2020 Sustainability report

ELIX POLYMERS | A member of Sinochem International

Index

Message from the CEO

2020 was an exceptional year; due to the global COVID-19 pandemic, we had to face new challenges that changed our habits as people, as a society and as a company.

Since the beginning of the pandemic, we've worked hard to maintain a safe workplace for our teams, adapting our operations and fulfilling our commitments to our stakeholders.

Thanks to the excellent work of the people who form part of ELIX Polymers, to our commitment and to sharing a common purpose, we've been able to successfully adapt to these uncertain times.

During the last year, we made important leaps in our strategic plans, with the aim of transforming ELIX into a global benchmark supplier in the industry. Together with Sinochem Group, ELIX continued strengthening its presence in NAFTA and APAC, laying the foundation for constant and sustainable growth in upcoming years. Our goal is to respond to the needs and trends of the markets we operate in and provide solutions with added value.

At ELIX, we continue to invest our energy in contributing to the industry's transformation **towards a sustainable development model, based on a circular economy**. As part of this transformation, at ELIX we have worked to wholly integrate sustainability into our business model, in alignment with the United Nations' Sustainable Development Goals (SDGs). At ELIX Polymers we are committed to the four cores of our sustainability strategy: be a driving force of circular economy in the plastics industry, work towards the adaptation to and mitigation of climate change, ensure an ethical business model and contribute to palliating biodiversity loss. In this line, we continue with our firm commitment to the United Nations Global Compact to implement the ten principles encompassed by this international initiative in our company.

In this document we present ELIX Polymers' 2020 Sustainability and Corporate Social Responsibility report, which is an exercise in transparency to share our most relevant advances on this path of transformation. This report was produced following Global Reporting Initiative (GRI) standards.

In the report you will learn of our advances in offering **more sustainable solutions**, grouped together under our new brand **E-LOOP**. We opt for a combination of solutions that incorporate circularity from the design phase, encouraging the recycling of products at the end of their lives, with transparency and traceability in the entire value chain.

We know that we cannot go down this path alone, so we are making an effort to transmit our environmental and social commitment to our value chain, collaborating and sharing challenges and goals with our suppliers and customers.

We continue developing our **Sustainable Operations** programme, where we pay special attention to reducing **the environmental impact** of our activity. We've established solid programmes for the reduction of greenhouse gases and water use intensity which are allowing us to make progress in our objectives year after year.

ELIX is committed to generating a positive social impact on the local environment it operates in, acting as a **facilitator for the development of its immediate environment**, favouring equal opportunities and diversity.

We've set ambitious sustainability goals that without a doubt will drive our environmental and social commitment forward. Through this report, we would like to involve the following people in our commitment: our team, our customers, suppliers, the supply chain and all the stakeholders we work with on a daily basis. To all of you, thank you for your trust and we hope you enjoy this document.

David Castañeda, CEO

1

A summary of our accomplishments in 2020

Our company

+300
CUSTOMERS

+40 GRADES
+300 COLOURS
PRODUCTS

0.94%
SALES VOLUME
(CAGR 2016-2020)*

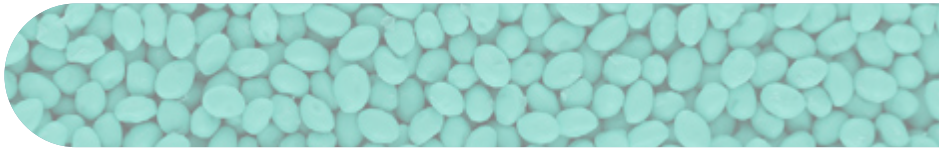
**Calculated using CAGR (Compound Annual Growth Rate)*

+40
COUNTRIES

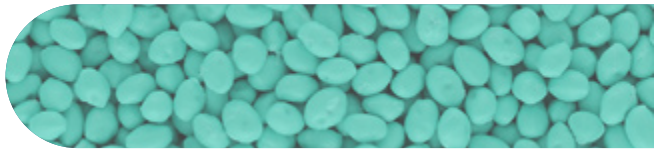
627k€
NEW INVESTMENT IN R+D+I

1.01%
R+D SPENDING INTENSITY (OF OVERALL REVENUE)

97.7%
Rate of cumulative successful sales



91.3%
Perfect order rate



93%
Improvement in OTIF rate

Our team

254
EMPLOYEES
(+2.6% COMPARED TO 2019)

86
CONTRACTORS
(-11.3% COMPARED TO 2019)

3
OCCUPATIONAL ACCIDENTS WITH MEDICAL LEAVE

25%
WOMEN ON STAFF
(+0.6% COMPARED TO 2019)

88.6%
EMPLOYEES WITH INDEFINITE CONTRACTS
(-2.8% COMPARED TO 2019)

5,825
HOURS OF TRAINING FOR EMPLOYEES

Our business responsibility

144k€
NEW INVESTMENT IN ENVIRONMENTAL PROTECTION

0.18
GREENHOUSE GAS EMISSIONS PER PRODUCTION
(T OF CO_2 EQ / T ABS PLUS SALES)
(-17 % COMPARED TO 2019)

1.584k€
EXPENDITURE ON ENVIRONMENTAL PROTECTION
(+3% COMPARED TO 2019)

2.8%
NEW INVESTMENT IN ENVIRONMENTAL PROTECTION

97.3%
RATE OF EFFICIENT RAW MATERIAL CONSUMPTION
(+0,5% COMPARED TO 2019)

91%
RECOVERED WASTE
(-1% COMPARED TO 2019)

1,069.42
ENERGY CONSUMPTION (KWH/T PRODUCED)
(-2,3% COMPARED TO 2019)

Our suppliers

670
SUPPLIERS

40%
EXPENDITURE PAID TO LOCAL SUPPLIERS (TARRAGONA)

55%
EXPENDITURE PAID TO LOCAL SUPPLIERS (CATALONIA)

2

A benchmark company in the thermoplastics sector

We produce and distribute our wide range of high-quality thermoplastics worldwide. Each day we improve through innovation and personalised service, and this allows us to develop tailor-made solutions which are more sustainable and better adapted to the needs of our customers.

Leaders in the thermoplastics sector

Working with a view to sustainability will allow us to remain leaders in the high-quality thermoplastics sector and participate in the transformation of the chemical industry.

ELIX Polymers (hereinafter, ELIX) is a company dedicated to the manufacture of acrylonitrile butadiene styrene resins (ABS) and derivatives with a trajectory of over 45 years and extensive international presence.

From our production site in Tarragona (Spain), and with the support of our entire team, we specialise in tailor-made solutions for high-quality thermoplastics applications. We have the resources, skills and experience to create value for our customers and the industry in general.

We are advancing towards the total integration of sustainability into our business, making it the core of our business strategy. In 2020 we defined ELIX's sustainability strategy, which forms a crisscross with our business plan, with the aim of improving our environmental, social and economic impact, as well as adapting to the requirements of the new European Green Deal. Circular economy climate change, biodiversity loss and society are the areas we will centre on in the upcoming years. However, in order to maintain our positioning, we cannot forget digitalisation, an essential tool for improving efficiency and bringing value to our customers.

If 2019 was a year focused on our integration into Sinochem, 2020 was a year marked by the COVID-19 pandemic. This was a serious blow to the world economy. causing a much sharper deceleration than in 2019 and a highly complex socioeconomic context which affected our decision-making as an organization, as we tried at all times to maintain the sustainability of the company and the well-being of our employees.

Since the start of the pandemic, we have done everything within our reach to face this crisis, making adjustments in order to guarantee both the health of our collaborators as well as the delivery of products to our customers.

As we form part of an essential industry, we worked tirelessly to ensure the proper functioning of our products' manufacturing and distribution, and guarantee the health and safety of our collaborators, customers, distributors and contractors by implementing preventive hygiene and disinfection measures in addition to strict safety protocols.

We activated two crisis committees with the aim of making decisions and safeguarding both the health of all those who form part of ELIX as well as the continuation of our business.

- We activated an **HSE Crisis Committee** to carry out daily updates on COVID-19 outbreaks, in addition to managing, planning and promoting possible measures and actions depending on the progression of the pandemic, designating economic resources, materials and staff as needed. The committee was made up of managers from the Human Resources, Safety and Operations areas.

  From the beginning, we counted on the participation of employee representatives and OHS delegates as well as coordination with the health and safety managers of the service companies whose employees work on ELIX premises. This Committee was in charge of establishing internal protocols and following recommendations by the Health Department and Health Surveillance Prevention Service, in addition to communicating and raising awareness among ELIX staff about the importance of following protocols and recommendations, both in and out of work.

- **ELIX Business Continuation Crisis Committee** was in charge of maintaining business stability during the entirety of the pandemic, paying close attention to customers' needs and evaluating options to best satisfy their needs. Additionally, the committee continuously analysed market demand as well as the situation of our suppliers, adapting our strategy to guarantee supply.

We are aware that this is a passing situation so we continue our work towards a type of sustainable development that is capable of handling changes in customer demands and international requirements, not missing the opportunity to be a relevant participant in the transformation of the plastics industry as outlined in the "*European strategy for plastics in a circular economy*".

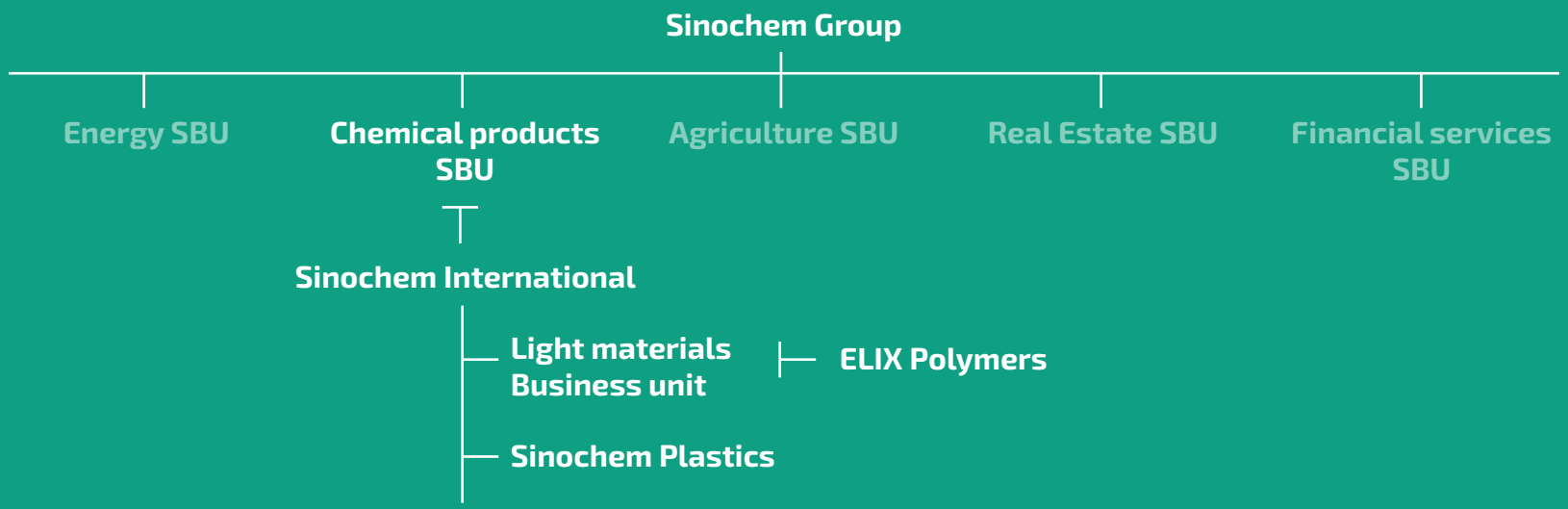
Management and structure

We belong to the Chinese business group Sinochem Group. More specifically, we are part of the company Sinochem International (Overseas) Pte. Ltd., a large-scale Chinese state-owned enterprise, present in different strategic areas, such as the chemical industry.

ELIX serves as overseas headquarters, which gives it strategic value in the Sinochem group, and at the same time provides the possibility of growth beyond ABS resins and derivatives, to become a new business unit within Sinochem International where other product lines are developed as well.

In 2020 we completed our integration into the structure and operations of Sinochem International.

Senior Management at ELIX is made up of five professionals —the CEO and Area Managers— who, together with the support of the department managers and collaborators, strive to preserve ELIX's values in the pursuit of our goals.



DAVID CASTAÑEDA
CEO

LUIS ALONSO
CFO

CARLOS MÜLLER
BUSINESS DIRECTOR

NOELIA VÁZQUEZ
HR & COMMUNICATION DIRECTOR

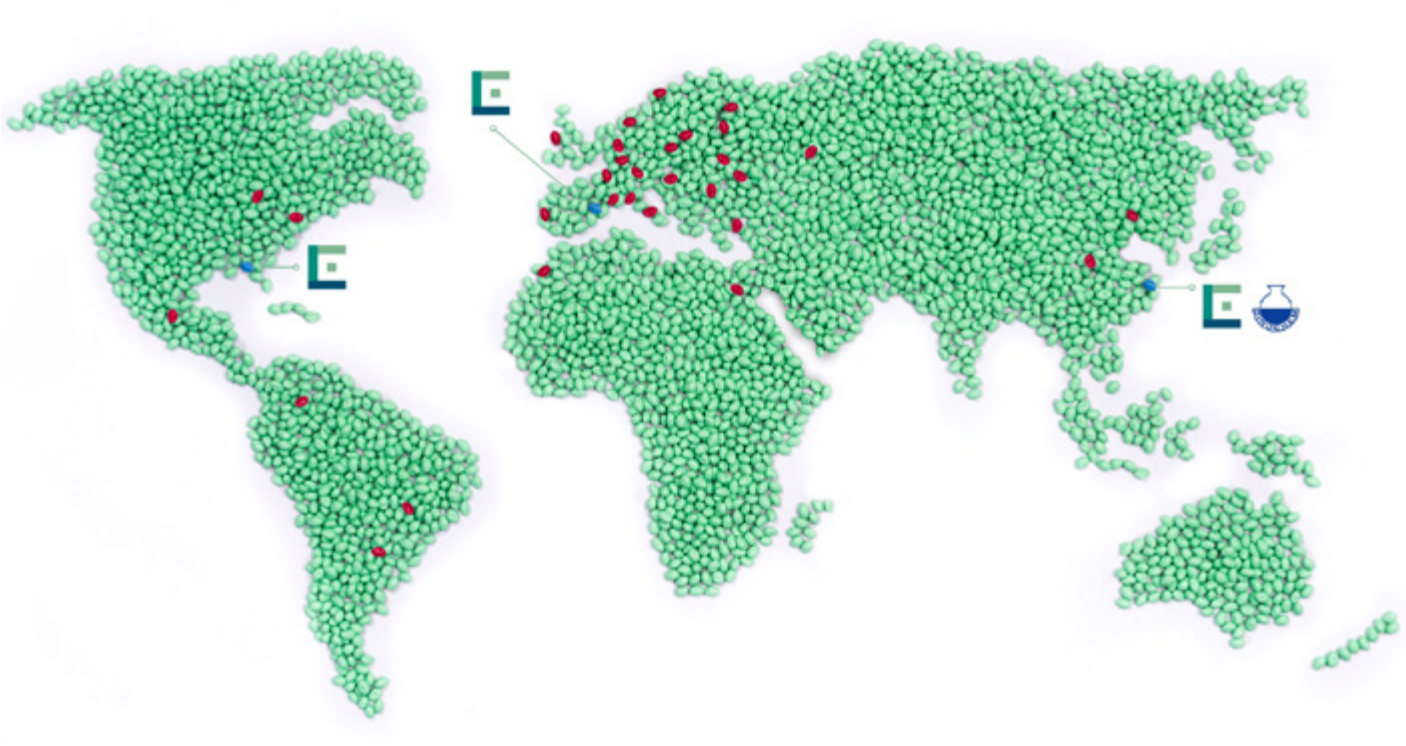
NARCÍS VIDAL
OPERATIONS & SUPPLY CHAIN DIRECTOR

An expanding market

Our incorporation into Sinochem International is a great opportunity for us to grow in the Asian market while continuing to strengthen our business relations in the European and American markets, as it will facilitate global collaborations with major OEMs (*Original Equipment Manufacturers*) and their main customers on several continents. In addition, it's an important step that will consolidate ELIX as a global company in the market.

We operate from our main office and production site in the Southern Industrial Park (Polígono Industrial Sur) of Tarragona, the main petrochemical hub in the south of Europe, where we share a strategic location with other international companies who also form part of ChemMed Tarragona, the most important chemical, industrial, academic, scientific and logistics cluster in the south of Europe.

Approximately 90% of our sales come from the European market, though we are expanding our international presence, predominantly in the United States and Asia. We have two logistics centres, one in Germany and the other in th United States, as well as an extensive network of sales representatives and distributors who work with over 300 customers in more than 40 countries. This year we created a local sales team in China, in charge of the ELIX product portfolio.



Our thermoplastic product portfolio is evolving towards a more sustainable portfolio with less of an environmental impact, and which incorporates more recycled material. We offer:

- ABS Resins: ABS thermoplastic products for specialised products and high added-value markets.
- PC/ABS: Compound of PC/ABS for the most demanding market applications.
- Polymer modifiers: modifiers that improve polymer mixture properties such as fluidity and hardness.
- CADON: a highly resistant material for high-impact needs.

This year Sinochem International presented its new compounds factory in the industrial chemical park of Yangzhou (Yizheng) where production is planned to begin at the end of 2021. Several high-quality specialised products from the ELIX portfolio will be manufactured at this production site, such as specialised ABS grades, high temperature ABS, and mixtures of ABS/PC and PC/ABS. One of the advantages of this factory is that it will allow us to provide the Chinese automotive sector with locally produced materials.

We participated in tradefairs and webinars to promote our catalogue

In January we had our own stand at Pharmapack 2020, the European tradefair for the medical packaging industry. Here we presented our medical grade precoloured ABS compounds with quality guarantee, which allow us to help our customers comply with health regulations, as ELIX guarantees the biocompatibility of all material formulas, including additives and colour pigments.

Due to the cancellation of almost all the international tradefairs we were scheduled to attend, we had to be proactive by developing and holding webinars with our customers so that we could maintain our close ties with them and keep them informed.

We began 2020 with our first webinar for one of our key markets, the medical industry. It was titled "The benefits of using a precoloured medical grade." ELIX was able to explain in detail why OEMs prefer ELIX's precoloured medical ABS solutions and how to guarantee medical device compliance, optimising performance and resources while minimising risks. In the automotive industry, we participated along with our partners from Germany (K.D. Feddersen) and Mexico (Corporación Telch, SA) in two webinars called "Everything you need to know about ABS and the automotive segment" and "ABS for automotive applications" respectively.

Thanks to our experience, we've become leaders in the most demanding markets, offering personalised solutions for different applications.

Strategic Markets

Automotive

We have high performance products, appropriate for general use as well as high-temperature, electrotype, electroplating and precoloured applications that satisfy the strict requirements of the automotive industry.

Among our customers are industry-leading global suppliers. In addition, our materials are approved by the main OEMs for interior and exterior applications.

Healthcare

We offer optimal solutions for both injection moulding and 3D printing technologies, for applications in intravenous injection systems and respiratory and self-injection devices. We comply with biocompatibility regulations ISO 19993 and USP class VI. Our materials for the medical industry have been included in the Drug Master Files (DMFs) for use in medical applications and food contact, both in Europe as well as the United States.

Consumer goods

We produce materials for small appliances, garden items and bath accessories, taking into account the high demands of this market for new colours and finishes, UV resistance and specific chemicals.

We offer solutions to the health emergency

ELIX joined efforts to get through the pandemic and was involved in several projects.

M203FC is a material used for injection moulding the plastic components and pieces of medical devices such as ventilators, which are necessary for the treatment of COVID-19 patients with serious respiratory conditions.

Our ABS also served to manufacture filaments to be used in 3D printing. Facial screens, pieces for various medical devices such as respirators or protection equipment are just three of the final products made with this technology and which have served to help the healthcare sector in its battle against COVID-19. The demand for 3D printing filaments in Spain is being channeled through the digital platform 3D COVID-19.tech, an initiative that links hospitals' needs to resources for 3D printing production, etc. An example is Ford Motor Company, whose 15 3D printers at its facilities in Valencia were able to produce facial screens at the pace of 300 units per day, which, once disinfected with ozone, were then distributed to hospitals and nursing homes, and were made with raw materials donated by ELIX.

Other markets

Household appliances
We produce materials for home appliance applications that satisfy new demands for colours and finishes, UV resisance and the correct use of the chemicals this market requires.

Electrical and electronic devices
We have an extensive portfolio of products for the manufacturing of electrical switches and outlets, electrical circuit boards and ventilation systems, offering different solutions for dimensional stability properties, heat distortion temperature and electrical properties.

Building and construction
We meet the needs of the building and construction markets by offering long-lasting products with excellent finish quality.

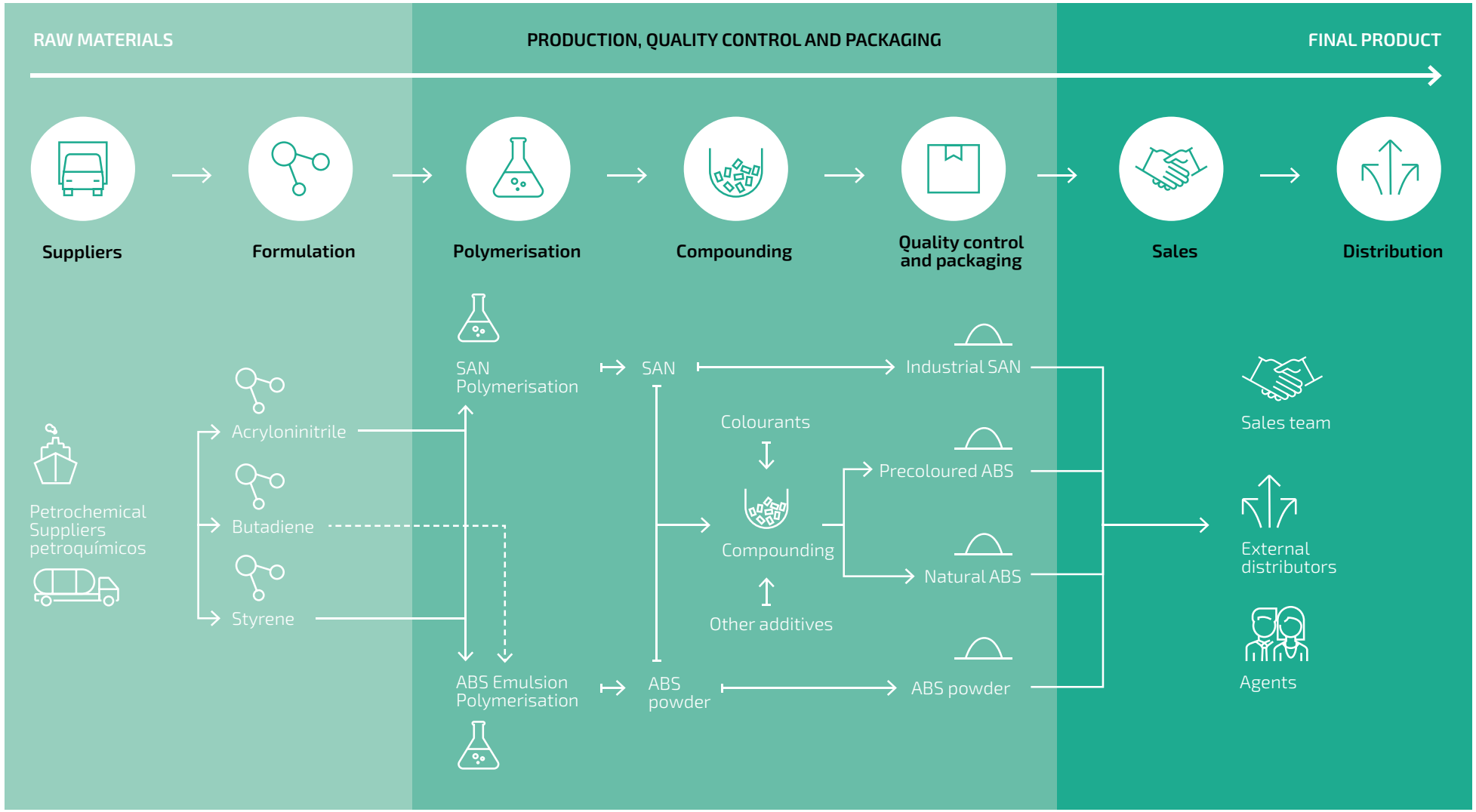
Toys, sports and leisure
We offer highly robust products with excellent surface quality that comply with food contact regulations.
In addition, we offer toy and ski manufacturers the possibility of creating personalised colours.

Miele chooses us

The top-of-the-line appliance manufacturer Miele & Cie. KG (Miele) chose our high fluidity ABS grade 118HF for its new wireless vacuum cleaner Triflex HX1. We developed this grade specifically for this application, and were chosen because it satisfied the company's main requirements for the following properties: high fluidity, dimensional stability, high heat resistance and high gloss surface finishes. This grade's ability to reduce the wall thickness of pieces meant great savings for Miele in terms of material consumption and cycle times, which translates into greater productivity and sustainability.

"We are delighted to collaborate with an innovative manufacturer of top-of-the-line products like Miele'" said Joachim Kroeger, Regional Sales Manager of ELIX Polymers. "In line with Miele's slogan 'Always better', ELIX modified the formula and improved the rheological properties with the aim of providing the best possible solution for the new product".

Our production process and value chain



Partnerships for advancement

We establish ties with local, global and sectoral associations in order to closely follow trends in our market and establish long-lasting, solid relationships throughout the whole plastics manufacturing chain, allowing us to remain reference points in our sector and advance towards a circular economy.

Global associations

PlasticsEurope: a business association representing the main polymer manufacturers in the European plastics industry.

Spanish Chemical Industry Business Federation: One of the largest business organizations defending the interests of the chemical industry in Spain.

The European Chemical Industry Council (CEFIC): A forum for the chemical industry in Europe and committed collaborator of EU decision-makers.

Industry associations

Clúster Mav: the aim of this organization is to promote and contribute to the competitiveness of companies and entities in industries with advanced materials, and the technologies associated with them. This new alliance allows us to develop pilot circular economy and innovation projects and opens up possibilities for new collaborations.

MedPharmPlast: an industry group for companies within the plastics supply chain specialising in medical utensils and pharmaceutical containers in Europe. This new alliance provides us with information on the medical industry, its regulations and its trends.

Local associations

Tarragona Chemical Business Association (AEQT): This association brings together the chemical industries of Camp de Tarragona and Tierras del Ebro, with the mission of ensuring these industrial areas' global competitiveness and contributing to the sustainable development of the region. Our CEO and several ELIX departments actively participate in the different commissions of this association.

