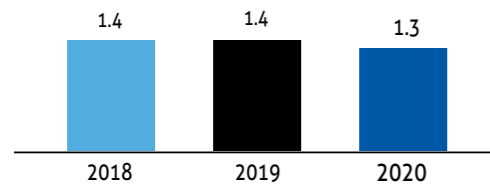


Chart 1. CO₂ emissions, calculated as metric tons of CO₂ equivalent per metric ton of finished product (t/t)

Methane consumption

Methane is an important energy vector, present today in Spinetta Marengo. It is used for the production of electricity in the trigeneration plant, characterised by a high-efficiency technology that allows generated heat to be recovered to produce thermal energy. Thanks to a single system, it is possible to have electricity, heat and air conditioning, and to supply domestic hot water as well as thermal flows to the production plants.

Methane is a noteworthy source of alternative energy in our Italian plants, to contain and optimise consumption compared to purchased electricity. Its fossil origin, however, means we must closely monitor its use and assess its environmental impact – which still remains lower than exclusively grid-powered production sites.

At the moment, we are evaluating methane as an alternative source also in other sites, allowing for benefits in terms of both costs and environmental impact. These considerations are closely connected to the environmental policies being implemented in the various countries where we are present and to the availability of alternative sources in specific local contexts.

The chart shows methane consumption in relation to total production: the index is calculated, for the Group, by dividing the quantity of methane used (measured in standard cubic meters, SCM) by the total weight of finished product (measured in metric tons, t).

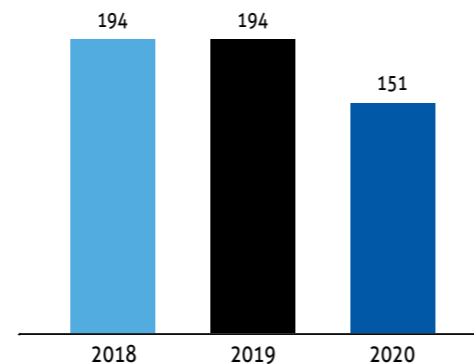


Chart 2. Methane consumption calculated as standard cubic meters of methane per metric ton of finished product (SMC/t).

Electricity consumption

Our attention for electricity use shows, first of all, in how we monitor consumption in production lines, auxiliary services and general services. The Group is always looking for new ways to improve its efficiency: we have replaced old systems with more efficient new ones, installed a photovoltaic system at the Spinetta Marengo headquarters, and adopted inverters on our hydraulic machines. The gradual transition from hydraulic injection moulding machines to electric or hybrid models contributes to a reduction in consumption. Furthermore, traditional light fixtures in our plants' production and shipping departments have been replaced with LED alternatives, reducing both electricity consumption and heat generation.

In this case, the indicator is calculated by comparing the total electricity consumed (kWh) to the quantity of finished product (t).

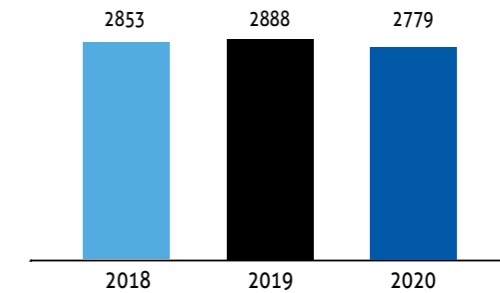


Chart 3. Electricity consumption per metric ton of finished product (kWh/t).

The chart highlights a decreasing trend in electricity consumption, with a slight increase in 2019 determined by the addition of three new production lines in Mexico. Maximum production efficiency was achieved in 2020, as recorded by the indicator and by electricity consumption itself, which are being optimised compared to the amount of finished product being made.



Renewable energy share

Guala Dispensing has taken on the challenge of reaching an ever-greater share of electricity produced from alternative or renewable sources. For example, we have installed solar panels on the roof of the Spinetta Marengo plant for a total power of 1 MW. This is in addition to the energy of the trigeneration plant, which makes the site particularly efficient.

The chart shows the trend in the percentage of energy from renewable sources (contribution of the photovoltaic system) compared to the total energy consumed by the Group's production sites.

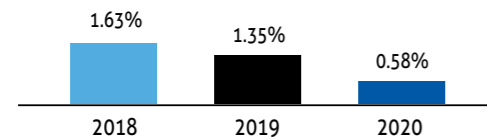


Chart 4. Percentage of energy from renewable sources in relation to total energy consumption (kWh/kWh).