Tarragona Chamber of Commerce, Industry, Services and Navigation: A public corporation which promotes activities to support business development and carries out actions of interest to the business and commerce community of its district.

Catalan Transport Users Council: a common space for exchanging knowledge on transport and logistics, as well as providing support in the management of imports and exports.

Our team, an asset we nurture

We reinforced our staff in order to minimise disruptions to our operational capacity due to COVID-19 and fulfill our responsibility as a company in an essential industry.

Remaining reference points in the thermoplastics industry depends on the whole team, without whom we couldn't have tackled such a complicated situation as the COVID-19 pandemic, or evolved towards new business challenges in innovation, circular economy and digitalisation.

We're concerned about maintaining the highest staff stability possible and ensuring that the overwhelming majority of the organization has a long-term job situation that gives them a sense of security in a global environment of uncertainty. During the pandemic, we took steps in a proactive way to minimise its impact on our employees. We can affirm that the measures taken by the company were proportional and appropriate to our actual decline in activity, allowing us to adapt our capacity to actual demand. In order to reduce the impact of the serious situation of dropping sales levels, adopted an exceptional low-price sales measure to attain occasional orders that couldn't have been planned. In this way, work continued and our staff's jobs were guaranteed.

As a consequence of the COVID-19 health crisis in Spain and Europe, ELIX's activity was negatively affected due to a complete halt in end customers' activities (in the household appliance, automotive, Toys, Sports and Leisure industries, among others) as well as border closures and difficulties transporting merchandise throughout Europe. As a consequence of this situation, from the second quarter of the year we realised we couldn't guarantee workload levels for staff during the subsequent months, making it necessary for us to carry out temporary layoffs (ERTE in Spain) for production reasons from May to September. Although we requested five months, the actual application of the ERTE lasted two months, from 7 May to 16 July, at which point we were able to cancel the requested measure.

The percentage at the highest point of work suspension was:

MAXIMUM PERCENTAGE OF CANCELLED WORK DAYS	NUMBER OF AFFECTED EMPLOYEES
Not affected	17
10%	11
15%	4
20%	66
30%	29
35%	21
40%	80

Percentage of cancelled work days (general average)

11%
MAY

8%
JUNE

8%
16-JULY

The layoff conditions were more beneficial than those established by the law for this measure. ELIX didn't discount holiday time, or the proportional part of the amount employees didn't work in terms of bonus accrual.

Another collateral consequence of the pandemic was the increase in work instability, either due to illness or preventive quarantines. This forced us to hire temporary staff for reinforcement.

STAFF AS OF 31 DECEMBER 2020[1,2]	2018	2019	2020	VARIATION WITH RESPECT TO 2019
Total employees	**252**	**248**	**254**	**2.4%**
Men	197	192	194	**1%**
Women	55	56	60	**7.1%**
Contractors	**78**	**97**	**86**	**-11.3%**
Men	68	90	79	-12.2%
Women	10	7	7	0%

1. With the exception of this table, the rest of the figures shown in this section do not include contractors, as we do not have direct management capacity over them

2. Data shown in this section are for staff in the Tarragona facilities (Spain), the only company facilities. Included in total employees are those who are semiretired; in all other graphs of this section, these employees are not included because although they are still employed by ELIX, their dedication is not the same as that of the other employees.

3. Semiretired employees are excluded

STAFF BY CONTRACT TYPE AS OF 31 DECEMBER 2020[3]	2018	2019	2020	VARIATION WITH RESPECT TO 2019
Staff with indefinite contract	**93.5 %**	**94.7 %**	**88.6%**	
Indefinite	**217**	**215**	209	**-2.8%**
Men	168	162	**159**	**-1.9%**
Women	49	51	**50**	**-5.7%**
Temporary	**15**	**12**	27	125.0%
Men	10	8	18	125.0%
Women	5	4	9	125.0%

STAFF BY SCHEDULE TYPE AS OF 31 DECEMBER 2020	2018	2019	2020	VARIATION WITH RESPECT TO 2019
Full-time staff	**94.8 %**	**95.6 %**	**96.6%**	
Full-time	**220**	**217**	228	**5.1%**
Men	178	170	**177**	**4.1%**
Women	42	47	**51**	**8.5%**
Part-time	**12**	**8**	**8**	0.0%
Men	0	0	0	0.0%
Women	12	8	8	0.0%

Our customer service as a differentiating value

Working side by side with our customers, even in the product design phase, allows us to develop high-quality, tailor-made solutions that consolidate us as a leading and trustworthy company in the ABS market.

Quality, safety and assistance are indispensable requirements, highly valued by our customers, and are examples of ELIX's differentiating aspects within the thermoplastics market, which we offer through our after-sales technical service and customer service. In addition, our mission at ELIX reflects our commitment to quality, safety and the protection of health.

Our mission to our customers resides in:

- Offering the best high-quality, tailor-made solutions.
- Providing optimal services and deliveries.

To achieve this, we offer our customers flexible, reliable and quality service, always with the ambition of maintaining the high levels of satisfaction that have come to define us in recent years. We centre on five premises:

We accompany our customers in a comprehensive way throughout their entire process, beginning with the development of a requested product and ending with after-sales technical support to solve problems or clarify doubts about a delivered product.

The main services where we interact with our customers in a fluid and efficient way are:

- **Customer service.** We handle all customer requirements in terms of deliveries, product returns and specific needs.
- **After-sales technical service.** We provide our customers with specialised support related to product characteristics and applications as well as the correct handling and use of our products.

This year brought with it difficult challenges. We noticed the impact of COVID-19 from the beginning of the pandemic, as we have customers all over the world. We had to manage major disruptions in demand, raw material availability and finished products in our market as well as challenges in the transport world.

Despite the challenges posed by the pandemic, we significantly improved our customer service

This year we achieved our first 99% Right First Time, which means our percentage of first time manufacturing errors was less than 1%, so our efficiency and results are really good. We also reduced the amount of claims received for different manufactured lots, far exceeding our objective for the year. For 2021 we intend to continue improving and to do this, we will set even more ambitious goals.

GOALS ACHIEVED

INTERNAL CONTROL INDICATORS	2020		2021
	Objective	Performance	Objective
Right First Time (RFT) rate of correctly manufactured materials	99%	99%	99%
Claims received vs manufactured lot	0.5%	0.41%	0.36%

EXTERNAL CONTROL INDICATORS	2019	2020	Objective for 2021
On Time In Full (OTIF) rate of orders delivered on time in the correct amount[1]	94.40%	93.00%	Non-applicable
Perfect Order rate - punctual and complete orders or orders without incidents [1]	92.30%	91.3%	93%

1. Measured for type A customers

In 2021 our PO (Perfect Order) rate, which measures the rate of orders without any type of internal or external incident, did not meet our objective of 93% and fell by 1% from the previous year. Our performance during the first half of 2020 was good: we maintained a PO of 93.9%, demonstrating the effectiveness of our COVID-19 mitigation plan. However, in the second half of the year, there was a sudden and exceptional increase in demand which we were unable to satisfy with our usual service levels due to restrictions in our on-site operational capacity as well as transport limitations during the summer holiday period, and this brought our PO rate down to 89.3%.

In 2020 we worked on two big projects to further improve the quality of our service.

- Improvements in claims: in March we started developing this project whose aim is to improve claims response times. In 2019, average response time was 45 days. Our ambitious objective is to not go over 20 days.

- Improvement in Samples Lead Times: the idea is to reduce the time between the manufacturing and shipment of samples and new imitations to current and potential customers.

Quality and safety

We comply with the most stringent national, international and industry regulations for health and safety. We use a certified management system in accordance with international standard ISO 9001, which guarantees our compliance with the highest quality standards in our products and services.

El sistema de gestión certificado iso 9001 asegura la calidad de nuestros productos.

Quality Management System Certificate ISO 9001:2015

We are specialists in high-performance ABS materials used for specific functions in products with applications for healthcare purposes or children's toys which are subject to strict safety and biocompatibility requirements. Our materials for the medical industry comply with biocompatibility regulations ISO 19993 and USP class VI and were included in the Drug Master Files (DMFs) for use in medical applications and food contact, both in Europe and the United States. Recent changes in ISO 19993 (biological evaluation of medical devices) and in particular part 18 (Chemical characterization of materials) give great importance to the chemical characterization of materials.

ELIX Polymers provides support to OEMs, to reduce their chances of noncompliance with applicable regulations, as our precoloured ABS compounds comply with all safety guarantees and guarantee the biocompatibility of all material formulas, including additives and colour pigments. Many OEMs in the medical industry prefer our solutions because of the advantages ELIX's technical services offer their companies such as the colour development service, product management, special tests, the formulation and storage of samples, mould simulation service, and guidelines for injection moulding.

We work under the concept of product stewardship, in which we evaluate and manage the potential risks of our products during their entire life cycle. In this way, we incorporate a responsible and ethical management focus right from the initial stages of product design, which allows us to improve sustainability in the industry.

ELIX's quality guarantee and technical service comprise an important value proposal for OEMs in the medical industry and their supply chain. They are complemented by ELIX's sales services, which are offered through our customer service department and sales team.

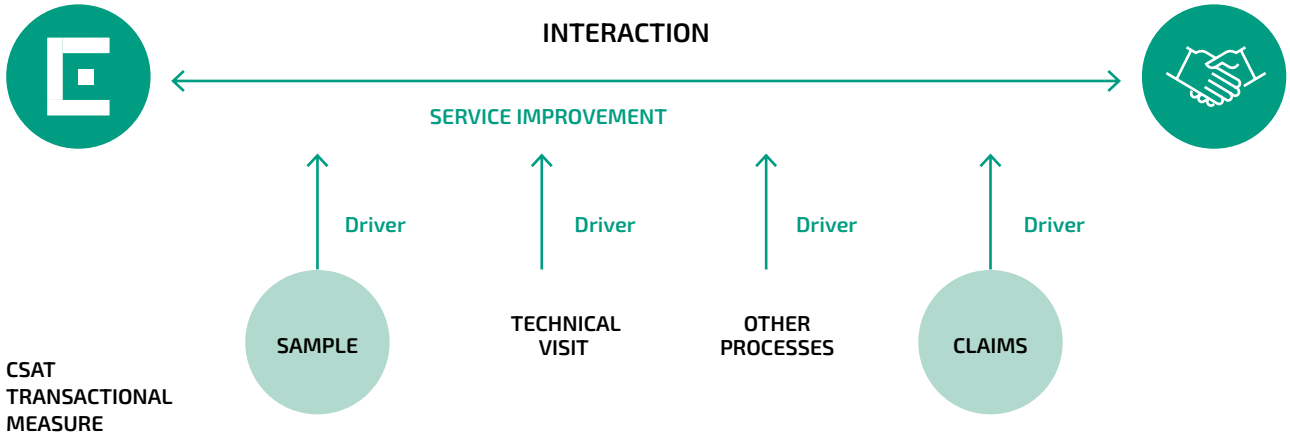
Service quality

For several years now, we've been carrying out and improving the tracking of our customer satisfaction.

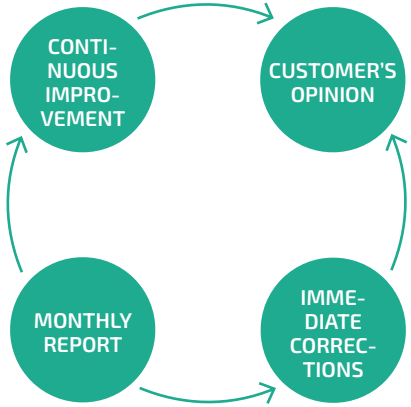
We employ a cyclical process of continuous improvement in which we constantly measure service satisfaction using a collective analysis of customer responses through two key indicators (NPS and CSAT), and then, if necessary, we develop specific actions for improvement.

- **Net Promoter Score** (NPS) is a general satisfaction indicator which we apply in an innovative way in the Business to Business (B2B) market. It measures customer loyalty based on the response to one question: "How likely are you to recommend the product or service to a colleague?"

- **Customer Satisfaction Score** (CSAT) is an operational performance indicator that evaluates customer satisfaction in key company-customer touchpoints, with one satisfaction question and one improvement question if the satisfaction level was low. We have two established touchpoints: claims and sample deliveries.



CSAT TRANSACTIONAL MEASURE
Measures individual interactions and touchpoints, linking them to operational performance.



We measure these indicators based on the responses received from our customers at two interaction points: claims and sample deliveries.

The particular challenges and difficulties of 2020 as a consequence of the pandemic contributed to an increase in responses related to claims and a decrease in those related to sample deliveries. Our objective for next year is to focus on improving customer response related to sample deliveries.

In terms of our objectives for improving the claims process, we maintained the same level in 2020 as in 2019. However, our "Overall NPS" evaluation reflects how our commitment and efforts to minimise the effects of the pandemic were recognised by our customers, as we did whatever was necessary to help and maintain supply.

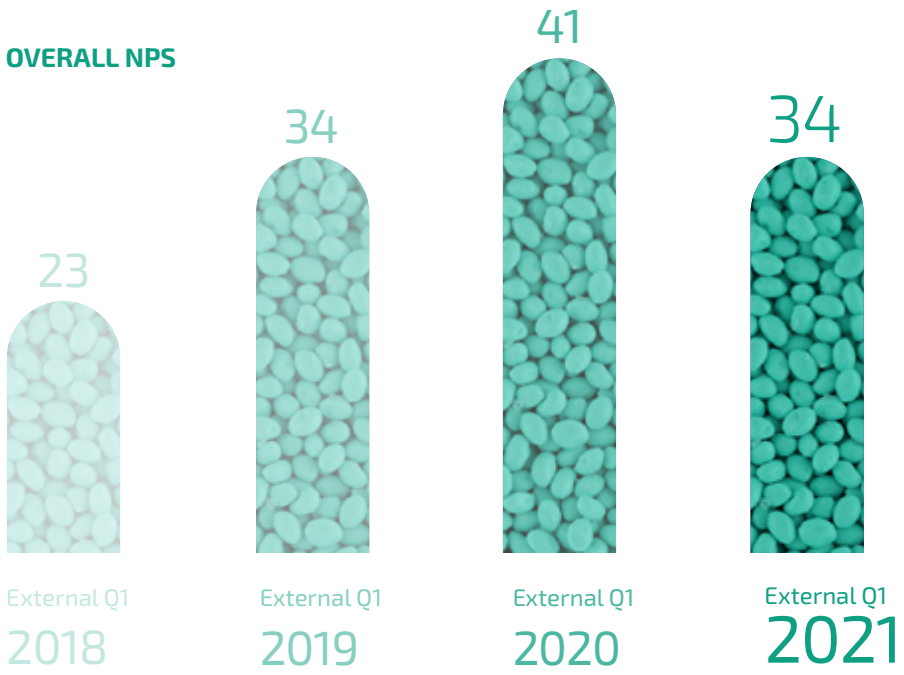
The whole process of continuous improvement in customer service is helping us to identify the most relevant areas we need to focus our efforts on. Because of it, we detected that for our customers, promptness is an important aspect of claims management. We carried out an internal process to identify possible improvement actions (A3) that will be implemented during the course of 2021. An example of an improvement is the collection of materials for samples and /or pieces, so that we can investigate incidents as quickly as possible.

ANNUAL CSAT AVG [1]

TOUCHPOINT	2019	2020		2021
		Objective	Result	Objective
Claims process	4.1	4.3	4.1	4.3
Sample delivery process	5	NA	4.5	4.7

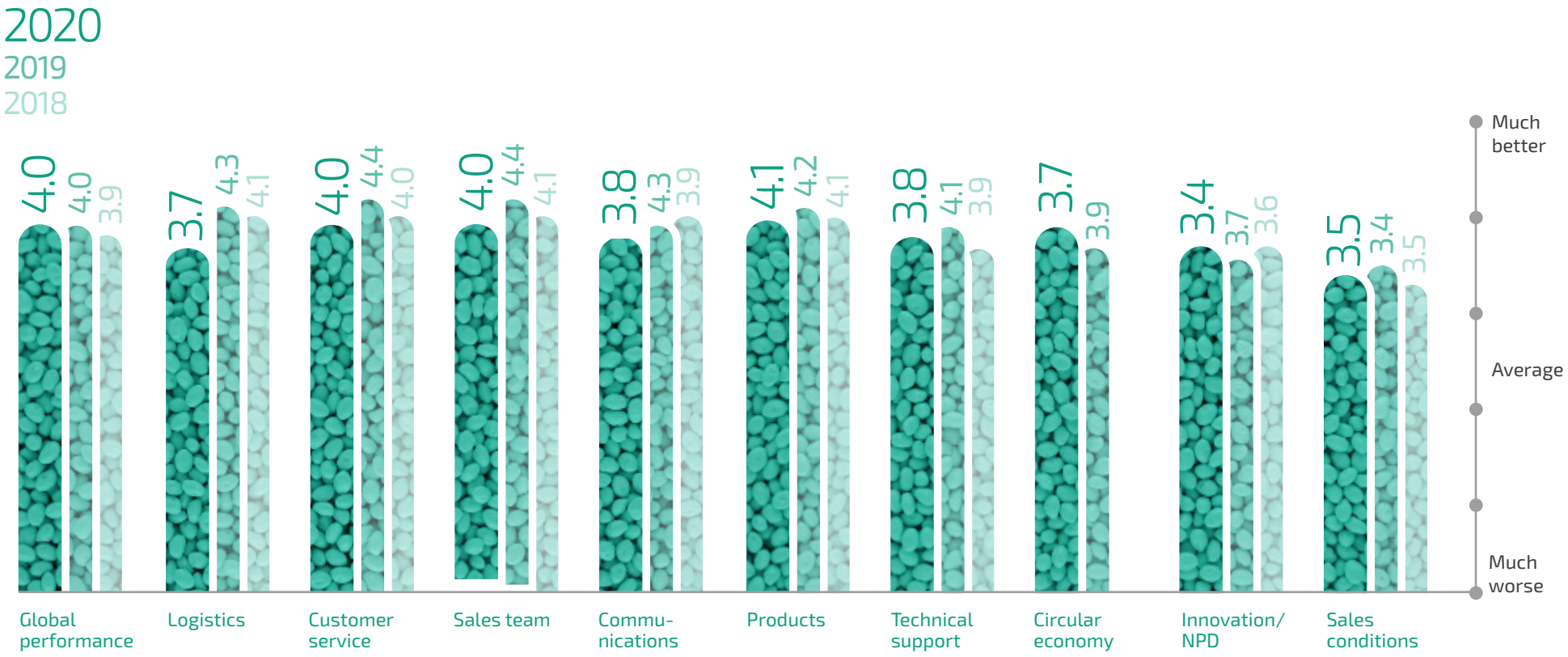
1. Annual CSAT AVG is the average quarterly CSAT score on a scale of 1 to 5, 1 being highly unsatisfied and 5 being highly satisfied.

OVERALL NPS



OUR CUSTOMERS' SATISFACTION

Every year we send our customers a survey so they can rate our productivity and performance. In general, results for this year specifically were less satisfactory than the two previous years, though our global performance score remained the same, which means that our customers' trust in us has not been affected. We attribute this score to the disruptions that occurred as a consequence of the pandemic, which were real and reduced our ability to offer our services with the same level of quality as always. We're sure that in 2021 we'll be able to completely reestablish ourselves.



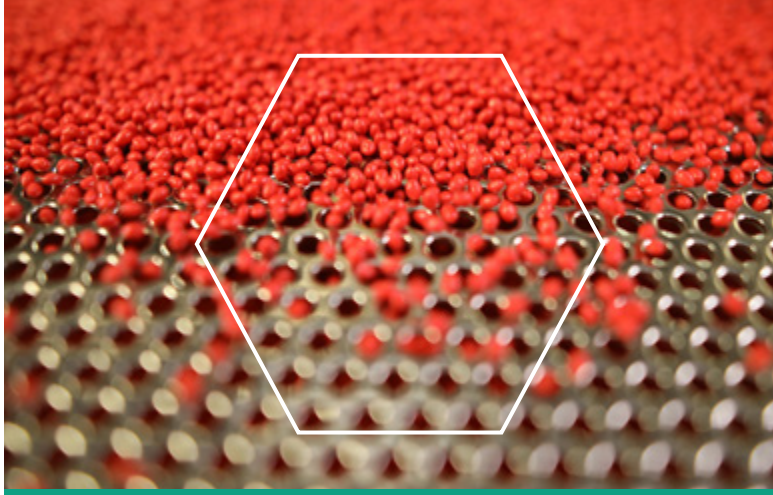
DIGICOM

ELIX embarked upon the path of digitalisation, which we see as an opportunity and a means to advance in the maturity of our processes and operations.

From a holistic standpoint, we see digitalisation as an opportunity for improvement. In 2020 we consolidated ELIX's digitalisation project, called DIGICOM, through which we wish to attain greater traceability and transparency, bring value to our customers, and establish collaborative relationships with suppliers. This is an all-encompassing project that goes beyond the technification of our processes. We are applying a holistic focus of digitalisation, meaning that it will span across the entire company, involving people, technology, the organization and processes, and will be applied in different ways throughout the value chain, from suppliers up to the final customer. In 2020 we worked on the design and planning of ELIX's digitalisation process through work sessions where people from different departments participated. In this way, we were able to achieve a triangle composed of people, technology, and organization and processes, which will make our digitalisation more compact and integrated throughout the entire company. We also carried out a test of our internal process maturity to identify our needs and establish a Digitalisation Roadmap 2021-23. This new focus invites us to rethink some of our procedures, create currently nonexistent synergies and identify superfluities.

What came about as a result of this work:

- *Roadmap*– plans and prioritises technological projects to be carried out annually in different departments.
- *Digitalisation committee* – oversees the *roadmap* and established objectives as well as disseminating the project throughout the company.
- *DIGICOM team*- works to ensure that technology presents opportunities for all departments and looks for synergies between them.
- *MEDUSA* team- in charge of supporting a solid architecture for the company's internal data.



Winners of the "Best Polymer Producer Award" for the third consecutive year

Our customers continue to give us positive reviews. The European Alliance of Polymers has once again granted us the award of Best Polymer Producer in Europe in the Acrylonitrile Butadiene Styrene (ABS) category.

In reality this award is granted by European polymer users, as they vote for different suppliers through an online survey, according to performance in the areas of quality, delivery reliability, innovation, communications and circularity.

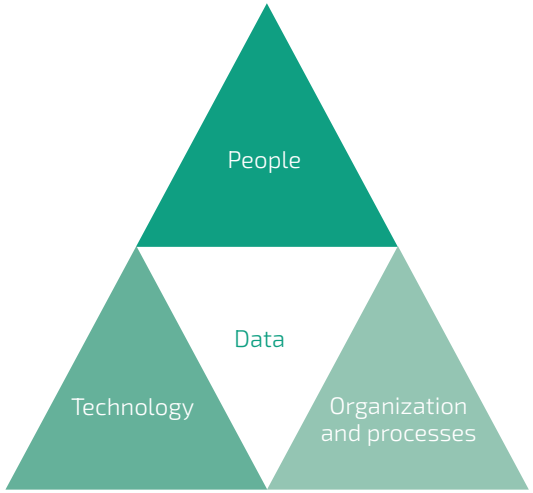
These awards were created in 2016 to establish constructive dialogue and good communication between polymer manufacturers and users in Europe. The growing number of voters each year reflects the success of these awards.

Digitalisation will allow us to:

- Provide more integrated and visible customer service, focused on tailor-made solutions.
- Migrate towards more strategic relationships with suppliers based on partnerships.
- Optimise the process of logistical monitoring and follow-ups.
- Obtain an integrated and monitored manufacturing model using analytics.
- Improve our exploitation of internally generated data.
- Digitalise the management of human resources.
- Improve transparency throughout the whole organization.

Beyond just planning, in 2020 we embarked upon our path towards digitalisation, advancing in the development of several projects, most of which will be completed during the course of 2021:

- Statistical forecasting of demand.
- Strategic development of purchases.
- Development of legacy systems.
- Implementation of a paperless programme.
- Development of a new administrative platform to improve human resource management processes and an analytic program to improve production processes.



We understand the roadmap to be a dynamic process that needs to be frequently updated. Our projections for 2021 are to:

- Improve our internal planning capacities.
- Optimise and improve our relationships with suppliers, striving for efficiency and synergies which will also allow us to improve the sustainability of our supply chain.
- Modernise our servers to ensure good customer service.
- Work on cybersecurity.
- Continue with our paperless programme.
- Implement the new platform to digitalise all administrative processes.
- Scada project.

3
We embrace sustainability

Our new sustainability strategy is our guide towards a prosperous future where our business activity has positive repercussions on people and the planet, this way contributing to our achievement of the United Nations' Sustainable Development Goals outlined in Agenda 2030.

ELIX Polymers' sustainability strategy

In 2020 we defined ELIX's sustainability strategy and an action plan for the period of 2020-2025, which will allow us to improve the global sustainability of the company and reduce our social and environmental impact.

The United Nations Global Compact, which we joined in 2017, gave us a practical framework for incorporating sustainablity into ELIX, until 2019, when we saw the need for a transformational change that would embrace the magnitude of sustainability and as such have a positive impact on society and the planet. **We could only achieve this by making sustainability a core element of our business.**

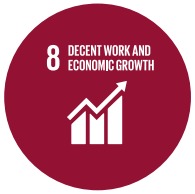
ELIX's sustainability strategy 2030 springs from, and at the same time contributes to, the achievement of Sustainable Development Goals (hereinafter SDGs) and the United Nations' Agenda 2030. Through innovation and collaboration, SDGs represent a unique opportunity to contribute to a notably wide range of sustainable development goals which affect health, the planet, and human rights, to name a few. Through this strategy, ELIX will be responsible for the social and environmental impacts it generates above and below its position in the value chain, up to the level of local communities. This means taking into account aspects which are indirectly related to its activity, such as respect for biodiversity or reducing inequality outside of the actual organization.

There are ten objectives where ELIX has the highest capacity and responsibility to influence: five are direct (key) objectives due to their activity and the potential impact they generate, and five are indirect, relevant to the sector and the stakeholders of the organisation. An eleventh objective, cross-sectional and facilitating, is number 17.

DIRECT (KEY) SDGS

Ensure healthy lives and promote well-being for people of all ages: **minimise the negative health effects associated with our products.**

Guarantee access to water and sanitation for all: **innovative solutions for the distribution, management and efficiency of water.**



Promote inclusive and sustainable economic growth, decent employment and work for all. Safe production and management of chemical products and the application of labour regulations.

Guarantee sustainable consumption and production models: **help improve the quality and efficiency of production processes in all industries.**

Take urgent measures to combat climate change and its impacts: **create resilience and the capacity for adaptation within the sector and its supply chain.**

INDIRECT (RELEVANT) SDGS

Support the participation, contribution and **success of women** at all levels of the industry.

Guarantee **accessible, safe, sustainable and modern energy** for production, the promotion of renewable energy storage and the development of infrastructures for these purposes.

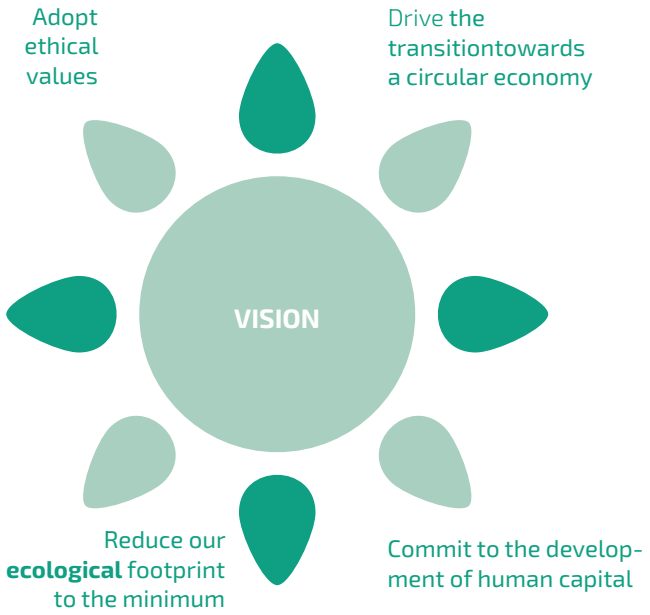
Construct resilient infrastructures, promote **sustainable industrialisation, fostering innovation** and resiliency. Establish frameworks that promote industrial symbiosis.

Conserve and use sea resources and their ecosystems in a sustainable way. Establish collaborations throughout the value chain that reduce all types of sea contamination.

Improve operational management and expand our support of projects to **stop environmental degradation and protect the most vulnerable ecosystems.**

Our vision of sustainability

Our sustainability strategy needs to lead our organization to achieve an **ideal vision** of business sustainability, which we have defined in the form of **four main purposes:**



The strategy

Our sustainability strategy is based on four Sustainable Goals, which establish the areas ELIX needs to focus on to improve its positive social, environmental and economic impact in the long-term and throughout its entire value chain.

- SG I. Be a driving force for a circular plastics economy system
- SG II. Firmly committed to mitigating and adapting to climate change
- SG III. Ethical businesses that make a positive contribution to social well-being throughout the value chain
- SG IIII. Contribute to the reduction of biodiversity loss

Each Strategic Goal is broken down into several Operational Goals (OGs): short-term goals whose achievement will bring ELIX closer to its long-term goals. At the same time, the OGs are detailed through action plans that make up the 2020-2025 Plan of Action, organised into seven complementary and at times overlapping programmes that group the different action plans together into viable organisational projects.

Communication and Digitalisation technologies were identified as two strategic habilitators that contribrute in a cross-sectional way to the achievement of our Strategic Goals.

	CORE STRATEGIES	OPERATIONAL GOALS	IMPACT ON THE VALUE CHAIN					CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS	
			Society	Suppliers and acquisitions	ELIX operations and transport	Custo-mers	Society	Key SDGs	SDG sector
S I. Communication to ensure ELIX's reputation Establish and communicate clear commitments to environmental protection and carbon neutrality Talk to partners and customers about ELIX's positive impact and actions Attract sustainable financing	CS I. Promote a circular economy system for plastics.	OG I.1 Promote circularity as part of a new plastics economy, redefining plastic waste as raw material and integrating renewable resources.		✓	✓	✓	✓	12	
		OG I.2 Improve energy efficiency and reduce water consumption.		✓	✓			6,13	7
	CS II. Firmly committed to adapting to and mitigating climate change.	OG II.1 Reduce our greenhouse gas emissions by 15% (compared to 2017) to reinforce and expand our climate change mitigation programmes.		✓	✓	✓		13	7
		OG II.2 Analyse the risks of climate change for our company and our business.			✓			13	
S II. Use digitalisation as a support programme Use digital technology to attain transparency and traceability Make the most of CE using digital technologies Improve operational and logistical efficiency	CS III. Analyse the risks of climate change for our company and our business.	OG III.1 Contribute to the creation of positive social impact in order to reduce social inequalities throughout the value chain and retain talent.			✓		✓	3	5
		OG III.2 Satisfy social demands for transparency, ethics and good governance as a means of improving our reputation and that of the chemical industry.	✓	✓	✓				
		OG III.3 Promote an inclusive business model.	✓		✓	✓	✓	17	9
	CS IIII. Contribute to mitigate the loss of biodiversity.	Reinforce responsible innovation as a means of offering more sustainable solutions that reduce the consumption of raw materials and substances of very high concern.		✓	✓	✓		1	
		OG IIII.2 Compensate the loss of biodiversity.	✓				✓		14, 15

P1 Circular plastics
P2 Responsible innovation
P3 Caring about climate
P4 Sustainable supply chain
P5 Professional growth
P6 Ethics and governance
P7 Support for the local community

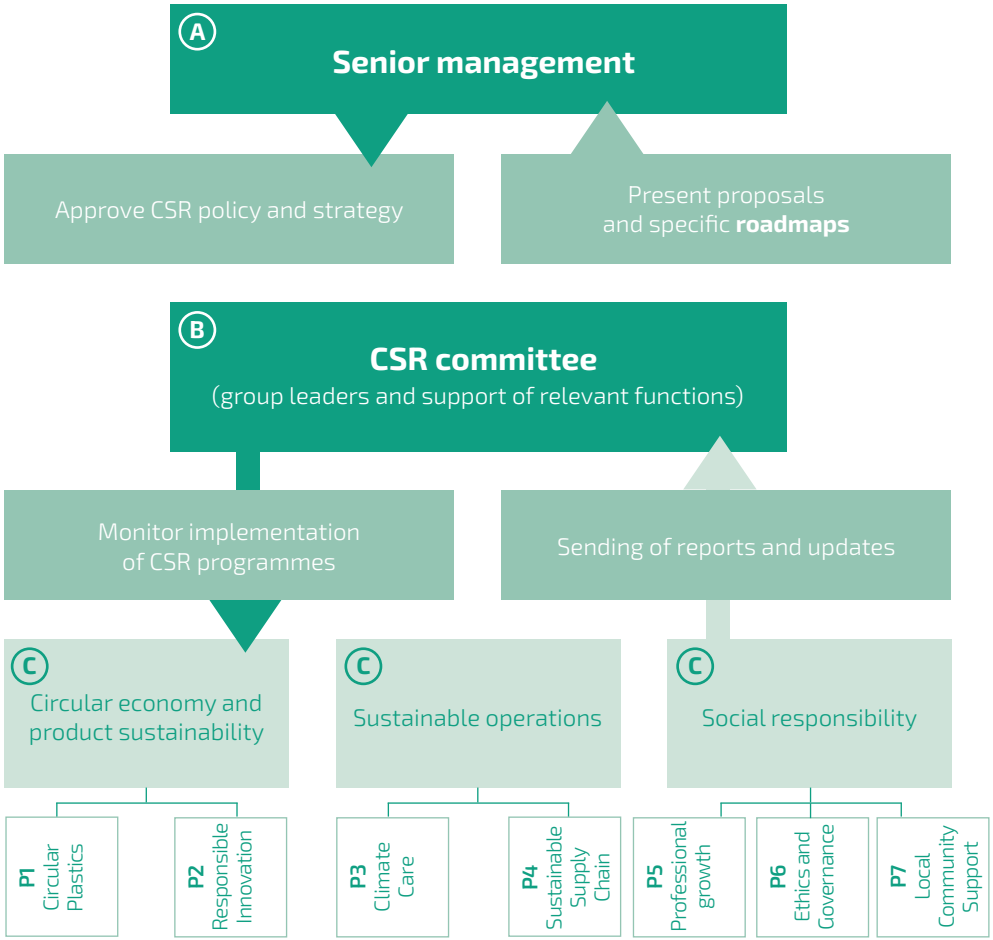
Programmes for strategy implementation

Strategy implementation is organised into 7 programmes (P1 to P7) with action plans to be carried out progressively in the short, medium and long term.
Each programme also contributes to those SDGs identified as key and relevant.

	SDGs	PROGRAMME OBJECTIVES	ACTION PLANS
P1. CIRCULAR PLASTICS	6, 12, 13, 17	• Offer upstream solutions that preserve functionality in end customer applications. // • Establish a collaborative association with key interested parties throughout the value chain to create new circular business models.	• P1.1 Recover and reuse or recycle ABS products and components as well as ABS-derived materials. // • P1.2 Use raw materials from renewable or recycled sources. // • P1.3 Strengthen collaborations throughout the value chain to create new circular business models. // • P1.4 Improve the participation of customers and the logistics chain to close material cycles. // • P1.5 Improve flow transparency and traceability.
P2. RESPONSIBLE INNOVATION	12, 17	• Strengthen responsible innovation by working towards a more sustainable portfolio, including research on the use of renewable and /or recycled raw materials for our products.	• P2.1 Improve the sustainability of ELIX's ABS materials. • P2.2 Promote the design of reusable and recyclable products.
P3. CARING ABOUT CLIMATE	6, 13, 17	• Reduce ELIX's environmental footprint: C footprint and water footprint by 15% compared to 2017. // • Include CC in ELIX's risk evaluations and improve ELIX's capacity for adapting to CC // • Contribute to CC adaptation by restoring coastal biodiversity in collaboration with interested parties/ local administration.	• P3.1 Reduce ELIX's environmental footprint by 15% (carbon and water footprint). • P3.2 Reduce the carbon footprint of ABS using CE strategies (Programme 1). • P3.3 Reduce the risks ELIX poses to CC // • P3.4 Restore locally lost coastal and fluvial ecosystems. // • P3.5 Participate in international compensation programmes for biodiversity loss and carbon emissions..
P4. SUSTAINABLE SUPPLY CHAIN	3, 8, 12	• Develop a sales policy capable of improving suppliers' social and environmental commitment. // • Better understanding of the environmental and social impacts of ELIX Polymers' supply chain.	• P4.1 Establish a responsible purchasing policy // • P4.2 Map out critical outsourced services and main suppliers in terms of their impact on the business, but also on the company's environmental and social behaviour. • P4. 3 Promote compensation for carbon emissions and biodiversity loss within the supply chain.
P5. PERSONAL GROWTH	3	• Improve professional development and talent retention at ELIX. Ensure and improve job quality and the motivation of the people who form part of ELIX.	• P5.1. Promote the identification and retention of talent within ELIX developing individual development plans // • P5.2. Update plan for equal opportunities between women and men // • P5.3. Stimulate external talent search for young people and women establishing more solid collaborative programmes with universities and professional training schools // • P5.4. Continue with and strengthen ELIX's commitment to the well-being, safety, and job conditions of its employees.
P6. GOVERNANCE AND ETHICS	3	• Develop and expand the company's ethical values.	• P6.1. Develop an ethics code // • P6.2. Provide training on ethics code for ELIX employees and suppliers.
P7. SUPPORT FOR THE LOCAL COMMUNITY	3, 17	• Improve ELIX's contribution to local communities throughout the value chain. // • Contribute to the preservation and regeneration of local ecosystems.	• P7.1 Better understanding of the NGO ecosystem and associations of ELIX's civil society // • P7.2. Look for opportunities to collaborate with customers and interested local parties in order to develop a portfolio capable of contributing to community development. // • P7.3. Along with other interested parties, evaluate and make known any violation of human resources in local communities of the value chain. // • P7.4. Locally restore lost coastal and fluvial ecosystems, in collaboration with local interested parties or administration.

Our governance model

In order to implement and monitor our sustainability strategy and action plan, we defined a new governance model.



- (A) Guarantee the communication and rollout of CSR policy
- (A) Ensure that initiatives included in CSR strategy are deployed
- (A) Approve strategic CSR roadmaps and initiatives
- (B) Coordinate different activities and work groups
- (B) Coordinate activities for the internal and external presentation of reports
- (C) Propose specific roadmaps for approval
- (C) Carry out specific projects and roadmaps
- (C) Monitor and track progress

Partnerships for sustainability

Reaching business sustainability involves building a new business 'eco' system capable of developing and sharing projects and initiatives that go beyond the actual company with a positive social and environmental impact. To do this, it's been fundamental for us to establish partnerships and collaborations through our memberships of **national and international initiatives to promote business sustainability**.

RESPONSIBLE CARE
El Compromiso de la Industria Química con el Desarrollo Sostenible

Since 2008 we have participated in Responsible Care, a voluntary global initiative to contribute to sustainable development in the chemical industry, which keeps us committed to continuous improvements in Safety, Health and Environmental Protection in all industry operations. operaciones.

ICC BUSINESS CHARTER FOR SUSTAINABLE DEVELOPMENT

A non-governmental organization that works to promote business throughout the world and investments based on free market values.

ICC developed Business Charter for Sustainable Development, which defines 16 principles for promoting environmental management.

ecovadis

EcoVadis is an independent rating agency specialising in sustainable development and performance monitoring. It rates the sustainability of suppliers for global supply chains.

We continue our membership of the United Nations Global Compact, which provides us with a practical framework for business sustainability and accessible management tools and resources, helping us implement a sustainable business and development model.

The Volunteer Agreement Programme of the Catalan Climate Change Office (OCCC) helps us set annual goals for the reduction of greenhouse gas (GHG) emissions, demonstrating our concern over climate change and our commitment to mitigating it.

The programme Operation Clean Sweep - Zero Resin Pellets is an international initiative whose aim is to minimise the loss of resin pellets and microplastics, avoiding their entrance into rivers and oceans. Our participation in this project confirms our obligation to improve precautionary measures and prevent the dispersion of resin pellets and microplastics into the environment.

A business monitor for excellence in Prevention, Safety and Health (MEPS2 Indicator). It establishes a measuring and benchmarking system valid for any organization that wants to know its level of development and implementation in terms of prevention.

We obtained the EcoVadis gold level for the fourth consecutive year

Once again, we were evaluated by EcoVadis, an agency of renowned prestige in the area of Corporate Social Respossibility. Based on EcoVadis' evaluation, we can confirm that we've maintained our sustainability standards in all areas.

ELIX ranks among the Top 2%, which includes the best companies out of all those evaluated, with a score of 71/100, GOLD qualification.

GOLD certification is the highest level granted by EcoVadis.

This certification confirms our commitment to sustainable development. As Judith Banus, Manager of ELIX's Corporate Social Responsibility programme states: "This recognition is the result of consolidating our integration of best practices in sustainability in the widest sense throughout the whole chain of our processes. All of this is the consequence of our team's firm beliefs in CSR values, and we congratulate them for their effort and commitment."

Communication for sustainability

We communicate internally and externally to explain the tangible and intangible advances of our evolvement towards sustainability.

At ELIX we follow a communications policy based on responsibility and transparency with all of the people we interact with. We establish relationships based on dialogue, transparency and trust through various channels and actions.

In our sustainability strategy, communication is very important; it has become the display window of our actions, and as such, has become a core element of our business activity. Its main objective is to maintain ELIX's good reputation. Specifically it involves:

- Transmitting our social and environmental commitments to all of our stakeholders.
- Communicating with our partners, customers and all interested parties about ELIX's actions and impact.
- Attracting sustainable financing.

On one hand, we want our internal communications to strengthen our collaborators' sense of identity and belonging, as well as bring visibility to the different projects and activities of each area. On the other hand, the objective of our external communications is to increase our visibility and reputation.

Communications management during the COVID-19 state of emergency and public health crisis

1. Internal communications policy

During the COVID-19 crisis, we provided at all times true, reliable and confirmed information with a two-fold objective: to protect people and guarantee the continuation of the business.

2. Internal communications strategy

At ELIX Polymers, we decided to carry out a proactive internal communications strategy, anticipating our collaborators' demands for information, thus becoming their main source of information and avoiding the creation of rumours.

Stakeholders and communication channels

CUSTOMERS

Corporate website, digital newsletters and corporate brochures, digital technical newsletters, social media, international trade fairs, events, press releases, articles, advertisements, audiovisual materials, sales and technical visits with customers, tours of the Tarragona facilities, annual customer survey.

SHAREHOLDERS

Weekly, monthly and annual corporate reports, sustainability report, strategic meetings.

EMPLOYEES

Corporate Intranet and email, employee web portal, monthly newsletter ELIX Actualidad, corporate memos, bulletin boards, internal participatory platforms, information panels, audiovisual materials, social media, area meetings, training sessions, climate survey, internal events, digital screens.

CONTRACTORS (ON-SITE)

Operational email memos, meetings, bulletin boards, information panels, internal events, training sessions.

INDUSTRY ASSOCIATIONS

Participation in committees and specific technical-themed days, training courses, email, meetings.

PUBLIC ADMINISTRATION

Regular contact through formal notifications, bulletins issued by administration offices, face-to-face meetings, email, telephone.

SUPPLIERS

Digital newsletter, email, meetings, Supplier of the Year award.

EMPLOYEES' FAMILIES

ELIX Familiar magazine, social media.

LOCAL COMMUNITY

Sponsorship of sports, cultural and solidarity projects, participation in social initiatives, publications and press releases, meetings, events, social media.

This year, internal communications at ELIX were mainly centred on the issue of the pandemic, in order to guarantee our collaborators had specific and updated information and training on the specific implemented measures related to COVID-19, as well as the latest updates on the crisis and our business situation. Our concrete actions for COVID-19 communications can be summarised as follows:

- Periodic publication of **informative bulletins** via email.
- Activation of a **new internal communication channel in the format of digital signage** with the aim of strengthening and enhancing preventive communication.
- Participation in ***streaming video calls*** by the company CEO and all collaborators to explain ELIX's situation in the midst of the crisis first-hand and in a closer way, responding to all types of questions and concerns.
- **Posting** of **notices and signs** at different points throughout our installations to foster the preventive measures outlined by our Internal Prevention Service.
- Creation of a **consultation channel** with the aim of attending to all questions related to COVID-19 and the protocols established by the company.
- Creation of **a forum on Conecta-t platform** so that collaborators could share ideas as well as initiatives they were following daily which helped them get through the lockdown.
- Enabling of a **specific space on the corporate Intranet** with public access, where protocols, memos and all information of interest related to COVID-19 was published and updated.
- Scheduling of two meetings per week with the Business Committee via Telco, with the aim of facilitating **direct communication with employee representatives.**
- Enabling of a **direct communication channel** via email and WhatsApp **with OHS Delegates.** In addition, the Chief of Operations held **meetings with the different shift managers** through the application WebEx.

Internal communication actions encompass a wide range of topics and formats, such as volunteer actions, special-themed days and informative workshops, or motivation and internal relations activities such as Safety Day, *Carrera del Corazón* (Race of the Heart) etc.

For yet another year, we published our annual magazine *ELIX Familiar*, which sums up all the company's activities and achievements. This year we made a special edition dedicated to the issues of management and commitment during the COVID-9 crisis.

We maintained our social media activity, specifically LinkedIn, Twitter and YouTube, digital tools which allow us to optimise our relationship with our audience and keep up them updated on our activities. Through these channels, ELIX Polymers spreads its content in a more dynamic way, boosting the company's visibility and increasing its digital community.

During 2020, ELIX obtained **1,031 new followers on LinkedIn**, which means a 28.32% increase with respect to 2019, making this professional community a highly valuable asset.

On Twitter our **followers increased by 21.95%** with respect to 2019. As this is such a dynamic social media platform, ELIX tries to be proactive and respond to user interactions.

As far as our YouTube channel, **we managed to increase our subscribers by 34.04%** with respect to 2019. ELIX posts videos where the protagonists are our collaborators. This audiovisual content is essential in improving the reach of our posts on this platform.

Despite the crisis situation, the company didn't forget about external communications, especially with customers, in order to maintain loyalty in our business ties. We published:

- 4 quarterly corporate bulletins aimed at customers, suppliers and distributors, with news about ELIX's products, services and activities.
- 3 bulletins focused on more technical content, with the objective of facilitating technical know-how and familiarising our customers with ELIX's technical services.

We will publish all the information about the progress of our 2030 sustainability strategy rollout in the Sustainability section of our website.

ELIX's website underwent continuous changes and improvements for all of 2020. The area that gained the most was Sustainibility, with all the information about the projects ELIX has been developing over the past few years and continues to develop in the field of responsible innovation and circular economy. We also made our website more user-friendly, facilitating searches so that users can easily find the information about ELIX they're looking for. In addition, we made improvements in the area of downloads, so that users can download materials on the company's products and services.

4

Ethics and governance

ELIX will develop an organizational framework based on fairness, an ethics code and a firm commitment to its collaborators and the local communities it operates in.

Transparency and business ethics are rising global demands.

At ELIX, ethics and transparency have always been core values throughout all of the organization, which are reflected in our Conduct Code and the internal and external relationships established with stakeholders. Communication is key to ensure a relationship based on dialogue and trust with all of them.

In the framework of this new strategy, we plan to develop a new Ethics Code, which we will inform our collaborators and suppliers about.

With the development of this programme, we will contribute to our sustainability goal **'Adopt ethical values'**, and our strategic objective III **'Ensure an ethical way of doing business that generates a positive contribution to social well-being throughout our value chain.'**

The objective of our sustainability strategy programme 'Ethics and Governance' is to develop and expand our ethical values internally and externally.

Good governance

Our corporate policy reflects our essence as a company and our mission, and keeps us committed to using our corporate values as a guide for the management of ELIX. It is definitely one of the main guidelines that drives our business.

VISION

Our objective is to be global benchmark leaders in the specialised market of thermoplastics, as a customer-oriented company offering personalised services and an extensive product portfolio, while maintaining our commitment to environmental sustainability and promoting the professional development of our collaborators.

Since 2016 we have been operating under the Management by Missions project. The main objective of this project is to clearly link the company mission to the missions of ELIX's different areas. To do this, each area, stemming from the global mission, defines its specific objectives related to ELIX's priority stakeholders, which later turn into concrete projects to be carried out throughout the year.

MISSION

As manufacturers of ABS resins and derivatives, our priority is safety in all processes, high-quality products and intelligent, differentiating services for our customers, which allow us to jointly and successfully reach our business goals.

VALUES

- Safety, health and respect for the environment
- Customer-oriented
- Human capital, respect and teamwork
- Quality
- Innovation and continuous improvement
- Responsibility and integrity

Conduct code

ELIX's Conduct Code establishes a regulatory framework for the business and professional relationships and actions of the company. It identifies **integrity**, **honesty** and **transparency** as the base of corruption prevention.

Internally, all of our employees receive information on the current applicable code and are familiar with it. Externally, we extend the code to include our suppliers and contractors by means of an explicit signed statement.

Our sustainability strategy sets the goal for us in the near future to draft an Ethics Code, which we hope to begin working on in 2021.

Customers
Offer the best in high-quality, tailor-made solutions. Provide optimal service and delivery.

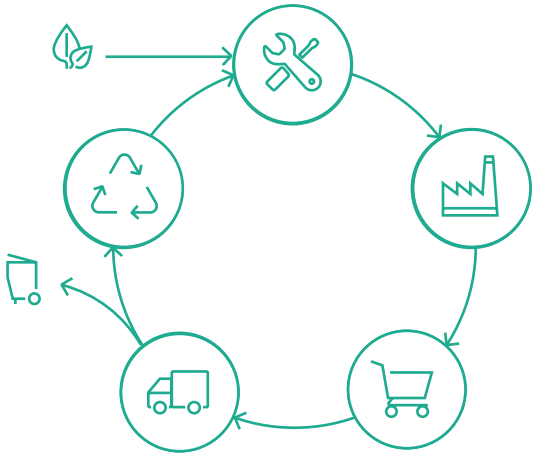
People
Promote personal and professional development. Generate a safe and sustainable work environment based on collaboration.

Shareholders
Generate sustainable growth, with a solid return on investment.

5 Circular Plastics

With the launching of the E-LOOP brand, ELIX displays its firm commitment to being a driving force of the thermoplastics sector's transition towards a circular economy with more sustainable products.

Circular economy is key in creating sustainable business systems, in that it fosters the creation of collaborative networks between companies with mutual benefits. In addition, it is also an opportunity to create a plastics economy which is different from the current one, which through the creation of closed cycles, is capable of drastically reducing the negative impacts of plastics on the environment and its accumulation in ecosystems. Its objective is to maintain resources within the economy for as long as possible and to do that, it is imperative to rethink business models and relationships between companies in and out of the industry.

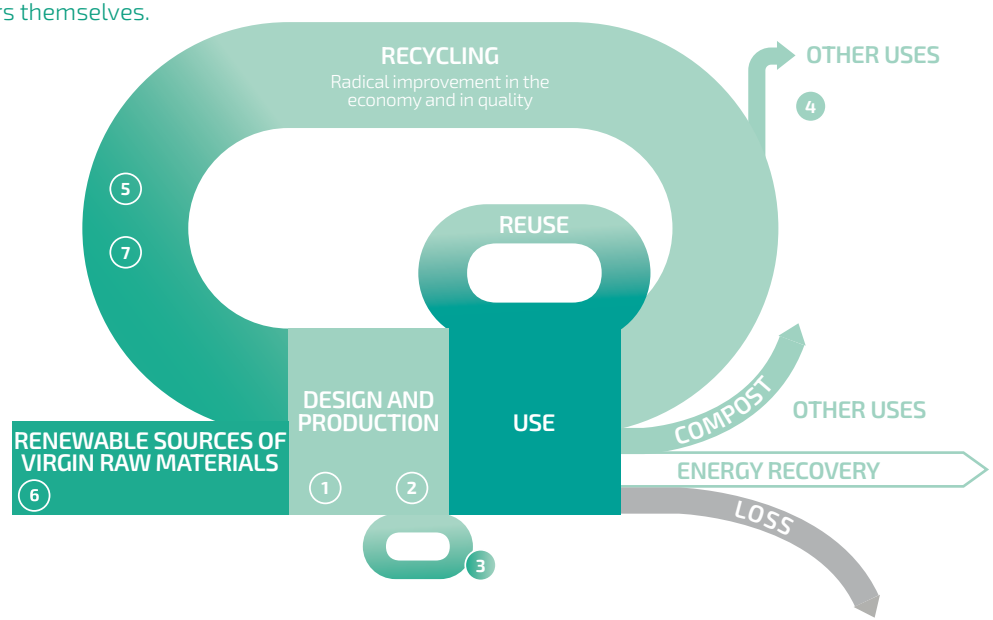


ELIX Polymers offers customers top-of-the-line sustainable solutions, at the same time promoting the transformation of the styrene value chain towards a circular economy model, as part of its sustainability strategy and business strategy.

Our goal is to be global benchmark leaders in the highly specialised thermoplastics market. To accomplish this mission, ELIX must be a key agent in the circular plastics industry, capable of creating closed cycles and new business models that improve our resilience in the face of future threats deriving from resource scarcity and increasingly stringent regulations.

Circularity can be created through several mechanisms.