The chart below highlights the different contribution of alternative energy sources (photovoltaic and trigeneration) in relation to electricity purchased from the grid. In 2020, there was a decline in the share of renewable energy: this trend was determined by a significant increase in production, and consequently in total consumption.

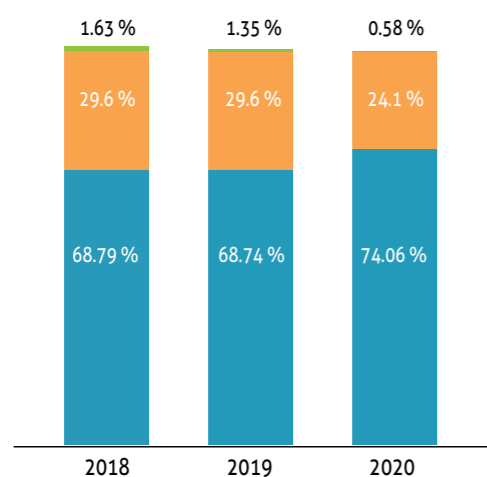


Chart 5. Energy consumption composition, highlighting the shares represented by electricity purchased from the grid, generated through the trigeneration system and generated by the photovoltaic system.

■ Purchased electricity ■ Trigeneration electricity ■ Photovoltaic electricity

Total waste produced

The waste produced in our various production sites is constantly monitored and, for the most part, not dangerous.

The KPI relating to this aspect puts the amount of waste generated in relation with the amount of finished product.

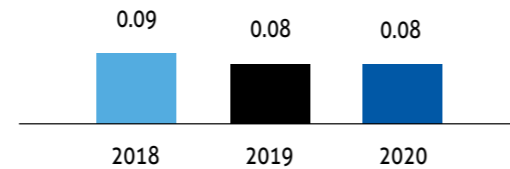


Chart 6. Total production of waste per metric ton of finished product (t/t).

There was an initial improvement in the three-year period, interrupted by a plateau in 2020. The global pandemic directly determined a significant increase in production, with all the companies of the Group striving to meet growing market demand. In this scenario, the indicator remained unchanged compared to the previous year, keeping the generation of waste constant in relation to production volumes. We can still see this as a positive result, as proof that the production sites were able to keep total waste management under control despite the exceptional situation.

Landfill waste

Guala Dispensing pays particular attention to the separate collection of industrial waste, with the aim of reducing the share destined to the landfill in favour of recovery and recycling operations.

The indicator, represented in the chart, is calculated by dividing the amount of waste destined for landfills by the amount of the total generated waste.

We can observe virtuous values in general, lower than 5%. These data are a reflection of the attention paid in all production sites to the reuse and sale of waste, where possible, and to the recovery and reuse of logistical material (cardboard and pallets), also through projects in collaboration with suppliers and customers. The contribution to waste management is particularly noteworthy in the Suzhou plant, where very positive values are recorded as regards both the total generation of waste and the amount of materials destined for unsorted disposal.

A critical reading of the indicator and of its discordant trend over time prompts further consideration: constant and timely monitoring of landfill waste management, and of data recording, are required to identify potential corrective actions.

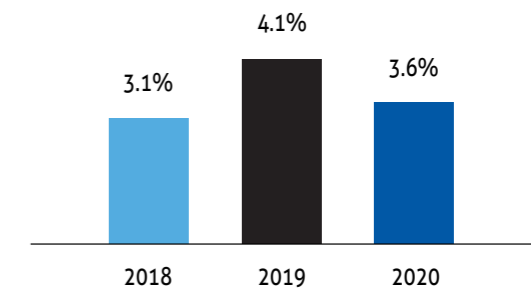


Chart 7. Ratio of waste destined for the landfill over total generated waste (t/t).

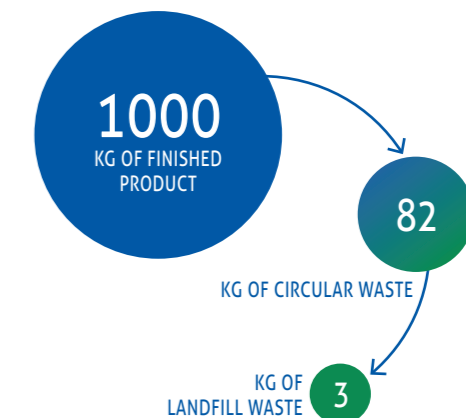


Chart 8. Quantity of waste generated for the production of 1 metric ton of finished product. Every 1,000 kg of finished product, about 82 kg of waste are recovered within a circularity perspective, and 3 kg of waste are sent to landfills.