- Based on the incorporation of efficiency criteria in design, production and use (1 and 2), which implies internal work in responsible innovation and the creation of short circuits for reincorporating recycled materials (3), often in collaboration with customers themselves.
- Another option has to do with the creation of a postconsumer plastics economy through the recovery (4) and chemical or mechanical recycling (7 and 5) of plastic. This implies a close collaboration with companies throughout the value chain, meaning that raw material recovery circuits are longer.
- Finally, another existing option is the substitution of petroleum-based raw materials with renewable, biologically-based alternatives (6).



Since 2019 we have had a circular economy strategy for which we established a policy and action plan for the period of 2020 -2025.

MISSION:
To offer top-of-the-line sustainable solutions in our markets, promoting the transformation of the value chain towards a circular economy model.

VISION:
To be a driving force of the new plastics economy, participating in the redefinition of plastic waste as raw material. To support an ecosystem of collaboration with those who have common goals.

COMMITMENT:
To establish collaborations for developing new business models, including opportunities stemming from our membership of *Styrenics Circular Solutions*.
To offer innovative up-cycling solutions which preserve functionality of final customer applications in our ABS markets.

The E-LOOP brand includes all of our circular economy and sustainability initiatives in the form of the products, designs and services we develop through the Circular Plastics and Responsible Innovation programmes.

E-LOOP
Let's close the loop

CIRCULAR PLASTICS

In a circular economy, waste is a resource and collaboration is a medium. Through strategies for the recovery of ABS or other subproducts, the increase in recirculation, and the establishment of partnerships throughout the value chain, ELIX will become a key agent in the circular plastics industry, capable of creating closed cycles and new business models.

RESPONSIBLE INNOVATION

Strengthen responsible innovation towards a catalogue of more sustainable products. ELIX will increase the amount of recycled materials in its products and their recyclability, and will reduce the amount of substances considered cause for concern.

With our **Circular Plastics** programme, we develop strategies for recovering and reusing ABS or other subproducts.

Aspirational Goal

25% of the products in ELIX's portfolio will be circular and sustainable solutions[1] by 2025.

Programme objectives

- Promote a circular plastics economy system.
- Offer upstreaming solutions that preserve functionality in final customer applications.
- Establish a collaborative association with key interested parties throughout the value chain to create new circular business models.

Action plans

- Recover and reuse or recycle ABS products and components or ABS-derived materials.
- Use raw materials from recycled or renewable sources.
- Reinforce collaborations throughout the value chain to create new circular business models.
- Improve the participation of customers and the logistics chain to close material cycles.
- Increase **flow** transparency and traceability.

With the development of this programme, we will directly contribute to our sustainability goal 'Be a driving force of the transition towards a circular economy', and our strategic objective I. 'Be a driving force for a sustainable plastics economy'.

1. Circular and sustainable solutions: products with raw materials from renewable or recycled sources. We will propose solutions with less material intensity and recyclability evaluations based on customers' application requirements.

Plastic waste, our future resource

We understand circular economy to be a tool for the recovery and subsequent use of generated waste, as well as a way of including raw materials from renewable sources. Therefore, ELIX's transition towards this new economy is fostered by the innovation to turn waste into a resource. Collaboration between companies, from the same industry or not, is a means of reaching circularity.

We are innovating in chemical and mechanical recycling so we can improve our portfolio without sacrificing the quality or properties of our finished products.

In 2019 we began to develop circular economy projects centred on recuperating and recycling ABS at the end of its useful life, going beyond the traditional focus of improving efficiency in manufacturing processes through the recovery and recuperation of subproducts.

In 2020 we consolidated our participation in three big projects: the chemical recycling of landfill plastic, mechanical recycling in collaboration with our customers, and PLAST2bCLEANED.

CHEMICAL RECYCLING OF LANDFILL PLASTIC

Chemical recycling is a process of pyrolysis which turns plastic into plastic cracking oil.

ELIX collaborates with Repsol on the use and exploitation of post-consumer plastic from landfills to make more sustainable ABS through chemical recycling. This way, the cracking oil of post-consumer plastic is mixed in as an additional current of the raw cracking oil to obtain monomers, whose origins may be either recycled or virgin.

As a result of this project, in 2020 our customers had the possibility of acquiring ABS and ABS blends made by chemical recycling with ISCC PLUS certification, which provides traceability throughout the entire supply chain. ISCC PLUS uses a mass balance focus, verifying that the total amount of sustainable raw materials (entrance) is assigned to the equivalent amount of circular ABS or ABS blends (exit). We offer ABS with recycled content generally between 25% and 50%. This system allows us to support circular economy and prepare the technology and research terrain for more specific processes.

In the medium term, our objective is to continue supporting styrene depolymerisation technologies that allow us to offer recycled ABS solutions, with sources segregated from the rest of the plastics. We are working with various collaborating companies to obtain styrene through polystyrene depolymerisation. This will result in improved efficiency of the plastic recovery process and the recycled product's physicochemical properties, allowing for a higher percentage of final ABS.

MECHANICAL RECYCLING IN COLLABORATION WITH OUR CUSTOMERS

At the same time, we are developing solutions using mechanical recycling, a process in which segregated plastic with homogeneous properties is shred for later reuse in manufacturing grades that maintain intact all the properties and characteristics of virgin materials. These are uprecycling strategies.

This process opens up the opportunity of generating ABS recovery circles with our customers, which are therefore much shorter than those of chemical recycling. This results in improved efficiency of ABS recycling in all senses and additionally recovers subproducts which currently have no added value. We are developing the following specific products with the plan of launching them onto the market in 2021:

- **Recycled ABS** (standard grade) – recuperation of **postconsumer** ABS from household appliances and consumer goods at the end of their useful life.

- **Modified ABS with recycled PC** – recuperation of **postconsumer** ABS/postindustrial PC (before final consumption) deriving from manufacturing processes, either in the form of subproducts or defective products that can't be sold.

PLAST2BCLEANED

This is a European H2020 project whose main aim is to develop a system for recycling and recovering Waste from electrical and electronic equipment (WEEE) that is economically viable and technically feasible. We began in 2018 and are now at the half-way point of its development. The results up until now fulfill our established objectives: through a dissolution process, we managed to separate the bromine halogens used as flame retardants from the plastic polymers. ELIX will have to establish new collaborations in order to continue researching ways to exploit and reuse the ABS resulting from this separation. This is a very interesting line of research because it will allow us to reintroduce into the system a type of plastic material that is currently sent to landfills.

Circular economy and sustainability also foster efficiency in resource usage, with the finality of transforming raw materials into final products with the least amount of possible loss. At ELIX we use the "Raw Materials Consumption Rate" indicator which measures process efficiency. This was the fourth consecutive year that our raw material consumption remained around 97 %[1] . Specifically, we improved by 0.5% with respect to 2019.

We made slight improvements in our raw material consumption rate, increasing the efficiency of our manufacturing process and generating less waste.

1. The efficiency of each plant is measured in the following way: waste + scrap + off-spec (SAN/powder/COMP) / production (SAN/powder/COMP)

PROGRESSION OF EFFICIENT RAW MATERIAL CONSUMPTION RATE

2018	2019	2020	VARIATION 2019-20
96.9 %	96.8 %	97.3%	0.5%

CONSUMPTION OF MAIN RAW MATERIALS (t)

	2018	2019	2020	VARIATION 2019-20
Acrylonitrile	21,897	19,293	19,162	-1%
Butadiene	19,344	16,817	16,641	-1%
Styrene	62,928	55,369	55,144	0%
Total main raw materials (t)	**104,168**	**91,479**	**90,946**	**-1%**

We expand our relations within the industry and value chain

ELIX Polymers is one of the main European companies specialising in high-quality ABS production and adapts to customers' specific needs. Strategically, in order to maintain this positioning, it is necessary for us to form part of a group of companies also working towards a chemical industry that is more sustainable and in particular, more circular.

ELIX has presented its circular economy approach to various customers, adapting its strategy to the specific needs of each market segment. It has been necessary to involve raw material suppliers, manufacturers of recycling products and other relevant partners to create an ecosystem of collaboration that enables us to integrate more and more renewable raw materials, high-quality mechanically recycled ABS, and monomers from chemical recycling into ELIX's products. All of this with the ultimate aim of diminishing our ecological footprint and contributing to the establishment of new standards for the plastics industry.

Partnerships for circularity

STYRENICS CIRCULAR SOLUTIONS

At the beginning of 2020 we became members of this joint industry initiative to improve the circularity of styrenes. It involves the creation of new business and collaboration models in order to recover styrene-based plastics for recycling.

PLAST2BCLEANED

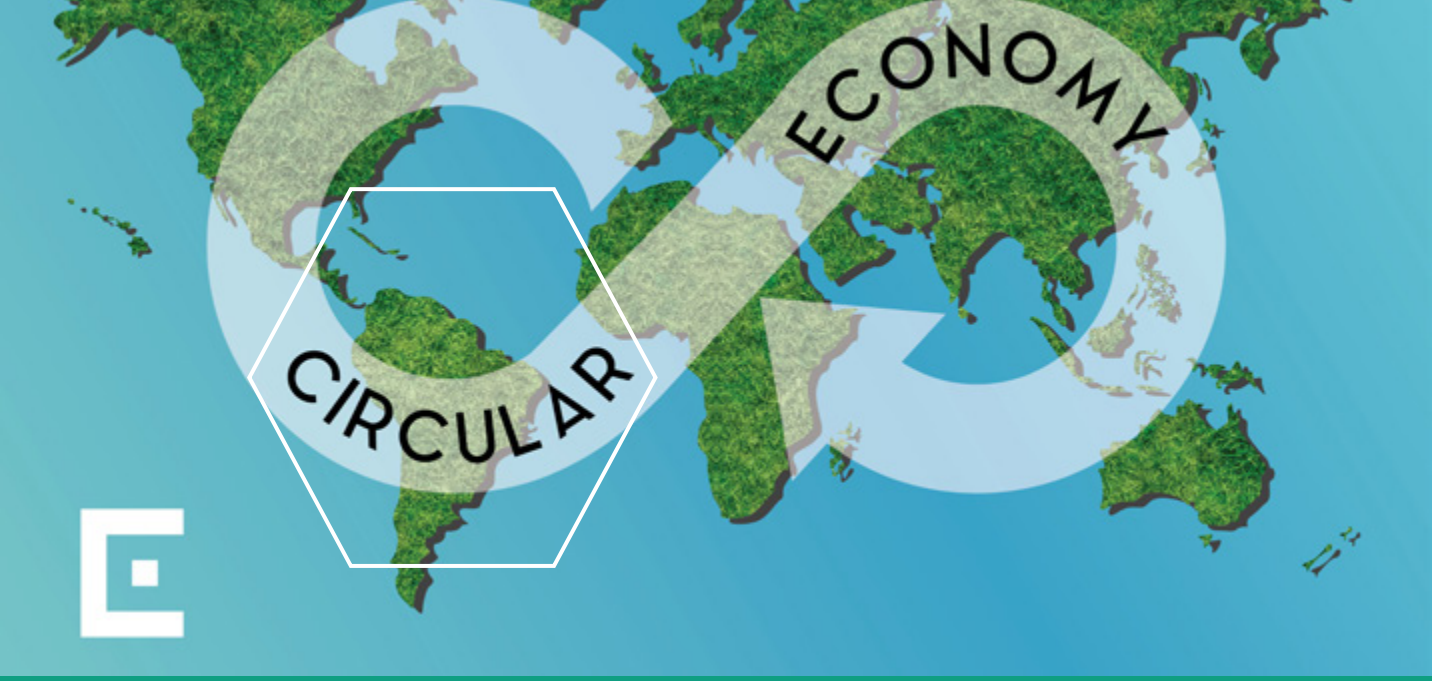
We collaborate in this European H2020 programme with various industries throughout the plastics value chain, including recycling and engineering companies, chemical and GMO (final product) industries, as well as centres for technology and research.

REPSOL

Our partnership with Repsol was formalised in October 2020 with a view to developing and cooperating in the chemical recycling of ABS.

CIRCULAR ECONOMY HOTSPOT CATALONIA 2020

Due to the pandemic, we had to postpone this event, which is now scheduled for November of 2021. This event is organised following sustainability criteria and an environmental management programme. ELIX plans to participate in the CE *Hotspot* through the AEQT. We will conduct a tour of our facilities to show how we incorporate circular economy.



ELIX POLYMERS AND REPSOL SIGN A CIRCULAR ECONOMY COLLABORATION AGREEMENT

ELIX Polymers and REPSOL have arrived at an agreement that will allow them to develop a collaborative framework for the area of circular economy.

Since the end of 2019, REPSOL has had ISCC PLUS certification in all of its production centres for polyolefins and other circular petrochemical products, such as circular styrene. This certification enables REPSOL to guarantee the traceability of the waste used, in order to offer its customers products with recycled materials for applications demanding high levels of cleanliness and safety. These circular products are obtained through the chemical recycling of post-consumer plastic waste which are not apt for mechanical recycling.

In addition to the regular supply of ISCC-certified circular styrene starting in 2021, the agreement includes the possibility of working on joint projects in the area of circularity, to develop more sustainable solutions that fulfill the high standards and requirements of applications such as toys, small household appliances, interior and exterior automotive pieces or medical devices.

Collaborations of this type facilitate the creation of synergies throughout the value chain, in order to accelerate the implementation of circular solutions and offer society products that are manufactured with more sustainable materials.

6

Responsible innovation

We advance in innovation and transform our portfolio to develop more sustainable products in terms of content and recyclability, which offer high-quality solutions adapted to our customers' requirements.

ELIX Polymers continues to invest in **responsible innovation** so that it can advance with a business direction and product lines that are more respectful to people and the environment, thus fulfilling our mission of offering customers high-quality, tailor-made solutions and services. Research and development of new or improved ABS solutions are fundamental in maintaining our position as leaders in the thermoplastics market and satisfying a growing demand for products with a lower content of products that are cause for concern and a higher content of recycled raw materials.

E-LOOP
Let's close the loop

CIRCULAR PLASTICS

In a circular economy, waste is a resource and collaboration is a medium. Through strategies for recovering ABS and other subproducts, the increase in recirculation, and the establishment of partnerships throughout the value chain, ELIX will become a key agent in the circular plastics industry, capable of creating closed cycles and new business models.

RESPONSIBLE INNOVATION

Reinforcing responsible innovation towards a portfolio with more sustainable products. ELIX will increase the amount of recycled materials in its products as well as their recyclability, and will reduce the amount of substances considered cause for concern.

The aspirational objectives of our sustainability strategy's 'Responsible Innovation' programme are:

- ELIX products will be 100% recyclable and will not contain substances that are cause for extreme concern
- ELIX will focus its efforts on R+D and technology, developing projects to improve circularity and product sustainability.

The programme's objective is to reinforce responsible innovation towards a more sustainable and circular portfolio, including research on the use of renewable and/or recycled raw materials for our products. To do this, we established two action plans (lines of action):

1

IMPROVE THE SUSTAINABILITY OF ELIX'S ABS MATERIALS

2

PROMOTE THE DESIGN OF RECYCLABLE AND REUSABLE PRODUCTS

This is an approach inspired by a circular economy that differentiates between upstream and downstream innovation. The first involves rethinking products and services in the design phase, whether it's for the development of new materials, new products or new business models. This is the kind of responsible innovation we have been implementing over the last few years to improve the social and environmental sustainability of our materials and solutions.

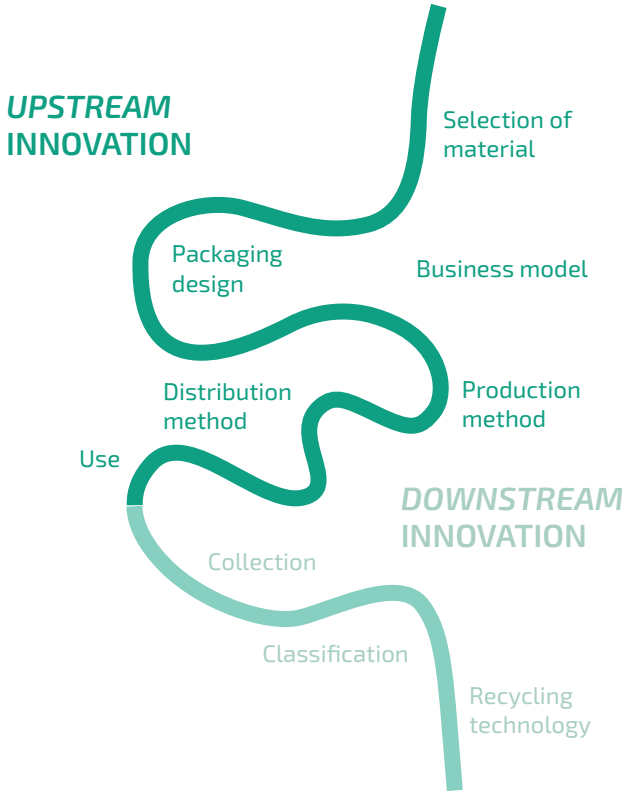
The second one affects products and materials at the end of their life, as well as the technologies and mechanisms for their collection, separation and reintroduction into the production system so that the used product can be turned into a new resource. This is a new approach related to the development and inclusion of circular economy in production processes and to consumption that promotes the design of recyclable and reusable products.

Inspired by circular economy, we innovate 'upstream' and 'downstream' within the value chain and close material and resource cycles with the collaboration of our customers[1].

1. https://emf.thirdlight.com/link/agyt3es34kjy-k2qe8a/@/preview/1?o

In general terms, responsible innovation contributes to our achievement of the sustainability goals established in our sustainability strategy:

- Be a driving force of the transition towards a circular economy
- Reduce our environmental footprint to the minimum



In specific terms, it contributes to three strategic objectives of our strategy:

- Be a driving force for a sustainable plastics economy
- Our commitment to adapting to and mitigating climate change
- Our commitment to reducing biodiversity loss

INNOVATION AT THE SERVICE OF THE PANDEMIC

In 2020, in the context of the global pandemic, ELIX's innovation allowed us to put all of our resources towards the battle against COVID-19.

In response to a request made by the European Commission though the National Federation of Innovative Business Groups and Clusters (FENAEIC) and the organization ClusterMAV, ELIX Polymers offered as many ABS materials as needed to make 3D filaments for the printing of facemasks, ventilators for hospitals and other medical devices.

Among our portfolio's grades for FFF / FDM 3D printing, ELIX chose ELIX ABS-3D FC, an ideal material for medical devices as it has passed biocompatibility tests ISO10993 and USP class VI for these types of applications.

ABS' performance characteristics, along with the fact that it can be adapted and personalised to satisfy any specific need in its final use, in addition to the safety and reliability of the different types of ABS manufactured by ELIX, have made it an essential material for many medical equipment manufacturers.

OBJECTIVES 2020		PERFORMANCE
R+D+i investment intensity (percentage of turnover)	0.90 %	1.01 % ✓
Renewal for a more sustainable catalogue (percentage of sales)	30 %	38.02 % ✓

OBJECTIVES 2021	
R+D+i[1] investment intensity	
Investment in R+D+i	0.40%
Expenditure in R+D+i	0.60%
Renewal for a more sustainable catalogue [2]	35 %

1. Starting from 2021 this indicator will be divided into investment and expenditure, with different objectives for each area, reported as percentage of turnover.

2. Reported as percentage of sales volume.

More sustainable solutions

When we refer to **responsible innovation**, we mean the way that we develop new solutions, whether they are products, services or businesses, following sustainability, environmental protection and health criteria.

We apply different methods to each and every one of our solutions according to their characteristics and needs for the development of products with added value, prioritising environmentally-friendly manufacturing processes (evaluation survey) or a customer's specific requirements (product development requirement). In this way, we constantly look for solutions that generate a positive impact throughout the value chain, with a focus on reducing the impact of our products during their use.

Our responsible innovation objectives are:

- Product development based on Value Sensitive Design (VSD) responsible innovation criteria.
- Incorporation of carbon footprint and life cycle evaluation when deemed appropriate.
- Analysis of customer applications from an environmental perspective.
- Technical support for customers regarding the evaluation of recyclability.

In this way, **sustainability is the foundation of our innovation strategy and our development of a differentiating catalogue of specialised thermoplastic products with high added value** that responds to our identification of improvement opportunities so we can adapt to increasingly rigourous demands in terms of product functionality, composition and manufacturing.

This approach to innovation enables us to work in a collaborative way with our customers, other companies, and technological development centres, creating necessary partnerships for our transition towards business sustainability and circular economy.

Within the area of Responsible Innovation, we explored two paths for offering sustainable solutions in the thermoplastics market: product development and customer service.

A more sustainable portfolio

The development of new products for our portfolio follows the **Value Sensitive Design (VSD) method**. This is an **ecodesign** tool (according to ISO 14006), and is therefore based on a product's **lifecycle**, which allows us to assess solutions in relation to 17 social, 26 environmental and 9 economic aspects throughout its entire useful life, from its design up through its final disposal. This way we can objectively compare the impact of different products. This is a method we've incorporated and developed over the last four years, with very positive results in terms of improvements in sustainability, the dematerialisation and diversity of our portfolio, and consequently, in the whole thermoplastics market.

We design high-quality solutions integrating the evaluation of sustainability principles that take into account environmental, social and economic aspects.

We introduce VSD at the initial stages of solution development and we do it with the participation of our customers, making it in this way a tool for customer service and loyalty, as it allows us to involve them in the process of designing their own products, with the aim of these being better-suited to their needs, optimising their processes and helping them to improve their competitiveness.

We also use the **carbon footprint calculator** and **LCA (Life cycle analysis)** as optional tools for improving processes, using optimal materials and making environmental comparisons between products. These tools help us to develop products with ECOLABEL (ISO 14021) certification and offer our customers an additional service for evaluating different solutions.

Solutions adapted to our customers

We want to catalyse short loops for ABS recovery which are consequently more efficient, and implemented locally.

We adapt to the specific needs of our customers to develop optimal solutions together. This way our customer service, based on trust and professionalism, can explore sustainable solutions for the specific applications of each of our customers. In addition, this proximity and complicity allows us to offer services with added value that differentiate ELIX in the market.

In 2020 we obtained **ISCC[1] certification** and have accompanied different customers in the process of **Cradle to Cradle[2] certification** for their ABS applications. In doing this, our customers can demonstrate that their final product uses ABS with specific characteristics in terms of its sustainability and content. Cradle2Cradle is an internationally recognised measure of safer and more sustainable products manufactured for a circular economy. It certifies product content with differing certification levels, each on representing a more rigorous achievement in five critical performance categories: material health, material reuse, renewable energy and carbon management, water management and social equity.

ISCC and Cradel2Cradle certifications guarantee the traceability and transparency of the ABS that ELIX puts out onto the market.

We also began to work on a **service area which advises customers about the recyclability of their own plastic products,** always making sure that recycling solutions wholly preserve the functionality of recovered ABS in its final applications (up-cycling). In the framework of a circular economy, this proximity will make it possible to create short-circuit raw material recovery systems (Short loop concept), which are more environmentally, economically and socially sustainable. An example is the recovery of painted ABS pieces or chromated pieces used in the automobile industry.

This way of working has brought us closer to our customers and has helped us identify which ones we can work with on the transition towards a more circular plastics economy, and on the creation of a collaborative ecosystem to explore innovative up-cycling solutions which allow us to preserve the functionality of ABS in final applications for customers, and which form part of our responsible innovation strategy.

Two projects that exemplify this new business direction are:

- Offering a valid antimicrobial solution for ABS
- Improving aesthetic finishes on painted and varnished surfaces

1. https://www.iscc-system.org/
2. https://www.c2ccertified.org/

ELIX polymers obtains ISCC plus certification

The accumulation of plastic waste poses a serious problem to society and the environment. The solution lies in the transition towards a circular economy model where this waste, at the end of its useful life, is recovered and used again as a resource.

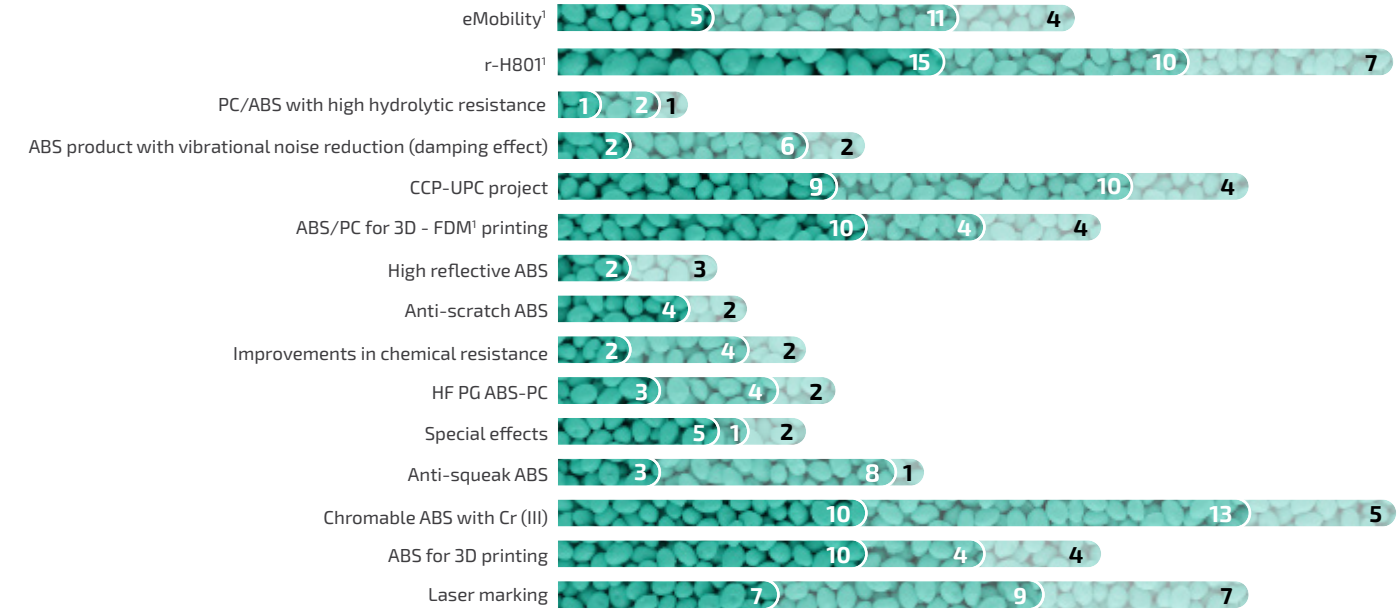
ELIX Polymers is developing new ABS and ABS blends in which raw materials with circular or biological origins are substituted for fossil resources. Because of this, ELIX obtained ISCC PLUS certification at its production site in Tarragona, which represents a great advancement in its responsible innovation strategy for a circular economy and makes it the first ABS and ABS blends manufacturer certified through the ISCC PLUS system.

ISCC PLUS is a global certification system that covers all sustainable raw materials, including

recycled materials and material with biological origins. The certificate provides traceability throughout the whole supply chain and verifies that the total amount of certified raw materials (entrance) corresponds to the equivalent amount of circular ABS or ABS blend produced (exit). At the same time, it promotes the responsible use of sustainable resources through close collaborations within the whole supply chain.

An interesting aspect of the ISCC certificate is that it can be applied to the entire ELIX catalogue, with the same characteristics as our usual high-quality, precoloured products and in compliance with the most stringent regulations and standards.

In 2020 we used VSD to evaluate two new projects, both with high sustainability performance. R-H801 (modified ABS with recycled PC), used to make roof spoilers for cars, is currently the best performing product in our catalogue in both environmental and social sustainability. Despite the relatively lower sustainability value of high hydrolytic resistant ABS, we keep it in our catalogue because it has high added value. **The VSD method allows us to ensure that our products have a positive social, environmental and economic impact, even if it is low.**



1. Products from 2020

Investment in R+D+I

ELIX is a company with a strong innovative character that promotes different development and innovation projects in collaboration with other companies and technological centres.

In 2020 we concluded the CIEN-SURCAR-CDTI project with successful results. The objective of this project for ELIX was to provide ABS materials with additives in order to improve their behaviour in laser engraving. Laser texturing has allowed us to modify surface hydrophobicity properties to obtain gussets that are easy to clean.

We continued developing all the other projects we began in 2019 and we started a new one related to the development of ABS materials for the electric mobility industry.

PROJECTS FROM 2020 (IN COURSE), OBJECTIVE AND PARTICIPATION

CIEN-SURCAR-CDTI
Automotive

6 TECHNOLOGICAL CENTRES
8 COMPANIES

CIENT-GRAPHOS CDTI I+D
Graphene applications

7 TECHNOLOGICAL CENTRES
8 COMPANIES

RIS3CAT-LLAVOR TRANSPORT
Implementation and adoption of auditive manufacturing and 3D printing for the transport industry

4 TECHNOLOGICAL CENTRES
5 COMPANIES

CHALLENGES FUND 3D-CDTI
Development of 3D printing materials for functional moulds and **utensils** *in industrial applications*

1 TECHNOLOGICAL CENTRES
3 COMPANIES

HFFR ABS-CHALLENGES-FLASH-CTDI I+D
Development of a flame retardant ABS without using bromine compounds

2 TECHNOLOGICAL CENTRES
1 COMPANY

CCP-UPC-R+D INDUSTRIAL DOCTORATE PROJECT
Development of halogen-free flame retardant materials

1 UNIVERSITY
1 COMPANIES

Our most relevant product development projects in 2020 were:

- High-fluidity ABS for food contact (chemical compliance)
- ABS with more Vicat (temperature resistant) for the Asian market
- Higher-resistance ABS for electroplating for the Asian market

We increased our economic resources dedicated to innovation and development.

INNOVATION AND DEVELOPMENT INVESTMENT AND EXPENDITURE	2018	2019	2020
Investment	443,508€	900,322 €	**626,960 €**
Expenditure	363,189€	603,628€	**1,033,338 €**
R&D spending intensity (%of sales)	0.88%	0.86%	**1.01%**

7

Caring about climate

Caring about climate is ELIX's environmental programme to advance in its commitment to the protection of natural environments and the reduction of its impact on climate change.

In 2020 we defined our project "Caring about climate", which will exploit the potential of our energy efficiency and waste management programmes already in place and will adopt renewable energy and carbon compensation technologies to reduce our environmental footprint. It will also evaluate our main risks associated with climate change to avoid economic loss and *major disruptions.*

Our aspirational goals for this programme are:

- Reduce ELIX's environmental footprint by 15% (Carbon and water footprint)
- Reduce the carbon footprint of ABS using Circular Economy strategies (Circular plastics Programme)
- Reduce ELIX's vulnerability to climate change

Our objectives for 2025 enclosed in this programme are:

- Reduce carbon footprint and water footprint by 15%.
- Improve ELIX's capacity to adapt to climate change.
- Contribute to the adaptation to climate change by restoring local coastal biodiversity.

And its plans of action:

- Reduce environmental footprint.
- Reduce the carbon footprint of ABS through Circular Economy strategies.
- Reduce ELIX's risks associated with climate change
- Locally restore degraded coastal and fluvial ecosystems.
- Participate in international compensation programmes for biodiversity loss and carbon emissions.

In this way, this programme will contribute to two of our sustainability goals:

- Be a driving force of the transition towards a Circular Economy.
- Reduce our environmental footprint to the minimum.

And to three of our core strategies:

- Be a driving force for a sustainable plastics economy.
- Work firmly towards the adaptation to and mitigation of climate change.
- Contribute to the reduction of biodiversity loss.

We have an environmental and sustainability policy, an energy policy, and a management system based on the certification of standards ISO 14001 (environmental management) and ISO 50001 (efficient energy management), which help us to continuously improve towards our final objectives.

Based on our objectives for 2030, we defined our **annual environmental management programmes,** which include improvement initiatives and quantifiable reduction objectives. To assess the progress and performance of the implemented environmental protection measures, we use a follow-up indicator system for those environmental aspects identified as being significant to our activity, allowing us to annually evaluate the degree to which we have achieved our environmental objectives.

In 2020 ELIX's activities were affected by the COVID-19 pandemic. Some of the initiatives we had planned for this year had to be postponed or were carried out in accordance with the new circumstances. In spite of this, in February we published a new procedure for determining our Significant Environmental Aspects, based on the book by Carretero-Peña, A. (2016), Environmental Aspects, Identification and evaluation. Madrid: AENOR ediciones. This method is based on the identification of significant aspects through environmental criteria and organizational criteria. Depending on the significant environmental aspects determined, we work on different initiatives throughout the year.

ENVIRONMENT

YTD 2020

CONSUMPTION ESP. ELECTRICITY (POWDER AREA)
259 kWh/tn powder
Objective Value 225 kWh / tn powder

CONSUMPTION ESP. ELECTRICITY (SAN AREA)
115 kWh/tn SAN
Objective Value 107 kWh / tn SAN

CONSUMPTION ESP. ELECTRICITY (COMPOUNDING AREA)
243 kWh/tn ABS
Objective Value 246 kWh / tn ABS

CONSUMPTION ESP. NATURAL GAS (POWDER AREA)
15.8 Nm3/Tn Powder
Objective Value 11,5 Nm3 / tn powder

CONSUMPTION ESP. NATURAL GAS (SAN AREA)
45.3 Nm3/tn SAN
Objective Value 35,1 Nm3 / tn powder

CONSUMPTION ESP. STEAM (POWDER AREA)
1.15 Tn/Tn powder
Objective Value 1,10 Tn / tn powder

GENERATION ESP. WASTE SAN GLUE?
0.293 Tn/Tn SAN
Objective Value 0,140 Tn / tn SAN

HIGH TOC WASTE WATER (POWDER AREA)
2532 ppm
Cut-off value: 2.700 ppm

Zero pellet loss programme

We participated in the the Global Compact's Ocean Week Spain with our programme "Zero Pellet Loss", which we started in 2017 when we became members of Operation Clean Sweep (OCS), an international programme whose aim is to eliminate loss of granules, flakes and powder, and avoid the deposit of these materials into rivers and oceans, formalising our commitment to the achievement of SDG 14 Life below water, for the protection of sea life.

At the same time, we carried out measures throughout the whole year, to improve our facilities and operations:

- Reduction/elimination of microplastic loss in our facilities.
- Inclusion of ELIX's laboratories in our inventory (up until 2020 the production sites and packaging and logistics plant were included in our inventory, but not the laboratories.)
- Adherence of all our logistics operators to the OCS Programme.
- Preparation of an awareness campaign to be launched in 2021.

For the reduction of our environmental footprint

Reducing our environmental footprint means improving our energy performance as well as reducing our waste generation and water consumption. We've been working on these aspects through specific initiatives we've defined for each of the following programmes:

- Significant Environmental Aspects Programme.
- Energy Efficiency Programme.
- High TOC (total organic carbon) waste water minimisation Programme.

Energy efficiency

In 2020, the irruption of the pandemic forced all of ELIX's planned investment projects for improving energy efficiency to come to a halt, and so we focused solely on operational monitoring. In spite of this, we managed to reduce our consumption in all established indicators, mainly due to an increase in production.

SPECIFIC OBJECTIVE 2020	OBJECTIVE	PERFORMANCE 2020
Global reduction of specific energy cost from consumption in €/t	1%	3.66% ✓
Reduction of global electricity consumption specifically, compared to 2019	3%	0.50% ✗
Reduction of natural gas consumption specifically, compared to 2019 (except RTO)	3%	0.22% ✗
Reduction of steam consumption specifically in polymerisation plant compared to 2019	5%	1.87% ✗
Reduction of industrial air consumption specifically in compounding plant compared to 2019	4%	9.76% ✓

We improved our energy performance with reductions in all the specific objectives we established.

SPECIFIC OBJECTIVE 2021	OBJECTIVE
Global reduction of specific energy cost from consumption in €/t	1%
Reduction of global electricity consumption specifically, compared to 2020	2%
Reduction of natural gas consumption specifically, compared to 2020 (except RTO)	3%
Reduction of steam consumption specifically in polymerisation plant compared to 2020	3%
Reduction of industrial air consumption specifically in compounding plant 2020	3%

As such, most of our planned activities for 2020 were transferred to 2021, except for two which we were able to complete:

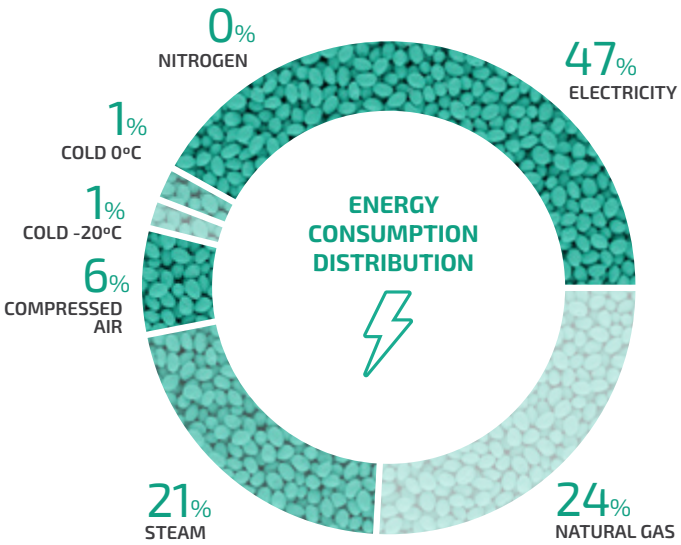
- **Fugitive emission control and the identification of irresponsible users** is an industrial air emission control programme we carry out annually. The repairing of detected emissions in the compounding plant directly influenced our achievement of this year's reduction objective.
- Our equipment purchasing protocol and energy management manual establish that all new equipment must comply with energy efficiency criteria. We purchased a high efficiency motor and a variable frequency drive as planned.

In 2021 we will resume the programmes that were paused in 2020 and plan new activities to continue improving our **reduction of energy consumption:**

- Results of the study on electrical consumption reduction and the installation of modules **to optimise sine waveforms were satisfactory, so we will proceed to evaluate installation options.**
- A study for optimising thermal oil boiler burners and optimising set points in thermal oil circuits according to process conditions.
- Tightness inspections.
- Optimisation of the new continuous powder humidity meter installed in the drying plant in 2020.
- Fugitive emission control and irresponsible user identification.
- Optimisation of pneumatic transport adjustment parameters, silo recirculation and finished product.

ENERGY CONSUMPTION	2018	2019	2020	VARIATION 2019-2020
Plant total (kWh/year)	102,292,187€	107,440,445 €	108,475,783 €	1 %
Total (kWh/t ABS produced)	936.9 €	1,094.6 €	1,069.42 €	-2.3 %

92 % of our organization's total energy consumption comes from the use of electricity, steam and natural gas.



Carbon footprint

The battle against climate change takes on great relevance in our 2030 sustainability strategy. It was identified as one of the four strategic objectives where ELIX needs to focus in order to advance towards business sustainability, and is included in the form of a core strategy and action programme.

Every year we calculate and reduce the carbon footprint of our organization, our final product, and the transport of our goods, in order to reduce our contribution to climate change throughout the entire value chain.

Carbon footprint calculation provides us with useful information for identifying those stages of our activity with the highest environmental impact and helps us focus our efforts on diminishing it. It also provides us with some additional benefits such as the reduction of energy costs, and of dependence on fossil resources and their price volatility, and gives added value to our services, products and projects, among others.

Voluntary agreements for reducing GHG

We continue our membership of the Voluntary Agreement for the Reduction of Greenhouse Gas (GHG) Emissions programme of the Catalan government's Climate Change Office. In 2020 we passed an informal inspection by the Catalan government's Voluntary Agreements programme with favourable results which demonstrate ELIX's commitment to monitoring our greenhouse gas emissions and reducing them through concrete actions, basically energy consumption reduction programmes.

Our most significant measures are:

- The substitution of conventional lighting for LED-type lighting.
- The reduction of natural gas by optimising processes in one of our plants.
- The specific reduction of steam consumption involving operational monitoring actions throughout different facility areas.

The most significant reduction measures for 2021 are:

- Continue with lighting substitutions.
- Reduce natural gas consumption by 3% through the optimising of set points in thermal oil circuits, setting in motion an automatic transition system in plants and optimising minimum flow in the combustion chamber of the residual air treatment plant.
- Reduce the specific consumption of electrical energy by 1.5% through: the revision of our maintenance strategy; studying the optimisation of electricity consumption in extruder pumps; energy efficiency criteria when purchasing new equipment.

COVID-19 forced us to do the inspection virtually. We assessed and reviewed our already-implemented reduction measures and future ones.

The carbon footprint of our organization

In 2019, we **reduced our organization's Greenhouse Gas (GHG) emissions by almost 10 %.** This decrease is greater than our decrease in energy consumption, and is due to a decrease in the Spanish electricity mix factor of 2018.

Our declared emissions in our inventory are:

- Direct emissions: consumption of natural gas in processes, diesel oil consumption in the warehouse and factory fork-lifts, and emissions from the organization's leased vehicles.
- Indirect emissions: electricity and steam consumption in our facilities.

The carbon footprint of our products

We calculate our products' carbon footprint using a full-scope Life Cycle Assessment (LCA) known as "cradle-to-gate", which takes into account the extraction and processing of raw materials up until the final packaging of a product to be distributed. It includes ABS manufacturing and distribution processes, that is, raw material consumption and transport to ELIX, energy use, air and water emissions, waste management and transport to authorised waste facilities, and finally the transport of products to final customers. It also takes into account the amount of SAN and intermediate powder SAN produced and sold.

ELIX'S GHG EMISSIONS	2018	2019	2020	VARIATION 2019-2020
Tonnes of CO_2 equivalent	23,349.82	21,092.83	18,492.76	-12 %

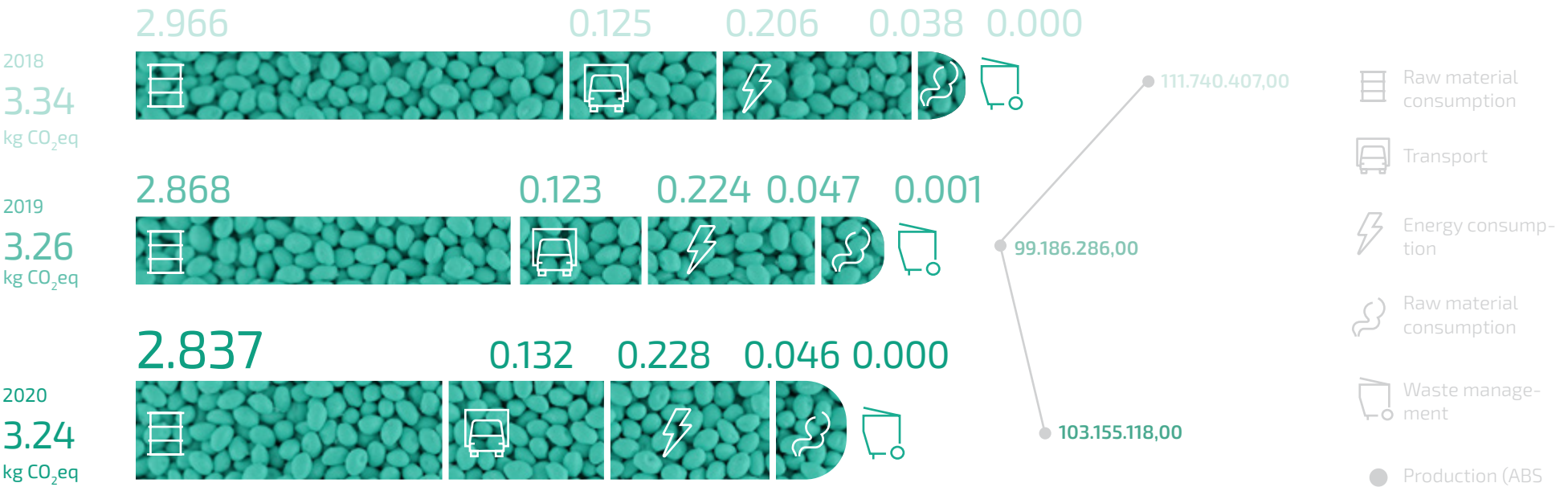
GHG EMISSION INTENSITY[1]	2018	2019	2020	VARIATION 2019-2020
Emission generation per production (tCO_2eq/t ABS + sales)	0.2141	0.2166	0.18	-17 %
Emission generation per employee (tCO_2eq/employee)	88.8	84.0	72.8	-13 %

1. Calculations based on consumption of natural gas, diesel oil and road transport (scope 1), electricity and other types of energy consumption (scope 2). Emission factors used are those contained in the 2020 version of the Practical guide for calculating greenhouse gas (GHG) emissions.

This is the third consecutive year we've lowered our carbon emissions from ABS production.

The total carbon footprint of the ABS production process has slightly decreased (0.6%) compared to the previous year, due mainly to the lower consumption of raw materials, whose specific weight in footprint calculation is heavier than the other aspects considered. On the other hand, another influencing factor is that the percentage of ABS products for sale has diminished, though this percentage rises in the case of sales of intermediates, meaning that the overall environmental weight attributed to ABS has decreased.

CARBON FOOTPRINT PROGRESSION (2018-2020)



ABS: produced and sold

Sales include intermediate production products sold as products (powder, SAN, etc).

Waste: only includes SCRAP

Water footprint

In the current context of climate change, predictions are that the Mediterranean coast will be one of the most affected areas. Changes in pluviometric regimes and significant increases in summer temperatures are optimal conditions for aggravating the current situation of water scarcity. Water will become a scarce and precious good, which will need to be distributed according to its different uses: domestic, agricultural and industrial.

We are aware of this and **work to improve our efficiency in the use of this resource and to reduce the vulnerability of water drainage basins** due to fresh water depletion. Our sustainability strategy 2030 **sets the ambitious objective of reducing water consumption by 15% as compared to 2017.**

At ELIX we use closed circuit refrigeration water — thus, there is zero consumption.

ELIX supports circular economy regarding water consumption. Water consumed by ELIX comes entirely from third-parties, specifically the Tarragona Industrial Water SA plant (AITASA). We consume three types of water:

- **Industrial water:** this type of water is supplied by AITASA and is transported through underground pipelines to the Covestro Energy plant. Firstly, the water is treated to eliminate solids using horizontal gravel filters and is subsequently stored in a tank. Water parameters oscillate between approximately 900µs-1600µs with pH levels between 7 and 8 points. We also carry out a corrosiveness test.

- **Treated water:** water treated on-site is produced at the Covestro Energy Plant using industrial water. Two treatment plants are used by means of cation and anion exchange resins, with the water finally passing through a mixed bed to correct minor deviations. The result is water with low electrical conductivity, low content of dissolved solids and a ph between 8 and 9. This water is stored in another tank.

- **Potable water:** chlorinated water is supplied by AITASA and deposited into a tank that the Covestro Energy Plant monitors to keep track of residual chlorine and check quality and safety parameters. Workable water has a chlorine residual in the range of 0.3 to 0.8 ppm and a pH of approximately 7.5.

TOTAL WATER EXTRACTION (m^3)	2018	2019	2020
Surface water	0.00	0.00	0.00
Underground water	0.00	0.00	0.00
Sea water	0.00	0.00	0.00
Produced water	0.00	0.00	0.00
Third-party water (industrial water)	130,250.82	130,993.40	125,878.85
TOTAL	**130,250.82**	**130,993.40**	**125,878.85**

We've substantially improved our efficiency of water use.

ELIX doesn't have landfill authorisation. Our two separate wastewater currents, one with high organic content and the other with low, are treated though a wastewater management and monitoring system at the Covestro Industrial Park, where the water of the whole industrial park is managed and with whom we have a water treatment contract.

- **Low organic content water** is the result of our cleaning processes, and is collected at an internal plant where we carry out a physicochemical pretreatment to separate sludge (filter cakes) from the water that is sent to Covestro's wastewater plant.
- **High organic content water** is generated in the precipitate and drying plant and is sent directly to a specific tank in the Park to be treated at a water purification plant outside the park facilities.

The park's final wastewater is deposited into the sea basin through the AITASA sewage pipeline which is common to all of Tarragona's chemical industry. Covestro carries out periodic contamination analyses of ELIX's incoming and outgoing water. ELIX also carries out its own strict monitoring of pH, TOC and suspended solids in its wastewater.

The Industrial Park is participating in a project for the construction of a common wastewater treatment plant for several companies in the Tarragona Petrochemical Park with the aim of fulfilling Better Available Techniques (NEA-MTD) for the deposit of wastewater into receiving environments, as established by BREF for the chemical industry. In the framework of this project, **a new monitoring plan will be defined for wastewater** going to the above-mentioned collective water treatment facility.

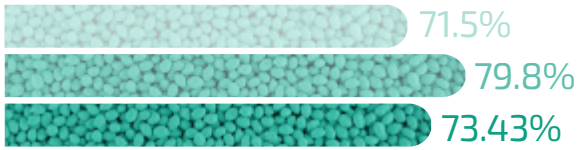
Although the TOC value of high-organic load water currents fully complies with the limit defined by the Covestro Industrial Park, ***in* 2020 we started a project to study ways of reducing the volume of wastewater generated by this current in the precipitate and drying plant.** The study began its developmental phase in June and its completion is planned for mid-2021.

Waste management and recovery

In the framework of a circular economy, waste recovery is a fundamental aspect which gains even more relevance and which we've been working on during the last few years. We are gradually **shifting from linear collection and treatment management by an authorised facility to management with a circular economy perspective, constantly searching for ways to recuperate and revalue our own waste.**

	2018	2019	2020	VARIATION
WATER CONSUMPTION RELATIVE TO PRODUCTION (m^3/t produced)	1.21	1.35	1.24	-8.1%

INDUSTRIAL WATER



100%
BASE YEAR
2013

2017
2018
2020

On one hand, circular economy allows us to prolong the life of the materials and products we put out onto the market and the waste generated at the end of our products' useful life. This is our **Circular Plastics** project (see chapter 5). On the other hand, circular economy also forces us to look internally to reduce the amount of manufacturing waste, searching for waste reduction and new uses for waste in the production process as shown in the diagram. At present, we have a highly-improved process in which the generation of resulting waste has been minimsed.

Internally, we work to improve the management of all types of waste. We strictly monitor the management of all our waste, identifying aspects to be improved in the periodic rounds done in our facilities.

An initiative carried out in 2020, as part of the 5S project for the Compounding Plant Colouring Room, was the revision of waste management in this room. The results were satisfactory given that the area was organised with the implementation of a single area for waste segregation, signage, new and more appropriate receptacles, a daily check list to properly manage the areas. Additionally, there was an informative talk for operators as part of the 5S Training Plan for implemented changes. These initiatives, which involve different areas of the company, have been truly enriching for the team.

This year we maintained our downward trend in waste generation.

	2018	2019	2020
TOTAL (t)	**3.430**	**3.108**	**2.841**
Reduction (t waste / t produced)	3.1%	3.2%	2.8%

GENERATED WASTE IN TONNES

WASTE DESCRIPTION	TYPE	Destination	Management channel	2018	2019	2020
Wood	NH	R	Recycling	66.381	74.525	57.841
Paper and cardboard	NH	R	Recycling	35.86	28.369	31.32
Plastic remains	NH	R	Recycling	38	22.92	29.84
Scrap metal and cables	NH	R	Recycling	53.06	77.28	34.86
Glass	NH	R	Recycling	1.397	0.24	7.406
Banal	NH	R	Preparation for reuse	89.192	65.5674	48.911
Absorbent	P	E	Incineration (without energy recovery)	2.528	4.376	1.911
Containers contaminated with hazardous substances (IBC, drums, tanks)	NH	R	Preparation for reuse	15.64	15.112	10.87
Containers contaminated with non-hazardous substances (IBC)	N	R	Preparation for reuse	0	3.15	6.99
Empty contaminated sacks	P	E	Incineration (without energy recovery)	5.421	3.416	4.797
Grafted polybutadiene	NH	R	Incineration (with energy recovery)	39	118.38	53.32

Waste type
- H Hazardous
- NH Non-hazardous

Destination
- R Recovery
- E Elimination

GENERATED WASTE IN TONNES

WASTE DESCRIPTION	Type	Destination	Management channel	2018	2019	2020
Non-stabilised Polybutadiene	P	R	Preparation for reuse	19.315	39.662	31.1
Filter cakes	NH	E	Transfer to landfill	308.46	201.54	243
Water with non-halogenated solvents	P	R	Preparation for reuse	366.64	292.92	307.94
Aerosoles	P	R	Preparation for reuse	0.36	0.52	0.72
Thermoplastics with excess lubricant	NH	R	Preparation for reuse	0	5.05	2.25
SAN glues	P	R	Preparation for reuse	133.588	114.823	92.787
Residual monomers	P	R	Preparation for reuse	156.92	169.24	129.98
Laboratory reactives	P	E	Incineration (without energy recovery)	0	0.096	0.2
Used oils	P	R	Preparation for reuse	3.82	2.72	1.96
ABS thermoplastics/ secondary SAN	NH	R	Recycling	2063.97	1823.278	1721.217
Fibercement	P	E	Transfer to landfill	31	31	0
Other occasional generated waste	NH P	NA	NA	- 0.00	13.82	21.78

As a consequence of COVID-19, we also organised the segregation of specific waste in our facilities such as face masks and gloves.

More than 90% of our waste is recovered.

ELIX WASTE MANAGEMENT[1] MAIN CHANNELS (t managed/t of waste generated)	2018	2019	2020
Incineration (without energy recovery)	0.23%	0.25%	0.25%
Deposit	10%	8%	9%
Recovery	90%	92%	91%
Preparation for reuse	23%	23%	22%
Recycling	66%	65%	67%
Incineration (with energy recovery)	1%	4%	2%

1. Includes hazardous and non-hazardous waste

HAZARDOUS WASTE MANAGEMENT CHANNELS	2019	2020	VARIATION 2019-2020
2019-2020			
Deposit (t) (Landfill + Incineration)	38.9	6.9	-82.2%
Recovery (t)	635.0	575.4	-9.4%
TOTAL (t)	**673.9**	**582.3**	**-13.6%**

We reduced our generation of hazardous waste by 13.6 % compared to the previous year. In general, we have reduced all types of hazardous waste but the greatest overall reduction was due to the fact that we completed the substitution of fiber cement on the roofs of some our facility buildings.