Water consumption

Climate change has put prime attention on the problem of the planet's water resources, making us more aware than ever of the fact they are a limited source and a precious asset to protect.

The KPI relating to water consumption is calculated as the ratio between the water used and the finished product.

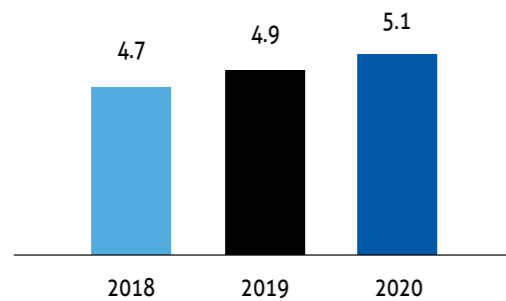


Chart 9. Water consumption calculated by comparing the quantity of water used to the quantity of finished product (t/t).

The indicator's growing trend is mainly driven by the Suzhou plant. Monitoring activities allowed us to pinpoint water management as an area for improvement, which must be made more efficient with targeted corrective actions.

Furthermore, the increase in production made it necessary to expand into areas not previously equipped with air conditioning systems. We continue our efforts to monitor this KPI, especially in Spinetta Marengo and Suzhou – which consume the most water in absolute value.

Products with reduced environmental impact

Guala Dispensing's strong commitment to the design of increasingly sustainable and performing products has led to the launch of our most recent and modern platforms: TS5 and TS6. New-generation platforms help us curtail environmental impact in two ways: they minimise consumption in the production phase, because they reduce components and weights, and they use recycled materials belonging to the polyolefin family.

In this case, the indicator represents the rate of turnover from low-impact products (TS5 and TS6) compared to total turnover.

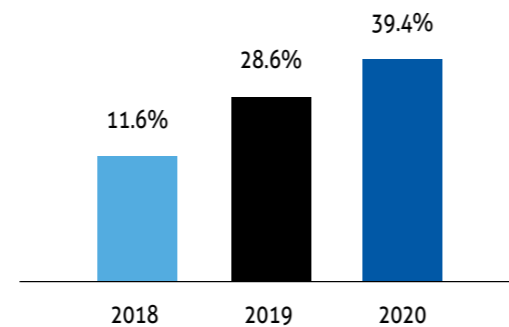


Chart 10. Sales rate of reduced environmental impact products, calculated as the ratio between the turnover generated by the sales of TS5 and TS6 and the total turnover, expressed as a percentage (€/€).

The rapidly growing trend reflects not only our company's ambition to shift the product portfolio towards solutions with a lower environmental impact, but also the positive response from customers and markets, which are increasingly oriented towards sustainability.



Recycled materials

The use of recycled materials is spreading more and more in the production of plastics, in order to promote circularity in the industry.

Guala Dispensing makes a constant effort to increase the percentage of PCR (Post Consumer Recycled) materials in its products, aware of both the market needs and the technical challenges posed by their variability. We have already performed many tests and validated various components and products from a technical point of view, and numerous other tests are in progress.

The KPI that allows us to quantify the work we have done so far in this area expresses the percentage of PCR materials over the total amount of materials used.

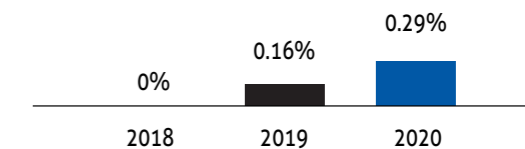


Chart 11. Use of recycled materials, calculated as the ratio of recycled materials used over the total amount of materials, expressed as a percentage (t/t).

The integration of recycled materials into manufacturing is just beginning at global level – yet, in 2020, we were able to record twice the value as the previous year: a result that is even more encouraging if we consider the urgency and pressure put on production by growing market demand in 2020.



SOCIAL INDICATORS

Hours of training

Our Spinetta Marengo site has always promoted employee training. In 2019, in particular, it had invested in HSE (Health, Safety, Environment) training for foreign plants, with an increase in training hours in Mexico and China which remained almost constant also last year.

With the sudden spread of the global pandemic in 2020, we had to avoid gatherings and first of all preserve the safety of all workers. This limited our options for in-person training, with a decrease in the indicator and in the total hours of specific training. In this delicate period, attention was mainly focused on HSE training.

We are starting a training path focused on sustainability issues, to inform all employees and raise awareness amongst them.

The KPI takes into account the hours invested in training per employee, per year.