	2017	2018	2019	2020
Waste diverted from disposal (t)	Off-site	Off-site	Off-site	Off-site
Hazardous waste				
Preparation for reuse	726	696	635.00	594.00
Recycling	0	0	0	0
Incineration (with energy recovery)	0	0	0	0
Other recovery operations	0	0	0	0
TOTAL (t)	**726.00**	**696.00**	**635.00**	**594.00**
Non-hazardous waste				
Preparation for reuse	81	89	74.00	58.00
Recycling	2282	2259	2027	1886
Incineration (with energy recovery)	21	39	118	53
Other recovery operations	0	0	0	0
TOTAL (t)	**2,384.00**	**2,387.00**	**2,219.00**	**1,997.00**

	2017	2018	2019	2020
Waste directed to disposal (t)	Off-site	Off-site	Off-site	Off-site
Hazardous waste				
Incineration (without energy recovery)	9	8	8	7
Transfer to landfill	37	31	31	0
Other elimination operations	0	0	0	0
TOTAL (t)	**46.00**	**39.00**	**39.00**	**7.00**
Non-hazardous waste				
Incineration (without energy recovery)	0	0	0	0
Transfer to landfill	313	309	202	243
Other elimination operations	0	0	0	0
TOTAL (t)	**313.00**	**309.00**	**202.00**	**243.00**

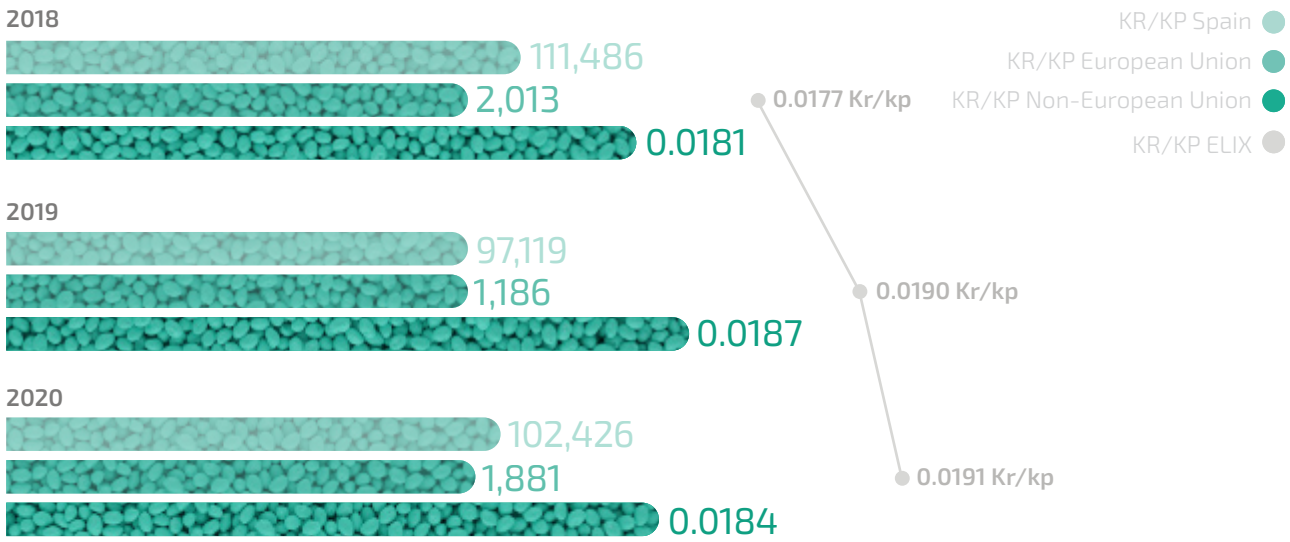
NOTE: All waste management is done off-site

Packaging waste prevention plan

We are also concerned about waste that we generate off-site. Through our Packaging Waste Prevention Plan we search for strategies to reduce the amount of containers used for distribution and logistics purposes, such as substituting certain packages with tankers for the delivery of our products within the European Union.

The kr/kp indicator provides information on the amount of containers ELIX has on the market, which allows us to establish improvement actions to prevent and reduce their environmental impact.

The amount of packaging containers put out on the market in 2020 was very similar to that of 2019. A slight increase in the amount of packaging containers put out on the market in Spain was compensated for by a slight decrease at the international level. The decision over the type of product containers we expedite is made solely and exclusively by the customer, which forces us to work jointly if we want to reduce the impact of the waste we generate outside of our facilities.



Specific waste reduction and recovery programmes

We are materialising the initiative to reduce and recover waste through a project to study the viability of substituting our current pallets with recycled ones. ELIX uses pallets to transport the final product from our facilities to the customer. We carried out an industrial trial in November of 2020 and the only thing pending is approval of the initiative by ELIX's Authorisation committee.

We respect the air we breathe

Transmitted sources

Contaminating atmospheric emissions of nitrogen oxide and carbon monoxide have hazardous consequences on the health of people and the environment.

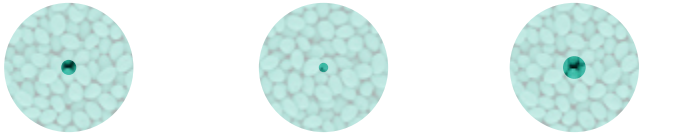
Our commitment to sustainability and our regulatory obligations lead us to carry out periodic checks on the emissions of atmospheric contaminants at emission sources. We follow up monthly to ensure they are within regulation limits. We are very satisfied because **our emission levels are much lower than legal limits permit; in fact, they are between 3.2 and 15.2 times lower.**

Results of 2020 CO measures differ from past results because the measuring entity changed and therefore the calculation method, authorised by the Catalan government just the same, changed as well.

Fugitive Emissions

In 2015 we implemented the LDAR programme, which inventories, detects and reduces fugitive emissions of volatile organic compounds (VOC). Inventoried points are supervised and new points to be detected are added annually. These inspections show that our facilities maintain a high degree of tightness. In 2020 our leak frequency rate was 0.22 %, while in similar facilities this rate is between 0.7 and 3 %.

ANNUAL AVERAGE OF CO BY SOURCE FOR EACH PLANT (mg/Nm³)



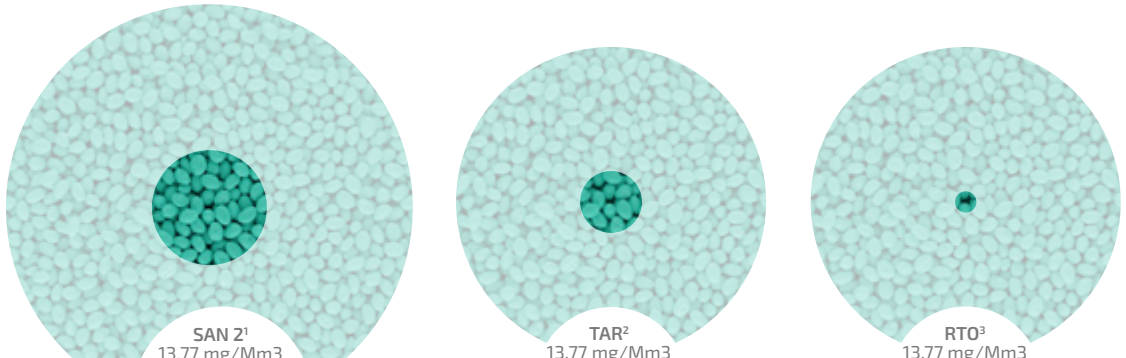
SAN2
142.91 mg/Mm3
86.3%
BELOW LEGAL LIMIT

TAR
103.27 mg/Mm3
91.0%
BELOW LEGAL LIMIT

RTO
22.975 mg/Mm3
81.2%
BELOW LEGAL LIMIT

ANNUAL AVERAGE OF NOx BY SOURCE FOR EACH PLANT (mg/Nm³)

Legal limit
2020 emissions



SAN 2[1]
13.77 mg/Mm3
69.0%
BELOW LEGAL LIMIT

TAR[2]
13.77 mg/Mm3
70.5%
BELOW LEGAL LIMIT

RTO[3]
13.77 mg/Mm3
93.4%
BELOW LEGAL LIMIT

8

Sustainability in the supply chain

Our responsibility to our environment extends to the entire supply chain, so we make the commitment to collaborate with supplying companies who operate according to sustainability criteria and respect human rights.

Our supply chain sustainability project, as defined in our strategy, aims to transfer ELIX's internal philosophy in terms of environmental and social commitment, to the entire supply chain.

Thanks to our supply chain we have all the material provisions necessary to operate and distribute our products around the world. Our supply chain sustainability strategy centres mostly on the upstream part of the chain, because we know that the raw materials we use for our business, as well as transporting them, have environmental and social impacts that could be minimised through responsible purchasing. As far as the impacts of the rest of the chain, these are considered in other programmes of the strategy. Therefore, we decide to work with suppliers who can offer us products that are respectful of people and the environment.

ELIX's aspirational goals for this programme are:

- Evaluate 80% of ELIX's suppliers according to their social and environmental performance.

Our objectives for 2050 enclosed in this programme are:

- Develop a purchasing policy capable of improving our suppliers' social and environmental commitment.
- A better understanding of the environmental and social impacts related to ELIX's supply chain.

Moreover, this programme will contribute to three of our sustainability goals:

- Adopt ethical values.
- Be a driving force of the transition towards a circular economy.
- Reduce our environmental footprint to the minimum.

And to four of our core strategies:

- Be a driving force for a sustainable plastics economy.
- Firmly work towards the adaptation to and mitigation of climate change.
- Ensure ethics in our business model and a positive contribution to people's social well-being throughout our value chain.
- Contribute to the reduction of biodiversity loss.

We felt the impact of COVID-19 on our supply chain from the beginning of the pandemic — as we have both customers and suppliers all over the world, we noticed its effects very early on.

Since before the official announcement of the pandemic, we already had an established daily Committee for comprehensive supply chain monitoring, so this allowed us to take measures to maintain high levels of Service with a very small impact on our customers. All suppliers were closely monitored and safety stocks were increased based on our risk criteria, which ensured production at all times. In the same way, transport, border closures and customers were monitored to keep disruptions to a minimum.

We are very resilient — despite the pandemic, we didn't stop for one day, and were able to deliver our customers' orders.

We learned a lesson and our big goal for 2021 is to systemise all that we learned during the pandemic in 2020 and include in our contingency plan all those actions necessary for the risks we detected in an increasingly volatile environment.

- We are actively working on a transport strategy plan that will allow us to offer stable service in the long-term in spite of difficulties in the market.
- We are reinforcing our S&OP process, making it more flexible in order to adapt to the current climate of instability.

SPECIFIC OBJECTIVE 2020	PERFORMANCE
Locate suppliers with raw materials that favour circularity (chemical and recycled) and establish supply agreements	✓

SPECIFIC OBJECTIVE 2021

Develop a responsible purchasing policy

Map out key outsourced services and main suppliers according to their impact on the business and on the company's environmental and social performance.

ELIX dynamises the local economy by hiring local suppliers (from Tarragona and Catalonia), offering stable employment to 88.6 % of the workers in the immediate surrounding area: the province of Tarragona, and collaborating with local social entities.

Responsible purchasing policy

ELIX's purchasing policy continues to prioritise, as much as possible, **the purchase of materials and products close to our production site,** in order to foster the development of the local economy and simultaneously reduce emissions deriving from transport.

Our procedure for certifying raw materials suppliers requires management system certification based on ISO regulations and fully complies with LTD Regulations, which regulate the use of raw materials from the European Union.

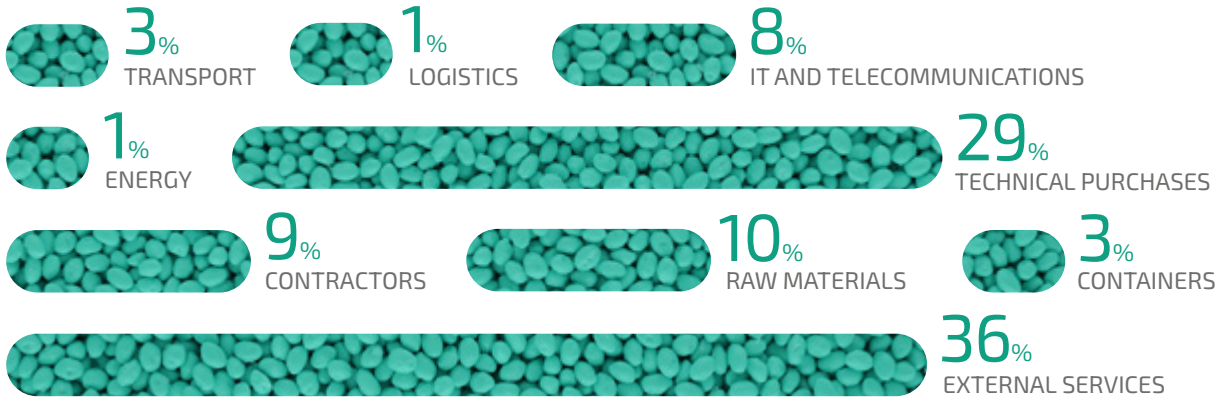
To go even further, **we will define a new purchasing policy** which will include sustainability criteria in the evaluation of new suppliers through an assessment protocol that incorporates environmental and social factors. We have made progress in this direction and have created the team who will work on the development of our new purchasing policy.

We contribute to proximity economy and the development of the local economy, with 55 % of our expenditure going to suppliers in Catalonia.

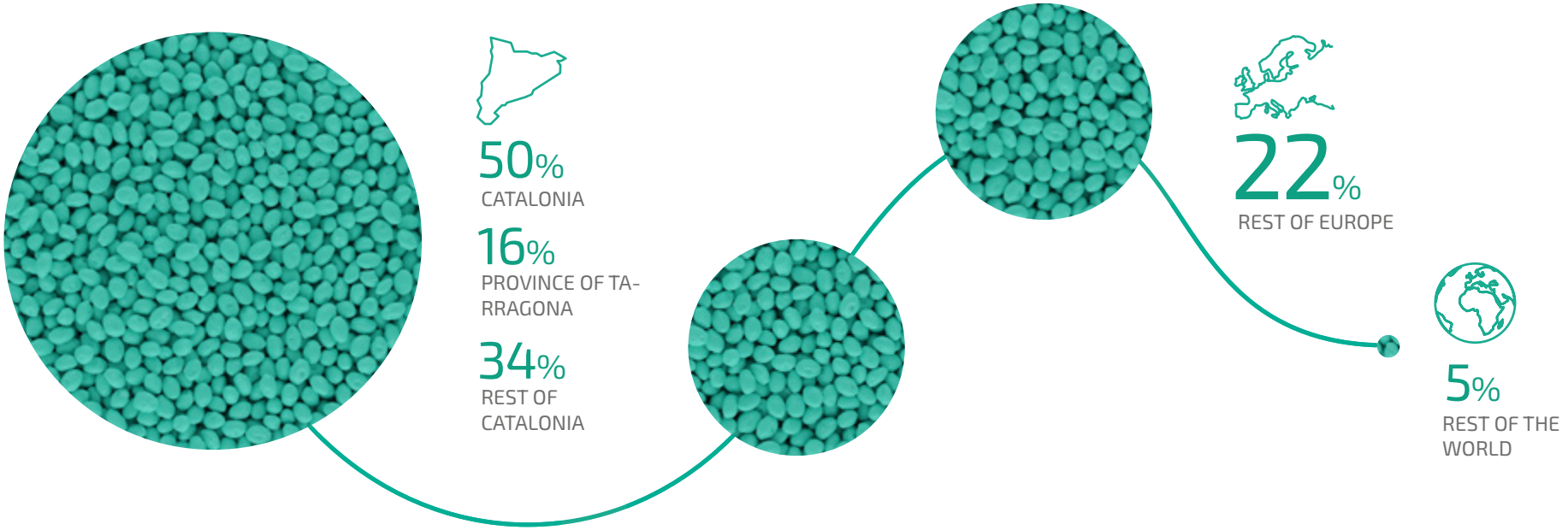
Additionally, in the medium and long term, we are committed to developing a map of the most critical outsourced services and suppliers in terms of their activities' impacts, and to promoting actions for carbon compensation and biodiversity loss throughout our supply chain.

In total we work with 670 suppliers, of which **16 %** are from the **province of Tarragona** and 34 % from the rest of Catalonia. ELIX's total spending on local suppliers from Tarragona is 53 million euros, 40 % of the total.

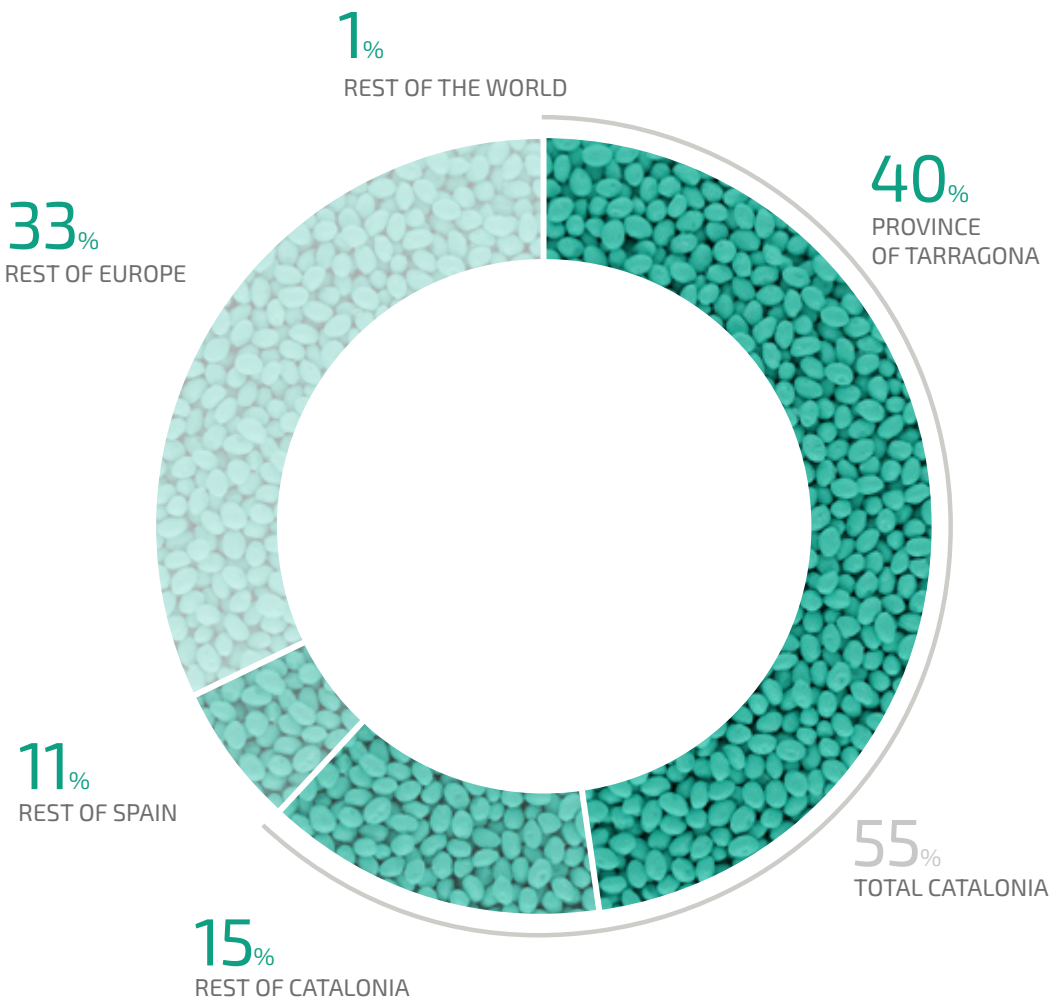
SUPPLIERS BY TYPE (IN %)



NUMBER OF SUPPLIERS (IN %)



EXPENDITURE ON SUPPLIERS



9

Professional growth

The generations of the future will look for ethical companies with positive social impact. We foster the personal and professional growth of our team with the aim of creating a safe and cohesive work climate, retaining young talent, and attracting women to a highly masculine industry.

People are the driving forces of companies. The new generations want to work for companies with meaning, that contribute positively to society and respect human rights and gender equality.

For several years now, ELIX has been developing an internal policy for personal and professional growth which allows our team to be involved in decision making. Whether it's Shared Missions, the day-to-day operations of our business, or the Lean philosophy, our team participates in the improvement of our operations and activities, making it possible for our company to evolve in a positive way in order to reach our business goals and remain a benchmark company in the thermoplastics industry. We continuously work to create an atmosphere of cooperation, transparency, trust and respect among all the company's collaborators, as well as a cohesive, professional and motivated team, capable of adapting to changes.

Through the **Professional Growth** programme, ELIX will continue making an effort to offer its employees adequate work conditions and guarantee job security, and will reinforce training, continuous education and awareness as a means of attracting young people and talented women.

ELIX's aspirational goals for this programme are:

- **Keep score of our collaborators' satisfaction rates.**
- **Eliminate the salary gap between men and women.**
- **Increase the presence of women in the operations and management areas.**

Our objectives for 2030 enclosed in this programme are:

- Improve professional development and talent retention.
- Ensure and improve employment quality and growth for the people at ELIX.

Moreover, this programme will contribute to our core strategy:

- Ensure ethics in our business model and a positive contribution to people's social well-being throughout our value chain.

INITIATIVES 2020	PERFORMANCE
Update equality plan and job harassment protocol.	In process
Set in motion the Talent Management and Performance Assessment Project.	55% fulfilled more than 90% of the objectives 30 % fulfilled 60 -70 % of the objectives 15 % fulfilled less than 50% of the objectives
Job advancement and promotions protocol: improvements in transparency, internal equality and opportunities.	In approval phase

INITIATIVES 2021
Digitalisation of people management systems
Transformation of the area to/of? People, Culture and Communication

Training adapted to individual needs and the building of a healthy company are the pillars of our strategy to achieve the goals of these initiatives. We accompany our team in their professional growth, detect their training needs, incentivise their participation and integration into the organization and promote work-life balance, all with the aim of creating dynamic and motivated work teams.

Talent identification and creation

Talent attraction is related to the expectations of new generations in terms of how a company works and the positive social and environmental impact it can have, as well as the admission of young people to technical degree programmes and training courses. ELIX works to recruit and retain talent internally through training programmes and continuous feedback, and externally through partnerships with research centres, universities and high schools.

Lean culture is the base of our collaborators' personal and professional development. It determines the way we resolve the daily challenges of our organization.

For years, ELIX has been promoting the personal and professional development of its collaborators through the LEAN philosophy as part of our global mission. LEAN is a method of improvement and continuous learning based on a series of values, principles and techniques that help to strengthen management processes, and at the same time, promote the development of our team of professionals. The application of this method brings competitiveness, efficiency, and most of all, greater skills for our collaborators to face challenges as a team and in a creative way, which, all together, contributes to the positioning of our company and the general motivation of our team.

Over the past few years, Lean culture at ELIX has brought improvements in daily management, strengthening the efficiency of the company and its professionals.

LEAN culture is implemented through multidisciplinary teams which are formed according to the necessities of the moment. It's a procedure that is totally integrated into the company culture. Each team proposes a project (called an A3) to look for solutions to the problem in question, a problem that is affecting different plants and operations. A3 is our most common problem-solving tool; it facilitates the problem-solving process while maximising learning and cooperation within the organization. In 2020 we focused on other tools such as Hoshin Kanri, a work method based on the cooperation of all the company to reach internally strategic long-term objectives and short-term management plans, and Value Stream Mapping.

Internally, the different areas participate in a digital space called Lean Community and yearly workshops between departments are carried out. In the workshops, initiatives and experiences are shared, strengthening the relationships and ties between projects and promoting learning.

In 2020, participation in A3s went down compared to 2109 due to the pandemic, specifically by 26%. Nevertheless, we improved in terms of the amount of A3s carried out, managing an increase of 20%.

We established two central Committees operating on different levels: one Executive Committee focused on determining progress and direction of implementation, and a LEAN Committee focused more on the operational level to help people, offering them training and coaching, developing their skills, and putting it all into practise.

LEAN virtual in times of pandemia

Due to the current coronavirus situation, we celebrated LEAN day virtually and were pleased to count on the participation of Oriol Cuatrecasas, Director of Development at the LEAN Management Institute. During the event, participants heard first-hand accounts of their colleagues' experiences in the implementation of improvements through their A3s, as well as the difficulties they encountered in carrying them out. They also received tips on the different tools of the Lean method and keys to its correct implementation.

People for the Operations Area presented the 5S method, a management technique based on five principles for improving organisation, order and safety in the workplace.

LEAN AWARD 2020

Once again, as a way of acknowledging the effort, commitment, perseverance and team work of all the people involved in the continuous improvement projects, attendees voted for the best A3.

The winning project was the A3 "The reduction of partially-filled packaging materials" which was carried out to minimise resin pellet waste in productions and avoid customer complaints. The improvements obtained from this project were:

- A reduction in the number of waste products in production and warehouses.
- Reduction in Storage costs.
- Reduction in transport.
- Reduction in Energy costs.

A success story that will enable us to face future challenges with a greater guarantee.

A figure worth highlighting is that ELIX Polymers has managed to reduce the packaging waste of a series of specific materials from 76% down to 8% from 2019 to the present.

Last year we initiated the **Talent Management and Performance Assessment** project, with the aim of encouraging continuous feedback between managers and their teams. In 2020 we carried out a 90º assessment where both worker and manager assess a series of competencies, mainly in the area of so-called "soft" skills. The result is a final report which enables both manager and collaborator to establish the habit of continuous feedback revolving around individual improvement goals decided on between manager and collaborator, with the aim of strengthening the manager figure and deepening communication competencies.

In 2020 we developed the **Focus Manager Project,** centred on strengthening and accompanying the leadership capacities of team managers and staff chosen to develop leadership competencies.

The goals established in the Focus Project were:

- Self-knowledge and individual SWOT analysis - 100% achieved.
- The establishment of personal growth goals - 100% achieved.
- Work on leadership competencies, communication, change management and emotional intelligence through individual pills? - 90% achieved.
- Continue encouraging continuous feedback with teams - in process.

At the end of the year, the levels of project implementation and integration of feedback culture were the following:

- Continuous feedback meetings with managers.
- 50% were carrying out regular meetings and had assimilated the culture.
- 35 % had carried out an occasional meeting, but without follow-ups or continuity.
- 15% hadn't carried out any meetings with their manager.
- Continuous feedback meetings with teams.
- 35% were carrying out regular meetings and had assimilated the culture.
- 35 % had carried out an occasional meeting, but without follow-ups or continuity.
- 30 % hadn't carried out any meetings with their teams.
- Individual meetings with an external adviser carrying out growth actions with ad hoc sessions.
- 65% had carried out regular meetings with Access, following up on actions.
- 20 % had carried out several meetings but without consistency or follow-ups on commitments.
- 15 % had carried out an occasional meeting but without any follow-up.

The motivation of our team

This year, more than ever, the motivation of our team was key in getting through the internal and external situation caused by the COVID-19 pandemic. It hasn't been easy managing the changes in how we work and interact, with all the fears and worries that have arisen from a situation like the one we've experienced.

Alongside our training projects, which are also a way of motivating our teams, in 2020 we held a campaign called #JuntosSomosUno (Together we are one), as a way of acknowledging everyone's effort during the pandemic, and we published a guide titled *STAYING HEALTHY DEPENDS ON YOU AND ME* which describes the COVID-19 prevention and protection measures in the workplace with the aim of facilitating workers' return to the physical workplace.

Together we are one campaign

'Separated today, so we can hug even tighter tomorrow' is the slogan of the campaign #JuntosSomosUno (Together we are one), which we launched during the pandemic in order to tackle it together and acknowledge the effort and commitment of the people who form part of ELIX.

Through a video with photographs full of positive messages, acknowledgment and encouragement, we sent strength to all our colleagues who kept the company operations going and made sure from their homes that our products arrived to our customers. In particular we transmitted messages of support to our colleagues who went to the factory every day to ensure production during this exceptional situation.

Biannually we carry out a climate and commitment survey, with the aim of knowing our collaborators' degree of satisfaction. This survey was supposed to be done in 2020 but we scheduled it for the end of 2021 as we consider that conditions in 2020 were not optimal due to this exceptional situation.

NEW HIRES BY AGE	2018	2019	2020
Under 30	3	0	4
Between 30 and 50	15	8	14
Over 50	-	1	4
Total	18	9	22

NEW HIRES BY GENDER	2018	2019	2020
Men	11	6	14
Women	7	3	8
Total	18	9	22

We maintain high levels of staff stability, with relatively low turnover.

More skilled and efficient teams

The training of our collaborators continues to be one of the pillars of our company, and for this reason, we made a huge effort during the pandemic to maintain the majority of courses virtually. In spite of COVID-19 and thanks to improvements in telecommunications, 98% of our staff was able to receive training (249 collaborators), meaning that we were able to maintain optimal training levels. We adapted language courses, compulsory courses required by law and created new resources focused on COVID-19 prevention. Nevertheless, the courses that couldn't be adapted to this format had to be cancelled.

We continued with our Competency and Capacity Matrix Implementation project, focused on increasing the leadership skills of middle managers. Leadership training was done online.

In 2020 there was a total of 5,825 hours dedicated to training, which mostly covered the areas of safety, health and technical competencies, with a total of 7,481 hours of required study, meaning 30 hours of training per employee.

TURNOVER RATE BY AGE	2018	2019	2020
Under 30	0	0	**0%**
Between 30 and 50	1%	6%	**2%**
Over 50	0	9%	**4%**

TURNOVER RATE BY GENDER	2018	2019	2020
Men	0%	11%	**5%**
Women	1%	4%	**1%**

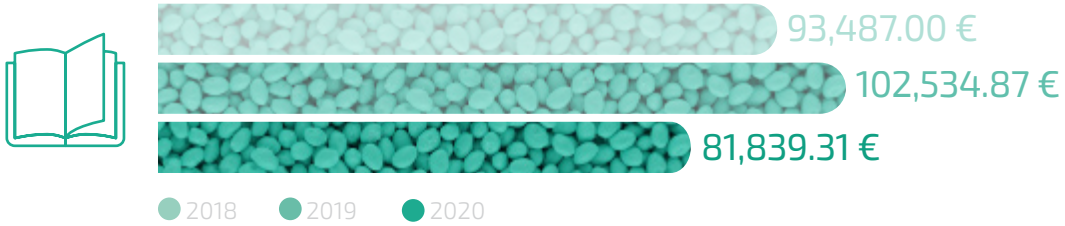
	2018	2019	2020
Absenteeism rate	2.1	2.89	**2.03%**

We also held several training sessions on issues related to the pandemic.

- Training and information on COVID-19:
- Ways of transmission, prevention, use and handling of PPE, actions to take in case of infection or suspected infection.
- ELIX's preventive procedures (after first day back at the work place).
- Training and information on remote working.

This year's reduction in training hours compared to 2019 is mainly due to the cancellation of courses as a consequence of the quarantines imposed by COVID-19.

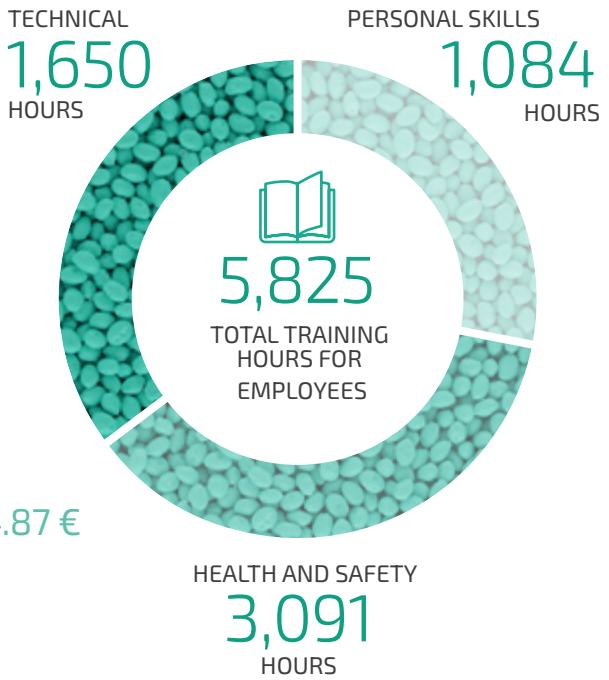
	2019	2020
Total training hours for employees	6,931	**5,825**



AVERAGE HOURS OF TRAINING

	2019		2020	
	Men	Women	Men	Women
Executives	52.3	41.0	18.7	46.2
Skilled workers, technicians and administrative staff	52	57	51.9	23.3
Operators	16	22	16.2	10.5
Sales representatives	67	13	6	5.5

TRAINING BY TYPE



OCCUPATIONAL HEALTH AND SAFETY TRAINING

Training in the area of labour risk prevention, safety in processes and emergency actions includes training of ELIX staff, with 765 participants and 3,091 hours of required study, and training of service company employees, with 311 participants and 68 hours. This year we developed new contents and formats for the training given to contractors on specific risks and emergency actions.

Our OHS Service defines a training profile for each job position based on a risk evaluation of that job position. Training contents aim to be applicable in a practical way to the deployment of that job position and are designed and approved by our Internal OHS Service.

Every person who joins the organization receives initial information specific to the risks of their job position and on actions in case of emergencies.

Based on an annual calendar, OHS training courses are taught by OHS technicians and facility managers during employees' working hours. In some cases, specialised companies are hired to carry out the training courses, after authorisation by our Internal OHS Service.

Social benefits for our team

100 % of our staff is covered by the Collective Agreement.

Our entire staff operates under the General State Agreement for the Chemical Industry and the improvements as stated in ELIX Polymers' 2nd Complementary Agreement. At the end of 2018, the agreement was revised and improved; it went into effect at the beginning of 2019 and was in force in 2020.

The most relevant points of the agreement can be summarised as follows:

- We maintained and even improved some social benefits such as extending sick leave to second-degree relatives.
- We established a variable pay system for 2019- 2020 connected to the achievement of set indicators and objectives.

These are the main social benefits we offer at ELIX:

- Assistance for employees continuing their studies.
- Home purchase loans.
- Assistance for people with physical or intellectual disabilities.
- Loyalty or seniority- based compensation.
- Christmas gift sets.
- Holiday flats.

Diversity and equal opportunities

We are updating our Equality Plan and sexual harassment protocol.

Through our **Equality Commission,** which supports the fulfilling of equality principles and established procedures, we updated our **Equality Plan and sexual harassment protocol** at the beginning of the year, in order to improve them. Due to legislative changes to the RD901/2020 which regulates equality plans and their registry, in effect since 14 January 2021, we have had to stop the work we initiated, until there is a final resolution we can work under.

As a sign of our commitment to gender equality, we work to foster the inclusion of women in our sector. We maintain our project "Inspira", a programme organised by the University of Deusto in collaboration with Rovira i VirgiliUniversity, where women who are STEAM professionals volunteer their time to share their experiences and lead awareness-raising and orientation activities for girls in primary school in order to foster interest in scientific-technological areas.

For years ELIX has been collaborating with special employment centres to foster the employability and job placement of the collective of people with disabilities, as part of the common measures of LISMI. Specifically, we collaborate with CET LA AMISTAD MONTESOL SL to provide Christmas gift baskets. In 2020 we welcomed onto our staff two new workers with certified disabilities, meaning a total of three disabled people who form part of our staff.

Women's presence in the company and in governing organs is on the rise

	2018	2019	2020
Women on staff	23.3 %	24.4 %	25%

DIVERSITY IN GOVERNING ORGANS	NUMBER OF PEOPLE	PERCENTAGE
Women	5	27.8%
Men	13	72.2%

PRESENCE OF WOMEN BY JOB CATEGORY	2018	2019	2020
Executives	20.0 %	25.0 %	27.8%
Skilled workers, technicians and administrative staff	51.2 %	57.0 %	51.7%
Operators	2.4 %	2.4 %	3.1%
Sales representatives	60.0 %	60.0 %	66.7%

	2019		2020	
	Men	Women	Men	Women
Comparison of average salary at ELIX[1] to average interprofessional salary	5.3	3.8	4.0	3.5

1. Calculated as the mass salary average of the company.

PRESENCE OF WOMEN BY JOB CATEGORY AND AGE	2018	2019	2020
Executives			
Under 30	0.0 %	0.0 %	0%
Between 30 and 50	60.0 %	62.5 %	61.1%
Over 50	40.0 %	37.5 %	38.9%
Skilled workers, technicians and administrative staff			
Under 30	8.1 %	12.7 %	3.4%
Between 30 and 50	69.8 %	68.4 %	78.7%
Over 50	22.1 %	19.0 %	18.0%
Operators			
Under 30	4.8 %	4.0 %	3.1%
Between 30 and 50	65.1 %	68.8 %	60.6%
Over 50	30.2 %	27.2 %	36.2%
Sales representatives			
Under 30	0.0 %	0.0 %	0.0%
Between 30 and 50	100.0 %	100.0 %	100.0%
Over 50	0.0 %	0.0 %	0.0%

Health and safety are vital

ELIX's health and safety management system is founded on our **corporate policy of job safety and the prevention of serious accidents** (hereinafter HSE policy), whose aim is to avoid injury and illness, prevent accidents related to jobs and processes, as well as minimise exposure to risks posed by job activities. In May 2020 we reviewed this policy and updated it.

We have a **Health and Safety Committee** made up of OHS Delegates jointly with company representatives, which meets quarterly as part of ordinary proceedings or as needed in an extraordinary way to deal with health and safety actions that have been carried out, exceptional issues, or colleagues' proposals. On a monthly basis, the HSE department publishes a report including the main indicators of preventive management, industrial safety and the environment.

The deployment of our **management system** includes legal compliance with current OHS regulations regarding risk prevention[1], serious accidents[2] and industrial safety[3] . The scope of this system includes all ELIX employees and activities, and through the coordination of business activities, includes the service companies who carry out their activities on ELIX's premises. ELIX has its own internal OHS service, audited by third-parties in accordance with current national legislation.

In terms of ELIX workers with sales contracts, they are considered to be just like any other member of the organization, and as such, the same health and safety principles apply to them.

In 2020, with the aim of guaranteeing the safety of our staff and service company collaborators working on-site, we centred mainly on the following action plans:

- Maintain prevention and protection levels in on-site operational processes and maintenance activities.
- Implement, deploy, track and follow-up on a management system for preventing exposure to COVID-19 (see previous section).
- Provide OHS training on risk prevention, safety in processes and actions to take in emergencies.
- Revise procedures: revise Protection against Explosions documents and Inspection Manual; revise change management procedures in operations facilities through a web platform, notification and research of incidents and safety analyses of processes and facilities; revise procedures for incident notification and investigation, as well as for change management, and publish a new catalogue of authorised PPE.

1. Law 31/1995, 8 November, on OHS and the regulations for its deployment.

2. Royal Decree 840/2015, 21 September, which approves control measures for inherent risks of serious accidents involving hazardous substances.

3. Law 9/2014, 31 July, on the industrial safety of establishments, installations and products.

Carry out a pyschosocial and health perception evaluation around the issue of remote working — in August we carried out an internal survey to learn about the health and pyschosocial impact of the lockdown and/or remote working. We used the results to identify improvement opportunities and prepared an action plan to be implemented in 2021.

- In 2020 we had 2 technical pauses in our facilities in order to carry out maintenance activities and make technical improvements and investments.
- Pause in August 2020: 26 contractor companies, 118 workers, zero accidents.
- Pause in December 2020: 15 companies, 50 workers, zero accidents.

Our success is attributable to:

- The joint planning of jobs between the areas of Operations, OHS Service and external companies.
- Involvement and presence of external companies' OHS technicians: increase in number of preventive observations, job supervision in the field and instructional talks.
- Joint follow-up with ELIX's OHS Service: coordination meetings, joint supervision of jobs, analyses of incidents and proposals for improvements.

Our health and safety measures during the COVID-19 pandemic have allowed us to maintain our production facility operations and satisfy customer demand with no infections in the company.

Occupational health and safety in times of a pandemic

During the first outbreak of the pandemic, in March of 2020, ELIX, as a chemical industry, was declared an essential business. Our activity never ceased so with our job safety department we focused on preventing COVID-19 infections in the work place - attending to possible and confirmed cases and situations of close contact- all while safely guaranteeing the maintenance of our operations facilities.

Since the declaration of the national state of alarm, we've restricted on-site presence to staff and external maintenance workers whose jobs are necessary to guarantee safe operations and production processes in our facilities. Everyone else has worked from home. ELIX provided remote workers with the necessary technical equipment (computers, headsets, software, internet connection...) to do their jobs from home, guaranteeing adequate OHS conditions.

In April 2020, anticipating a future legal requirement, our OHS Service sent remote workers a self-evaluation of their ergonomic work conditions with the aim of understanding and improving them in this exceptional situation. At the same time, a specific online training course was offered called "Teleworking during the COVID-19 pandemic".

In July 2020, we conducted a study on the psychosocial risk factors of remote work for all ELIX staff, the conclusions of which were transmitted to the company's Senior Management.

OHS Service was always present in the work place during the whole pandemic in order to guarantee safety and the compliance of COVID-19 prevention and protection protocols.

During the whole year, there was major coordination with the health surveillance service. The service identified those workers who were especially vulnerable to COVID-19 and sent them an informative letter with preventive measures to adopt. Jointly, we conducted an exhaustive follow-up of cases with symptoms compatible with COVID-19, confirmed cases and close contacts, maintaining regular communication with them through the health surveillance service and ongoing support on the part of ELIX. For prevention, the company provided PDIA testing (PCR and/or antigen tests) in certain case studies.

Managing the pandemic meant defining numerous internal procedures according to the legislation and protocols of the Spanish Ministry of Health, the Catalan government (the Generalitat) and the OHS Surveillance Service and guides for the different areas of the chemical industry published by FEIQUE. These internal procedures have always adapted to the progression of official documents, as well as the different stages of the pandemic.

As part of the procedures, certain areas were given restricted access, spaces were adapted to avoid virus transmission (maximum occupancy, distances, divider screens, ventilation...), rules were defined for smooth transitions between shifts, communication protocols and case management, and protection material was provided (authorised respiratory face masks, gloves, hydroalcoholic gel, facial tissues, cleaning material, etc.). In addition, all established measures were supervised through the above-mentioned plans and procedures.

The health and safety of our team

Through specific plans, applicable preventive measures were defined at each stage of the pandemic, serving as a support for weekly internal COVID-19 communications.

From the very beginning, we strove to protect the health of external service company employees who work with us just the same as our internal employees. Regular meetings were held, procedures were shared, and a communication protocol was defined in case of incidents.

Since June of 2020, our technical staff in the Operations area has been back at the work place; we defined a "Preventive Plan for return to the work place" that included the adaptation of office spaces, meeting rooms and common areas, new work procedures and an online training course called "COVID-19 Prevention".

Worth mentioning is the intense internal communication, with the publication of prevention and protection measures in videos and infographs and a weekly memo for everyone in the organization with information on procedures and internal impacts of the pandemic.

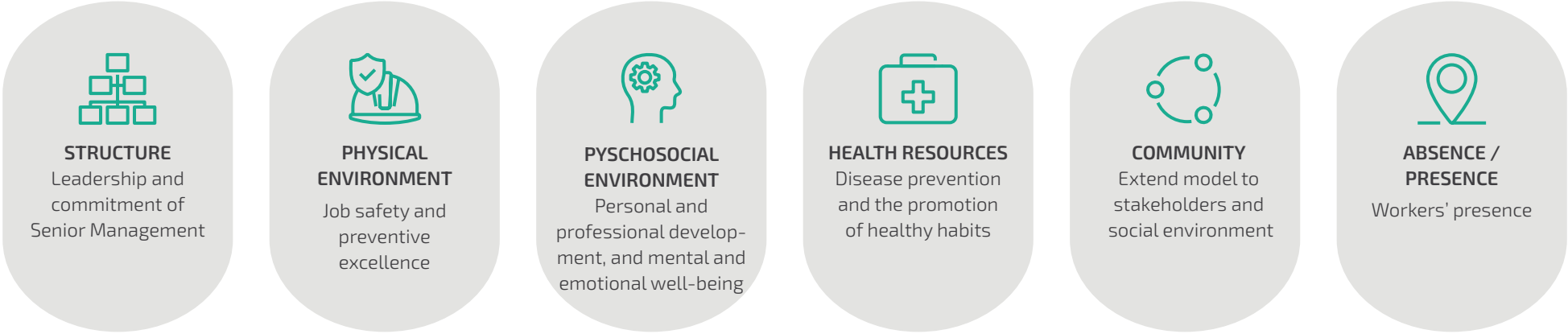
ELIX 's commitment to **the health of its collaborators and safety in production processes** remains intact.

Senior Management at ELIX gives priority and relevance to health and safety through the **Healthy Company strategy**, which we began in 2019 with the launch of the ***Feel Good*** campaign, in accordance with World Health Organization criteria. Participation is voluntary in this initiative that stresses personal and professional development, mental and emotional well-being, accident and disease prevention, the development of healthy habits, and interaction with the social environment.

The topics covered are chosen according to collective health data obtained from an epidemiological study and non-work related causes of absenteeism. The progression of this data, together with comments collected through the Feel Good team and participants themselves, is used to assess the efficacy of the programmes. Participants' privacy is always respected and there are no repercussions on decisions regarding their employment.

The Healthy Company Strategy simultaneously emphasises physical, emotional, and social well-being, so that it covers all areas related to the health and safety of the organization and its social environment.

The strategy is founded on 6 pillars:



Occupational Health and Safety centres on the evaluation and prevention of risks, which make up the 'physical environment' pillar of our strategy.

Labour risk evaluation by job position is led by our OHS Service, which includes representatives of the various job positions, the area manager and OHS delegates. Complementary to this, specific evaluations of ergonomic factors, physical and chemical agents, and work equipment are carried out. Depending on the risk evaluation, the OHS Surveillance Service determines medical protocols to apply in the yearly medical check-ups offered to employees.

In terms of industrial and process safety, a process safety analysis (HAZOP) is carried out with the participation of engineers and technicians from the areas of operations, engineering, maintenance, and occupational and industrial safety.

ELIX has its own OHS Service and 2 external services to cover the specialised areas of industrial hygiene and health surveillance. In all of these cases, we work with technicians who have vast knowledge in the areas of their responsibility. The evaluation of activities and definition of preventive measures is done through work procedures and the granting of work licences, issued by people who are certified as preventive resources? ELIX's OHS Service publishes an annual report that compiles its actions and results.

It is both a legal obligation and right[1] of workers to notify of dangers on the job and remove themselves from work situations they consider to be unsafe or harmful to their health. ELIX has a communication procedure for Dangerous Situation Notifications. In it, preventive measures or immediate protection measures are taken, and a team made up of OHS technicians conducts an analysis, and if necessary, defines an action plan that includes preventive and/or corrective measures, assignment of resposibilities and resources to eliminate or reduce the risk. Furthermore, ELIX's safety policy includes the company's commitment to the health of our staff and contractors, and the management system has the appropriate tools to comply with this.

1. Law 31/1995, 8 November, Occupational Health and Safety (OHS)

In addition to the self-evaluation of remote work ergonomic conditions conducted in April of 2020, we've promoted the practise of taking active pauses with a trainer online, which has been well-received by staff working remotely.

Other actions we carried out under the 'Physical environment' and 'pyschosocial environment' pillars were:

- Participation in the Game of Companies.
- Osteomuscular health.

As part of the 'Health Resources' pillar, at ELIX we have an integrated 24-hour assistance service with the Health Surveillance Service, which facilitates access and a trust-based relationship with the doctor and the rest of the healthcare team, and improves their knowledge of the different job positions, job tasks and possible risks associated with these. We do annual medical check-ups. In the case of new hires, reincorporations after a prolonged absence or sensitivity associated with an illness that appeared throughout the year, a new medical check-up is done and if necessary, restrictions in the job position are established to protect the worker. The annual epidemiological study includes collective health indicators that help us to define health promotion strategies.

Actions deployed in the framework of this pillar are:

- Follow-ups on collectives with specific risk factors: cholesterol, diabetes...
- Programme to quit smoking (Geseme).
- Blood donation day in collaboration with the Blood and Tissue Bank.
- Healthy breakfast: fresh fruit and dried fruit on Wednesdays.
- AECC: monthly newsletter, yearly talk on psychcosocial issues, nutrition...
- Communication Plan: World Heart Day, Breast Cancer Day, promotion of hydration
- Pilot programme for the Conscious Eating Challenge and Healthy Company Leader Challenge.
- Workshop entitled ***"A/Effective communication management and emotional energy management for OHS"*** ASEPEYO, for Senior Management, managers and OHS resources.

In 2020 we also carried out actions related to the **'Structure'** pillar**.**

- We participated in the 2nd Solutia-Asepeyo Healthy Work Environment Observatory and we attended the Healthy Organization Management System training programme (AENOR).

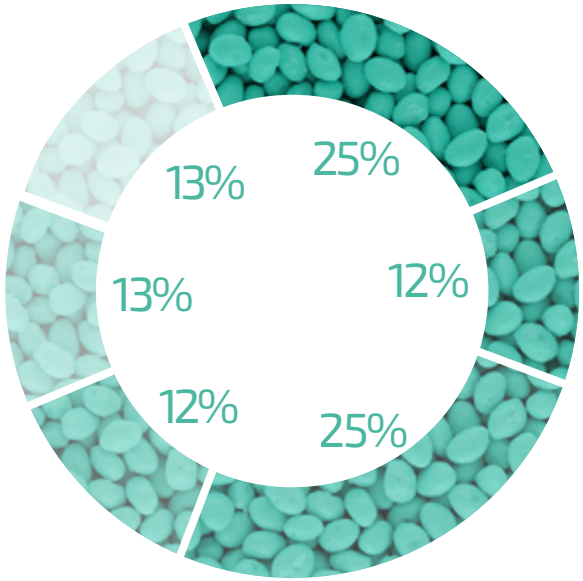
ELIX adapts its Feel Good programme during the pandemic

With the pandemic, we've had to change and/or adapt some of our actions:

- The Feel Good team presented proposals for: I. Work-life balance, II. Ergonomic conditions in remote work, III. Emotional management, IV. Health, prevention and COVID-19.
- We sent managers and supervisors a Best Practises guide produced by i+3 during the lockdown.
- We sent everyone an Emotional Fortitude Guide and the Emotional Gymnastics Challenge.
- We held online training sessions on the issue of maintaining healthy habits during the COVID-19 crisis: balance, conscious eating, physical activity…
- Webinar Workshop on Healthy Eating: Super breakfasts in a minute.
- Online workshop on Active Pauses.
- AECC: free grief counseling during the pandemic.
- Weekly donation of fruit from the healthy breakfast programme to healthcare workers at Hospital Joan XXIII.
- Psychosocial evaluation of remote work during the state of alarm.
- Support for those affected by the situation (follow-up calls by ELIX and Health Surveillance and a fruit basket).

Accident prevention

In 2020 accidents increased compared to 2019 and we didn't fulfill our Triple Zero objective (Zero labour accidents, Zero process incidents, Zero environmental incidents). Of the 3 accidents with medical leave and 5 without, the highest percentage is related to blows and flying particles.



To reduce accidents once again, we designed a new campaign to be launched in 2021, to raise awareness on hand protection.

ELIX has a procedure for the notification, investigation and management of job or process-related accidents, incidents or near-accidents in the company facilities. We also have a specific procedure for the management of environmental incidents.

A team made up of OHS service technicians, area mangers, the affected workers, and OHS delegates, conducts an investigation and analysis of the cause of the accident in each case, and as a conclusion, defines an action plan that includes, if necessary, preventive and/or corrective measures, assignment of responsibilities, and resources to avoid any type of accident/incident recurrence.

According to our accident analysis, the following action plans were defined:

- The inspection of equipment design and the design of processes where human intervention is required, integrating safety and ergonomic factors.
- Human Factor Programme:

  - Training: activities will be carried out where workers can learn to identify and perceive risks, so that they can communicate these and propose preventive measures with the aim of avoiding accidents and increasing the understanding that effort economy and time saving in terms of safety, is a risk.

  - Resilient procedures: These integrate variables that allow us to consider and assess human error precursors (underlying factors) and the possible inappropriate execution of these.