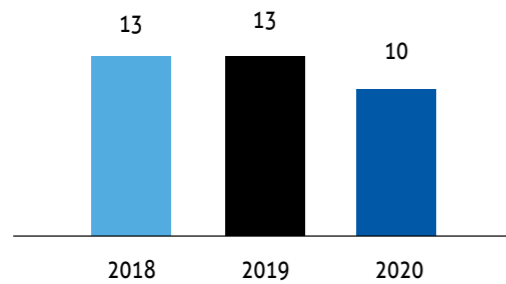


Chart 12. Training, quantified as average hours of training carried out, per employee, each year (hours/year).

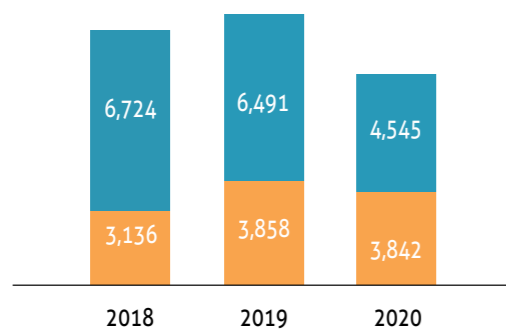


Chart 13. Types of training offered in the company, with evidence of the total number of hours dedicated to HSE and other topics (hours/year).

Frequency of injuries

Our company constantly monitors and protects workers' health and safety as a top priority. Guala Dispensing promotes responsible behaviour and employee education to build a culture of safety.

In this case, the indicator shows the number of injuries per million hours worked.

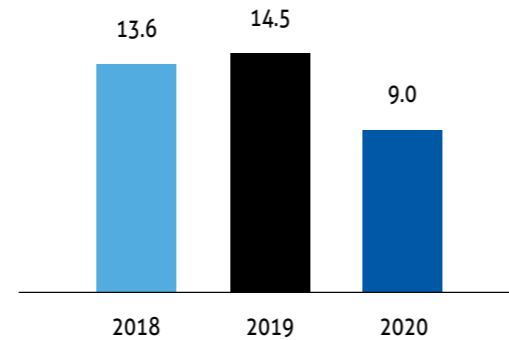


Chart 14. Frequency of accidents at work, calculated as the number of accidents per million hours worked (no./106 hours).

Last year, the number of injuries decreased in relation to the number of hours worked. This can be traced back to the effectiveness of health and safety training, which the company implemented in a structured way with the introduction of a dedicated team in 2020.

After analysing the causes of accidents, we were able to implement targeted actions to mitigate risk factors, improving machines and systems as well as people's behaviour in the workplace. Our goal is to keep attention and engagement high across all staff, to confirm the new management system is efficient in the long term.



Severity of injuries

The index that represents the severity of injuries is calculated by comparing the number of days of absence due to injury to the thousands of hours worked; it is related to technical aspects and to the continuous safety improvements in machinery and equipment, as well as to the use of hazardous substances. For years, we have implemented activities aimed at decreasing this index, focusing on the constant improvement of existing machines, on the preventive evaluation of new systems with higher safety standards, on the reduction of interferences between operators and means of transport, and on the safe use and storage of dangerous substances.

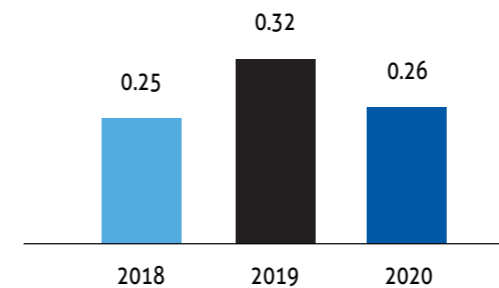


Chart 15. Severity of accidents at work, calculated as the number of days of absence due to accidents per one thousand hours worked (no./103 hours).

The increase recorded in 2019 was managed by the new HSE team with an appropriate assessment and periodic review of the RAD (Risk Assessment Document). We paid close attention to the prevention and improvement of working conditions, adapting work practices where necessary.

Social initiatives

Guala Dispensing has made attention for social issues one of its hallmarks, with initiatives in support of the Third Sector in all the areas where it is present. The Group's Italian sites operate locally through the SociAL Foundation, which was created in 2013 by the companies owned by Alessandria's Guala family and has Guala Dispensing among its main supporters. In addition to its activities, the SociAL Foundation publishes a yearly call to fund Third Sector projects that meet the social and cultural needs of the territory.

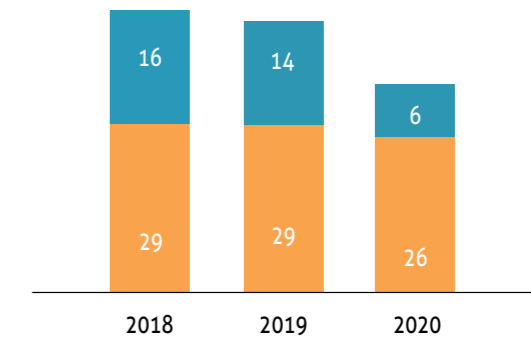


Chart 16. Number of projects carried out by the SociAL Foundation in Italy.

Legend: ■ Funded projects ■ Foundation projects

Foreign sites are also active in their areas, with internal initiatives and external collaborations with local organisations.

The KPI relating to this area measures the number of social initiatives carried out during the year.

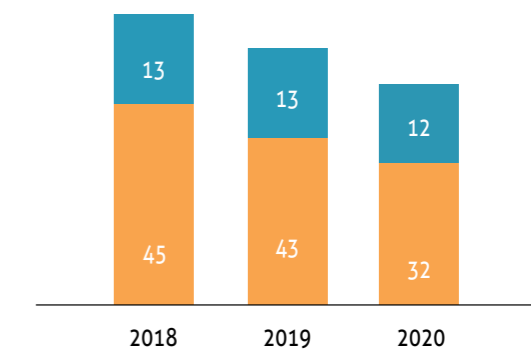


Chart 17. Number of social initiatives supported by the Group's sites in Italy and abroad.

Legend: ■ Italy ■ Foreign sites

FINANCIAL INDICATORS

NFP/EBITDA

Ratio between Net Financial Position and Earnings Before Interest, Taxes, Depreciation and Amortization.

It expresses the ability of the company to cover the debt through cash flows deriving from operations.

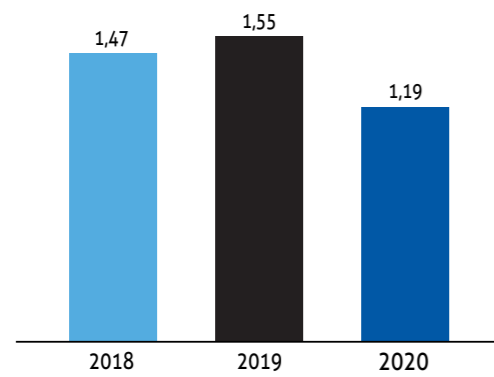


Chart 18. Ratio between Net Financial Position and Earnings Before Interest, Taxes, Depreciation and Amortization.

NFP/Equity

Ratio between Net Financial Position and Equity (DEBT RATIO).

It expresses the surplus of net debt compared to equity.

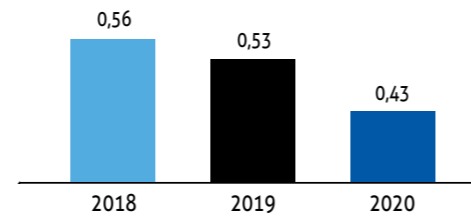


Chart 19. Ratio between Net Financial Position and Equity (DEBT RATIO).



PLANTS



GENERAL PLANT CERTIFICATION CHART

PLANT	COUNTRY	BRC	SMETA	ISO 9001	ISO 14001	ISO 45001	ISO 13485
		FOOD HYGIENE	SOCIAL	QUALITY	ENVIRONMENT	HEALTH AND SAFETY	MEDICAL DEVICES
Guala Dispensing	Italy	●		●	●	●	
Guala Dispensing Suzhou	China	●		●			
Guala Dispensing Mexico	Mexico	●	●	●			
Bisio Progetti	Italy	●		●			●

BRC

BRC is one of the food safety standards recognised by the Global Food Safety Initiative (GFSI).

SMETA

SMETA stands for Sedex Members Ethical Trade Audit, and was developed by the Sedex Associate Auditor Group (AAG) through a multi-stakeholder consultation, to foster a best practice reference framework for social auditing and the connected reporting activities in the social field.

ISO 9001

This standard focuses on process management and customer satisfaction, and is equally applicable and relevant for manufacturing companies, service suppliers and non-profit organisations.

ISO 14001

This standard focuses on enabling organisations to identify, monitor and manage the environmental impacts of their activities, reducing them below limit values thanks to the implementation, maintenance and constant improvement of an environmental management system.

ISO 45001

This standard is applicable to any organisation wishing to reduce health and safety risks in the workplace for employees, suppliers, customers and other people who have access to its premises.

ISO 13485

This standard focuses on the medical device sector, and specifies the quality management system requirements for organisations operating either in the design and production of medical devices or in the design and supply of related services.



GUALA DISPENSING

Established in 1997 in Spinetta Marengo, Guala Dispensing is the headquarters of the Group and produces triggers and dispensers with injection moulding processes.

Country: Italy

Employees 371

Plant size: 18,750 m²

Year of establishment: 1997

Plant Manager: Andrea Brianti

Products: triggers for home and personal care products

Certifications:

BRC, ISO 9001, ISO 14001, ISO 45001



Activities for environmental sustainability

- Activation of a photovoltaic system with a total power of 1 MW, which has allowed us to avoid emissions equal to 2,750 tons of CO₂ since 2014.
- Methane trigeneration system for electric energy, cooling water and hot water production

- Inverter installed on hydraulic injection moulding machines, leading to 25% energy saving.
- Installation of a high-efficiency lighting system on the site.
- Zero Paper Project: our programme for the complete digitalisation of the production and logistics department, soon to be extended to the accounting, sales and HR departments.
- Grinding and regranulation of waste plastic for internal reuse.
- Sale of waste to local companies for recovery/reuse.

Activities for social sustainability and protection from Covid-19

- Intensification of smart working.
- Daily, free distribution of masks to all personnel, and temperature taken upon access.
- Implementation of social distancing rules, with presences at the workplace being limited.
- Shifts established for the canteen, and PMMA barriers installed on tables where people eat.
- Installation of sanitising gel dispensers.
- SociAl foundation (pg. 36)



GUALA DISPENSING SUZHOU

Established in 2005, Guala Dispensing in China is dedicated to the production of triggers using injection moulding processes.

Country: China

Employees: 128

Plant size: 5,450 m²

Year of establishment: 2005

Plant Manager: Lussion Jiang

Products: triggers for home and personal care products

Certifications: BRC, ISO 9001



Activities for safety and protection from Covid-19

- Installation of sanitising gel dispensers and disposable gloves.
- Daily, free distribution of masks to all personnel, and temperature taken upon access.
- Implementation of social distancing rules in the workplace and canteen.
- PMMA barriers installed on tables where people eat.
- Increase in cleaning staff's working hours.
- Yearly medical check-up.

- Transport service between home and work available for all employees who need it.

Activities for social sustainability

- Annual company trip: following a well-established tradition, employees are offered a two or three-day trip including physical exercise immersed in nature and team-building activities.
- "Holiday benefit" for the Chinese New Year, which is celebrated with a major traditional festival.
- Support to employees who have lost a close relative.
- Support for after-work activities such as sports, going to the library etc.

Activities for environmental sustainability

- Reduction of energy consumption, thanks to the transition from hydraulic to electric injection moulding machines.
- Replacement of the air conditioning heat pump with a more efficient model.
- Sale of the cardboard the company can no longer use.
- Use of rental aluminium pallets, to replace non-reusable wooden ones.
- Recycling of cardboard packaging used to ship finished products.



GUALA DISPENSING MEXICO

Established in 2008 in Silao, Guala Dispensing Mexico manufactures triggers with injection moulding processes.

Country: Mexico

Employees: 323

Plant size: 15,900 m²

Year of establishment: 2008

Plant Manager: Humberto Bañuelos

Products: triggers for home care products

Certifications: BRC, SMETA, ISO 9001



Activities for safety

- Compliance with the regulatory framework of the Mexican Ministry of Labour and Social Security (Secretaría del Trabajo y Previsión Social, STPS).
- Compliance with the Occupational Safety and Health Self-Management Programme.

Activities for protection against Covid-19

- Audit by the STPS in April 2020, during which some guidelines were revised due to the pandemic.
- Formation of a Covid-19 commission.
- Process and structure analysis by virus and infection experts.

- Implementation of a hygiene programme for facilities and personnel transport.
- Company medical service available 24/7.
- Intensification of smart working.

Activities for social sustainability

- Annual assignment of scholarships to employees' most deserving children.
- Family Day, organised during Easter week, inviting all employees to take part with their families.
- Through the Puerto Interior committee, purchase of toys for the children in the communities near the industrial park.
- Agreements with local organisations for the recruitment of people in need, and with universities for student internships.

Activities for environmental sustainability

- Clean Company certification issued by the Environmental and Territorial Prosecutor's Office.
- Switching from normal light bulbs to LED models to reduce energy consumption.
- Programmes for the recovery and sale of production waste
- Gradual transition from hydraulic to electric or hybrid injection moulding machines.
- Cactus Area: cacti belonging to a protected species had been planted within the production site; once grown, they were donated and relocated to a protected natural area.



BISIO PROGETTI

Established in 1989 in Alessandria, Bisio Progetti started out as a manufacturer of injection moulds and subsequently began to extend its innovation capabilities to moulded products. The company makes compatible coffee capsules, primary and secondary packaging for the medical, pharmaceutical and cosmetics sectors.

Country: Italy

Employees: 326

Plant size: 15,000 m²

Year of establishment 1989

Plant Manager: Fabio Caporaletti

Products: food, pharmaceutical and cosmetics applications.

Certification: ISO 9001, ISO 13485, BRC



Activities for environmental sustainability

- Transition from hydraulic injection moulding machines to electric/hybrid models with a monitoring plan, verifying a 70% reduction in energy consumption and CO₂ emissions.
- Space and layout optimisation for the three phases of co-injected capsule manufacturing: moulding, assembly, and stacking in boxes were organised in a vertical flow (first floor, mezzanine, and ground floor) exploiting gravity. The lines' increasing capacity guarantees production continuity, eliminating inter-

mediate storage areas and related cardboard packaging and wooden pallets. This allowed us to save over 250 kg of packaging material per line, per day of storage.

- Careful waste management, minimising the non-sorted percentage.
- 225 kw photovoltaic plant with a consequent reduction of 80 ton of CO₂ in 2020
- Scheduled for 2022: installation of a 2-MW trigeneration plant

Activities for social sustainability, safety and protection against Covid-19

- AIV (Automated Intelligent Vehicle) transport system for the automatic handling of products, with consequent elimination of pallets and better visibility over production spaces.
- Limited use of forklifts, present only in the palletiser area
- Intensification of smart working
- Daily, free distribution of masks to all personnel, and temperature taken upon access.
- Implementation of social distancing rules, with presences at the workplace being limited.
- Shifts established for the canteen, and PMMA barriers installed on tables where people eat.
- Installation of sanitising gel dispensers.



NEXT STEPS

OUR NEXT STEPS FOR SUSTAINABILITY

This first Sustainability Report has described and recounted the work the Guala Dispensing Group has always carried out in its pursuit of social responsibility, worker safety and environmental sustainability. Our purpose is to define clear and quantifiable objectives in all areas of interest, to challenge ourselves and always improve.

A BROAD VISION OF SOCIAL SUSTAINABILITY

The companies in our Group align with the ethical principles of the United Nations' Universal Declaration of Human Rights and the Conventions adopted by the ILO: these values, shared by all our employees, are reported in the Company's Code of Ethics. We have also already begun a process of alignment with global standards by joining internationally recognised ethical certifications.

Our HSE team is fully committed to protecting workers' health and safety, to improve and maintain the results achieved in the past year. Its on-site presence – near offices and production lines – helps to raise awareness among workers and to identify any risky situations.

Attention to these issues is directed both inside and outside the company. Assessing the social sustainability of our partners, from plastic producers to brand owners, is crucial for us at Guala Dispensing. In the near future, we will standardise our approach through dedicated questionnaires and targeted interviews.

A PROCESS THAT IS INCREASINGLY "LIGHT" ON THE ENVIRONMENT

Monitoring consumption in a precise and timely manner requires continuous commitment. It makes it necessary to have a data collection and transmission system that guarantees production sites can regularly and effectively report on consumption of water and electricity and on waste management.

Data are the prerequisite to make a detailed analysis of key indicators, and therefore to identify targeted improvement actions. Setting ambitious but realistic goals is crucial to build solid and lasting growth that can, at the same time, further reduce the Group's environmental impact.

The main cause of CO₂ emissions in injection moulding – the technology at the heart of Guala Dispensing and Bisio Progetti's work – is electricity consumption. Therefore, we pay close

attention to alternative energy sources, for all of our production sites: a new trigeneration plant is already planned for Bisio Progetti by 2022, in addition to the one that has been operating in Spinetta Marengo for several years.

Finally, our indicator for water consumption has highlighted the need for specific corrective actions, aimed primarily at collecting information on a quarterly basis. Dialogue and the direct engagement of individual plants in sustainability issues like this one will prove essential to understand both the needs and the potential of our various production sites.

Knowledge, sharing and awareness are the beginning of a path we can now outline more and more clearly.

ENVIRONMENTAL SUSTAINABILITY DESIGNED INTO OUR PRODUCTS

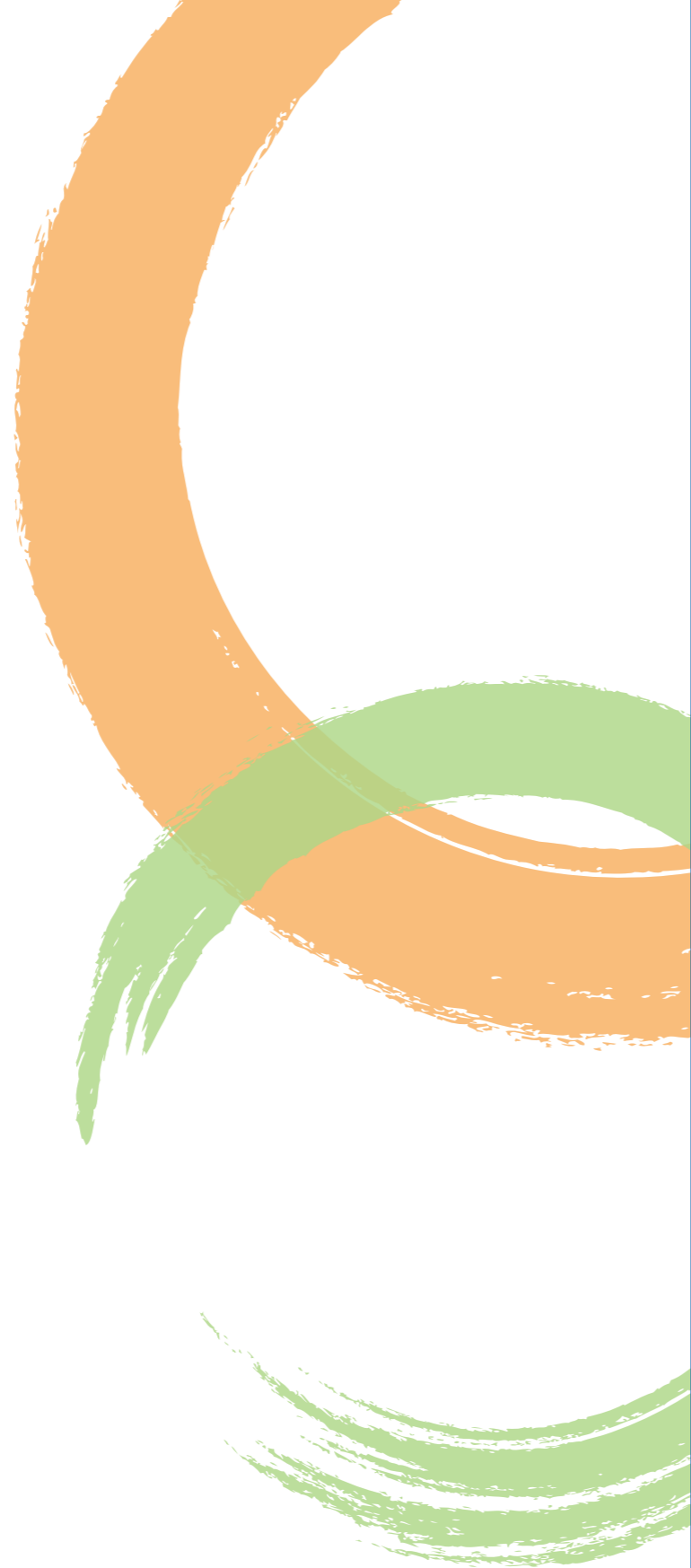
Assessing environmental impacts cannot be limited to the "gate to gate" production process: it extends beyond, from the materials used to make a product to its end of life.

For this reason, alongside product KPIs, Guala Dispensing plans to adopt the LCA (Life Cycle

Assessment) methodology, which responds to this need in a standardised way.

We are well aware, in fact, that incorporating sustainability targets from the earliest stages of conception can make any project more effective.

The projects we are currently carrying out, and those we have planned for the future – combined with an increasing awareness of the role and potential Guala Dispensing and Bisio Progetti can have in the ecological transition – allow us to offer our clients more targeted and tangible support towards shared objectives for sustainability and reduced environmental impact. We can, and want to, embark on this journey towards a more sustainable future, blazing a new path in full collaboration with all stakeholders, closing the loop of a new economy that thinks about the present, and above all about the generations to come.



Guala *dispensing* **Bisio** *progetti*



Guala dispensing *Bisio* progetti