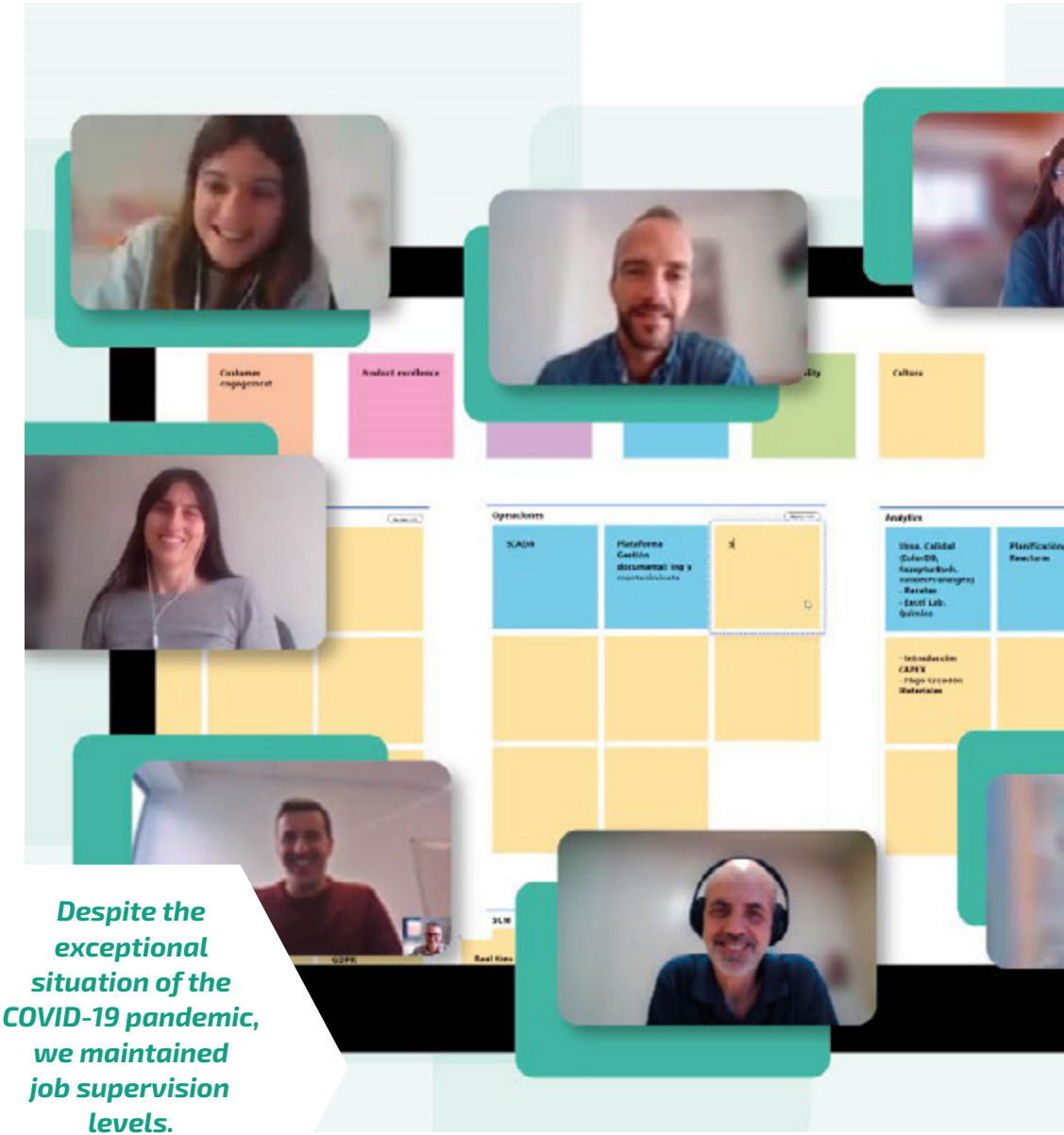
- Foster the communication of preventive measures such as lessons learned, best practises, opportunities for continuous improvements or campaigns on different OHS topics.

HEALTH AND SAFETY RATES	2018	2019	2020
Number of accidents with medical leave	2	0	3
Number of accidents without medical leave	7	5	5
Frequency rate[1]	2.65	0	8.19
Severity rate[2]	0.06	0	0.61

HEALTH AND SAFETY RATES (COMPARED TO INDUSTRY RATES) 2020	
AEQT [1] frequency rate	4.04
FEIQUE[1] frequency rate	6.17
AEQT[2] severity rate	1.82
FEIQUE[2] severity rate	0.32

1. Calculated as frequency rate = 106 × number of accidents / number of hours worked.

2. Calculated as severity rate = 103 × number of missed work days / number of hours worked.



Despite the exceptional situation of the COVID-19 pandemic, we maintained job supervision levels.

The pandemic meant less OHS technicians for our external service companies. However, it is worth mentioning that during the months where there were less service company technicians because of the nationally declared state of alarm, we were able to sustain job supervision through several preventive actions:

- 10 Housekeeping audits carried out by a team made up of Operations managers and shift managers.
- 443 Safety Observations in 2020 (473 OPS in 2019).
- 347 visits (316 visits in 2019).
- 527 additional activities (talks, training courses…).
- 41 Dangerous Situation Notifications in 2020 (58 in 2019).

We also carried out projects for the improvement of safety in processes: monomer and reactor storage according to our reviewal of HAZOP safety analysis, improvements in evacuation lane lighting, a new uninterrupted feed system, improvements in pavements and drains to avoid the risk of slips and falls and cleaning infrastructures to eliminate layers of powder susceptible to causing explosive atmospheres.

Safety Day

For yet another year, we celebrated World Day for Safety and Health at Work, promoted by the International Labour Organization (ILO).

On Tuesday 28 April, it was impossible to carry out the traditional in-person safety week we celebrate this time of year at ELIX, so we celebrated "Safety Day" under the slogan "Let's stop the pandemic: health and safety on the job can save lives".

The programmed activities aim to strengthen safety culture and the physical, mental and social well-being of all the people who form part of ELIX. This year's Safety Day focused mainly on stimulating best practises in terms of well-being, and reflection on safety culture in the face of a new reality imposed by the Covid-19 pandemic.

We carried out the following activities: a Safety Culture webinar to reflect on ways of creating a positive safety culture collectively; a healthy eating workshop, and a workshop to strengthen well-being in sedentary jobs.

10

Contribution to the local community

We aspire to be a business with a positive impact on our local environment and throughout our value chain — one that contributes to improving the global well-being of all areas of society where we have an effect

Our project for the contribution to the local community which is defined in our sustainability strategy, WILL ENSURE A POSITIVE CONTRIBUTION to the communities we directly or indirectly affect. We will work to reduce inequalities, guarantee good health, restore local ecosystems and lastly, to become an inclusive business, this way contributing to society in its entirety.

ELIX's aspirational goals for this programme are:

- ELIX will be recognised for its positive contribution to local communities and ecosystems.

Objectives for 2030 enclosed in this programme are:

- Improve ELIX's contribution to local communities throughout the value chain.
- Contribute to the preservation and regeneration of local ecosystems.

Moreover, this programme will contribute to two of our sustainability goals:

- Adopt ethical values.
- Reduce our ecological footprint to the minimum.
- Commit to the development of human capital.

And to four of our core strategies:

- SG III- Ethical businesses that contribute positively to social well-being throughout the value chain.
- SG IV-Contribute to the reduction of biodiversity loss.

Local contribution

ELIX Polymers is completely tied to the local area and its needs. Every year we reaffirm our responsibility and involvement by increasing the benefits we bring to the local community.

We contribute to the local economy through the hiring of local suppliers, stable employment for 88.6 % of our workers, and various initiatives with local organizations.

We donated our medical grade material ELIX ABS 3D-FC, to manufacture 3D filaments necessary for the printing of face masks, ventilator valves and other medical devices.

This year, our efforts were inevitably centred on getting through the pandemic. We delivered different types of materials to hospitals, healthcare workers and high-risk collectives:

- 95 Tychem PPE (Boiler suits) to the Hospital Universitari Joan XXIII in Tarragona. We also delivered fresh fruit and dried fruit baskets from the ones we received in our facilities to healthcare workers in the different health centres.
- Thirty FFP2 face masks for the workers of the Private Foundation La Muntanyeta, which gives assistance, protection and guardianship to people affected by cerebral palsy or the like throughout the different counties of Tarragona. The aim of our contribution was to guarantee maximum safety in attending to residents of the centre with cerebral palsy, who are a high-risk collective.
- As members of the Chemical Business Association of Tarragona (AEQT), we participated in the donation of 12 respiratory kits as well as PPE, to four hospitals in the province of Tarragona for a total value of 330,000 euros.
- Plastic covers for octabins (large-format packaging boxes) used to make 1,500 protection suits for EGARA ambulance workers.

We also participated in other actions to improve well-being in our local community:

- For yet another year, we joined the campaign for toy collection organised by Juguetes del Rock, with the aim of granting the wishes of children throughout the province of Tarragona who are at risk of social exclusion.
- We signed a collaboration agreement with the URV foundation to support the programme Repte Experimenta (Experiment Challenge), under the slogan "Interest and vocation in Science is not innate, it's created", as a means of acquainting primary and secondary school students with scientific experimentation.
- We collaborated in the Josep Veciana-Perafort School 7th Solidarity Race 2020, where we surprised participants with "Hug-me" gadgets at the finish line.
- For World Heart Day, ELIX collaborators participated in the "11th People's Race for the Heart" and the "Ist Virtual Race", organised by the Spanish Heart Foundation with the aim of promoting physical exercise as a fundamental pillar of good cardiovascular health.
- Once again, we renewed our cooperation commitment with CorAvant, a foundation for congenital heart disease which operates in Catalonia offering psychosocial assistance to children, teens and adults with heart problems since infancy/early childhood. Our commitment is an economic donation to support some of their social projects such as the AventuresCor camps.
- We continued to foster awareness activities, organised by the Spanish Cancer Association (AECC).

In 2020 we made economic contributions to local entities for a total of 6,000 €.

Our sustainability strategy obliges us to establish new collaborations in the local community that go beyond business in the strict sense of the term, with views to contributing to local development and the regeneration of natural ecosystems. In 2021 we will start looking for new partnerships along these lines.

Responsible economic management

ELIX's sustainability strategy determines our commitment to the responsible management of economic resources while enabling us to anticipate future environmental and socioeconomic risks. It is indeed a guide for remaining market leaders and reaching our business goals, ensuring the company's sustainability.

Growth and the optimisation of our company's added value —under the principles of solvency, integrity and a committed team, and rigorously complying with our legal and contractual obligations— are the guarantee of ELIX's commitment to its shareholders and other stakeholders.

2020 was a complicated year for the economy in general. On 11 March 2020 the World Health Organization elevated the public health emergency situation caused by the coronavirus (COVID-19-19) outbreak to international pandemic. The unfolding of events, at national and international levels, entailed an unprecedented health crisis which impacted the macroeconomic environment and progress of businesses, and required the restriction of people's mobility. During the 2020 fiscal year a series of measures were adopted in order to tackle the economic and social impact of this situation. Specifically, one of the measures taken by the Government of Spain was to declare a state of alarm through the publication of Royal Decree 463/2020 on 14 March, which was lifted on 1 July 2020, and the approval of a series of extraordinary emergency measures to tackle the economic and social impact of COVID-19 through the Royal Decree-law 8/2020 of 17 March, as well as others.

The progression of the pandemic is affecting the economy in general and the operations of our company; the effects in the upcoming months are uncertain and will largely depend on the progression and extension of the pandemic.

As a consequence of the effects of this pandemic, the company's sales for the 2020 fiscal year went down due to a decrease in demand for the products the company sells. The company's administrators adopted various measures to mitigate the effects of the company's decrease in business, which included, among others, the following:

- Temporary layoffs (ERTE) of 100% of the company's staff in Spain with reductions of 15% to 35% of monthly work days during the period of 7 May 2020 to 30 September 2020.

Once the previously-mentioned measures were adopted, Senior Management prepared budgets which were approved for the next five fiscal years and whose compliance is subject to the progression and extension of the pandemic. These budgets are based on cash flow estimations expected to be generated in accordance with the expected progression of the company's business.

In this situation, our sales volume CAGR (compound annual growth rate) grew by 0.94 % compared to 2016.

Environmental investment and expenditure in 2020 was 1,728,000 €.

ENVIRONMENT	2018	2019	2020
investment	2,299,000 €	733,000 €	144,263 €
expenditure	1,547,000 €	1,531,000 €	1,584,078 €
Total E+I	**3,846,000 €**	**2,264,000 €**	**1,728,000 €**

HEALTH AND SAFETY[1]	2019	2020
investment	753,000 €	615,920 €
expenditure	720,000 €	712,256 €
Total E+I	**1,473,000 €**	**1,328,176 €**

1. In 2019 we began to differentiate between investment and expenditure en seguridad y salud. We don't have data for 2018.

Investment in environmental protection goes mostly to production processes, with the aim of reducing generated waste and emissions. Furthermore, we participate in various industry initiatives for innovation and the promotion of circular economy.

Expenditure on environmental protection goes mostly to waste management, an area of great relevance and concern: waste elimination, wastewater and air contamination control.

Health and safety investment and expenditure in 2020 was 1,328,176 €.

In 2020 we strengthened and intensified internal monitoring with various audits by the Sinochem group, a legal requirement for groups that list on the stock market. Best practises in internal monitoring contribute to improving our data transparency, reliability and traceability in order to facilitate the decision-making of Senior Management and shareholders.

Daily economic management involves reviewing internal processes to improve their efficiency and efficacy so we can reach our established objectives.

11

About the report

We aspire to be a business with a positive impact on our local environment and throughout our value chain — one that contributes to improving the global well-being of all areas of society where we have an effect

Scope of the report

This is ELIX's fifth sustainability report, covering the period of 1 January to 31 December of 2020. The scope of the information contained in this report corresponds to the business of ELIX Polymers, SL, at its main office and production plant in La Canonja (Tarragona, Spain).

Content definition and criteria for the production of the report

To compile this report, we counted on the direct participation of key people from different management areas at ELIX, represented under the area of Corporate Social Responsibility, who have provided information on the different aspects included herein. In this way, it is the result of a collaborative effort, in which all of the people involved have contributed their knowledge and experience.

During the production of this report, the following standards were considered:

- GRI standards guide of the Global Reporting Initiative (GRI) in accordance with the core option.
- Regulation AA1000SES on AccountAbility for the materiality matrix.

CRITERIA FOR DETERMINING REPORT CONTENT

ELIX's Sustainability Report 2020 fulfills the following criteria in determining content for this type of document according to GRI Standards:

- Participation of stakeholders. When production of the sustainability report began, the different stakeholders of our company were directly involved in the framework of our materiality matrix. A workshop was held where key figures in our organization participated, and ELIX stakeholders were identified, prioritised and finally contacted through a survey. In 2017 there was a revision of stakeholders and material aspects, and there were also in- depth interviews with the town hall of La Canonja, Public Administration and the chemical industry of Tarragona. In 2019 we maintained the interviews with ELIX's key customers within the framework of the organization's sustainability strategy. In 2020 we took into account all aspects identified in previous years.

- Sustainability context. In identifying the different sustainability topics relevant to our organization,

  benchmarking was taken into consideration to that effect. During this process, other companies in the same industry as ELIX as well as international sustainability initiatives were analysed with the purpose of knowing our company's sustainability context and taking this context into account for the production of this document. Also taken into account was the content analysis conducted for the definition of ELIX's new sustainability strategy.

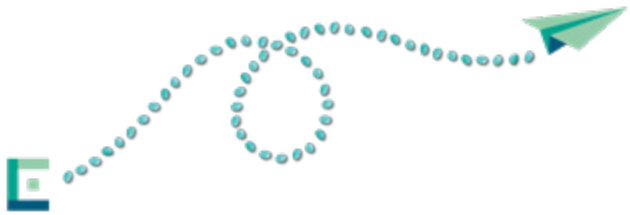
- Materiality. Taken into account for the production of this report was the materiality matrix conducted in 2016 and its subsequent revisions, all in compliance with GRI Standards and in accordance with regulation AA1000SES on AccountAbility. The analysis conducted as well as the results obtained can be consulted in section 11.3 of this report.

- Comprehensiveness. Within the framework of our implemented management systems for quality (ISO 9001), the environment (ISO 14001), energy (ISO 50001) and health and safety, ELIX has defined a series of tracking indicators, both absolute and relative, with the aim of monitoring the progression of our organization's behaviour over time and analysing the effects of our actions, in addition to comparing this information with that of other companies in the industry.

Regarding the application of quality principles in this report, which are also defined by GRI Standards, there is a balance of information provided, including both the positive as well as negative aspects of our organization's performance.

Furthermore, data provided is precise and is used for following up on the management of the different sustainability topics relevant to ELIX, which are reflected in the report.

Finally, data is provided for the year of publication (2020) and the two previous years (2018 and 2019). This gives us a more detailed overview of our organization's performance progress in each relevant sustainability area. Likewise, information is presented in a way that allows for comparisons with the rest of the industry, and the specific indexes included were chosen for this purpose.



Materiality

Improvements made up until now in terms of environmental, social and economic sustainability, have been the result of our materiality matrix carried out in 2016 and revised in 2017, in which we identified the most relevant issues for ELIX and our stakeholders: the chemical industry, local administration, the ELIX team and suppliers. In 2019, stemming from the organizational context analysis to define our sustainability strategy and our strategy for identifying ELIX's key SDGs, we updated our materiality matrix. One of the key topics we incorporated as a new material aspect was the promotion of circular economy, as it is a fundamental aspect of the organization's sustainability strategy and business strategy.

In terms of identifying ELIX's strategic and priority SDGs, in general, all aspects identified as relevant in previous years referred to these SDGs. Additionally, taking into account the importance of protecting land and sea biodiversity to tackle the great sustainability challenges identified, it was considered necessary to incorporate the aspect of biodiversity.

In the current report we cover all of these relevant aspects. In addition, as a result of our sustainability strategy, for the first time we've incorporated digitalisation as another relevant aspect.

MATERIALITY MATRIX

IDENTIFICATION	PRIORITISATION	VALIDATION (APPROVAL/ AUTHORISATION)
I) Analysis of the industry and other companies in the industry. II) Preparation of a list of topics potentially relevant to ELIX's business.	I) Workshop with Senior Management II) Online survey for each one of our shareholders. III) Aspect prioritisation according to importance level considered by two collectives: a) Our shareholders (external environment). b) ELIX (internal environment). IV) Revision of prioritisation: a) Detailed surveys for administration and the chemical industry (2017). b) Selection of relevant internal and external SDGs (2019). V) Sustainability strategy a) Organisation of programmes with specifically selected indicators with Senior Management	I) Production of ELIX's materiality matrix. II) Revision and approval by ELIX's Senior Management: a) Includes topics that are high-priority for ELIX but low-priority for stakeholders (2016). b) Includes relevant material aspects (2019) from context analysis and an internal session, detected in the framework of ELIX's priority SDG identification. c) Includes all sustainability strategy programmes with their respective indicators.

RELEVANCE FOR STAKE-HOLDERS	MATERIAL TOPICS		
HIGH		Hiring of local suppliers Climate change prevention Minimising environmental impact of transport Biodiversity protection	Energy Proper waste and wastewater management Investment in environmental protection Promotion of circular economy[1]
MEDIUM		Promotion of local environment Sustainable supply chain management Labour relations Fostering equality Sustainable catalogue[1]	Responsible economic management Occupational health and safety *Compliance*
LOW	Evaluation of work place in terms of human rights Public policy	Investment in the community Claims system and management at the service of stakeholders	Innovation in products and processes[1] Efficient resource consumption Quality professional careers Membership of industry sustainability initiatives[1] Service and product quality Digitalisation
	LOW	MEDIUM	HIGH
	RELEVANCE FOR ELIX POLYMERS		

1. Topics not included in GRI standards.

Relevant topics and their relation to the value chain

ELIX

SUPPLIERS

- Hiring of local suppliers
- Sustainable supply chain management
- Energy
- Climate change prevention
- Minimising impact of transport
- Biodiversity protection
- Compliance
- Service and product quality
- Contractors
- Labour Relations (with contractors)
- Promotion of circular economy

FORMULATION, POLYMERISATION AND COMPOUNDING

- Responsible economic management
- Innovation in products and processes
- Proper waste and wastewater management
- Energy
- Climate change prevention
- Biodiversity protection
- Investment in environmental protection
- Occupational health and safety
- Quality professional careers
- Fostering equality
- Compliance
- Memberships of industry sustainability initiatives
- Service and product quality
- Sustainable catalogue
- Promotion of circular economy

QUALITY AND PACKAGING CONTROL

- Responsible economic management
- Proper waste and wastewater management
- Efficient resource consumption
- Energy
- Occupational health and safety
- Labour Relations (with contractors)
- Compliance
- Service and product quality
- Promotion of circular economy

SALES
Responsible economic management
Promotion of local environment
Quality professional careers
Compliance
Service and product quality
Sustainable catalogue
Promotion of circular economy

DISTRIBUTION
Responsible economic management
Efficient resource consumption
Climate change prevention
Biodiversity protection
Minimising impact of transport
Compliance
Promotion of circular economy

SOCIETY
Efficient resource consumption
Energy
Proper waste management
Climate change prevention
Biodiversity protection
Minimising impact of transport
Promotion of circular economy
Hiring of local suppliers
Promotion of local environment
Sustainable supply chain management
Fostering equality
Memberships of industry sustainability initiatives

12

GRI and Global Compact content index

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
GRI 101: Foundation 2016					
GRI 102: General disclosures 2016					
ORGANIZATION PROFILE					
102-1	Organization name	10			
102-2	Activities, brands, products and services	13			
102-3	Main office location	13			
102-4	Operations site location	13			
102-5	Ownership and legal status	11			
102-6	Served markets	13			
102-7	Organization size	6; 22			
102-8	Information on employees and other workers	6; 21; 101		8. Decent work and economic growth	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.
102-9	Supply chain	18			
102-10	Significant changes in the organization and its supply chain	No significant changes			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
102-11	Precautionary principles or approach	49-68			
102-12	External initiatives	19			
102-13	Membership of associations	19; 38; 55			
STRATEGY					
102-14	Statement by senior executives responsible for decision- making				
ETHICS AND INTEGRITY					
102-16	Values, principles, standards and rules of conduct	25; 47; 48		16. Peace, justice and strong institutions	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour. Principle 5: Businesses should uphold the effective abolition of child labour.
GOVERNANCE					
102-18	Governance structure	11			
STAKEHOLDER ENGAGEMENT					
102-40	List of stakeholders	41			
102-41	Collective bargaining agreements	99		8. Decent work and economic growth	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
102-42	Stakeholder identification and selection	41			
102-43	Approach for stakeholder engagement	41; 120			
102-44	Key topics and concerns raised	120			
REPORT PREPARATION PRACTICES					
102-45	Entities included in consolidated financial states	121			
102-46	Definition of report content and boundary for each aspect	121-122			
102-47	List of material aspects	123			
102-48	Restatements of information	No significant changes.			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
102-49	Changes in reporting	No changes.			
102-50	Reporting period	2020			
102-51	Year of last report	2019			
102-52	Reporting cycle	Annual			
102-53	Contact point for questions regarding the report	Sergi Pérez, manager of internal communications and people: sergi.perez@elix-polymers.com			
102-54	Statement of report preparation in accordance with GRI standards.	120-121			
102-55	Index of GRI content	127-164			
102-56	Externally assured	The 2020 sustainability report hasn't been externally assured.	Not available.		

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
GRI 200: Economic aspects					
ECONOMIC PERFORMANCE					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	115-117			
103-2	Management approach and components	115-117			
103-3	Management approach evaluation	115-117			
GRI 200: Economic aspects					
201-1	Direct economic value generated and distributed	115-117	Absolute values for economic value generated and distributed are not provided, only percentages.	2. Zero hunger 5. Gender equality 7. Affordable and clean energy 8. Decent work and economic growth 9. Industry, Innovation and Infrastructure.	

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
MARKET PRESENCE					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	13; 100-101			
103-2	Management approach and components	13; 100-101			
103-3	Management approach evaluation	13; 100-101			
GRI 202: Market presence 2016					
202-1	Ratio of initial salary category by gender versus local minimum wage	100		1. Zero poverty 5. Gender equality 7. Affordable and clean energy 8. Decent work and economic growth	
PROCUREMENT PRACTICES					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	88-90	4	4	
103-2	Management approach and components	88-90	4	4	

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-3	Management approach evaluation	88-90	4	4	
GRI 204: Procurement Practices 2016					
204-1	Proportion of expenditure paid to local suppliers	8; 89	4	12. Responsible consumption and production	
ANTI-CORRUPTION					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	47-48	4		
103-2	Management approach and components	47-48	4		
103-3	Management approach evaluation	47-48	4		
GRI 205: Anti-corruption 2016					
205-2	Communication and training about anti-corruption policies and procedures	47-48	4	16. Peace, justice and strong institutions	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
ANTI-COMPETITIVE BEHAVIOR					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects				
103-2	Management approach and components				
103-3	Management approach evaluation				
GRI 206: Anti-competitive behavior 2016					
206-1	Legal actions for anti-competitive behavior and monopolistic practices that go against free competition	There were no legal actions for anti-competitive behavior.	4	16. Peace, justice and strong institutions	
GRI 300: Environmental aspects					
MATERIALS					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	53-54			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-2	Management approach and components	53-54			
103-3	Management approach evaluation	53-54			
GRI 103: Materials 2016					
301-1	Materials used by weight or by volume	53		8. Decent work and economic growth 12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
ENERGY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	71-72			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-2	Management approach and components	71-72			
103-3	Management approach evaluation	71-72			
GRI 302: Energy 2016					
302-1	Energy consumption of the organization	71		7. Affordable and clean energy 8. Decent work and economic growth 12. Responsible consumption and production 13. Climate action	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
302-3	Energy intensity	71		7. Affordable and clean energy 8. Decent work and economic growth 12. Responsible consumption and production 13. Climate action	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
302-4	Reduction of energy consumption	71		7. Affordable and clean energy 8. Decent work and economic growth 12. Responsible consumption and production 13. Climate action	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
WATER					
GRI 103: Management approach 2018					
103-1	Explanation and boundary of material aspects	75-77			
103-2	Management approach and components	75-77			
103-3	Management approach evaluation	75-77			
GRI 303: Water and effluents 2018					
303-1	Water as a shared resource	75-77		6. Clean water and sanitation	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
303-3	Water extraction by source	75-77		6. Clean water and sanitation	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
BIODIVERSITY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	35-36			
103-2	Management approach and components	35-36			
103-3	Management approach evaluation	35-36			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
GRI 304: Biodiversity 2016					
304-1	Operation centers located in or near protected areas or areas of high biodiversity value	ELIX facilities are not located in protected or areas with a high biodiversity value. The nearest natural space to ELIX facilities is the PEIN Sèquia Major, located 4.1 km from our plant. ELIX carries out periodic checks to prevent spills or any type of accident which could affect this or other natural spaces nearby (the Zero Pellet Loss programme, as well as other actions).		13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
EMISSIONS					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	73-75			
103-2	Management approach and components	73-75			
103-3	Management approach evaluation	73-75			
GRI 305: Emissions 2016					

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
305-1	Direct GHG emissions (scope 1)	74		3. Good health and well-being 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
305-2	Energy indirect (Scope 2) GHG emissions	74		3. Good health and well-being 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
305-4	GHG emission intensity	74		13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
305-5	GHG emission reduction	75		13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant atmospheric emissions	84		3. Good health and well-being 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
WASTE					
GRI 103: Management approach 2020					
103-1	Explanation and boundary of material aspects	77-83			
103-2	Management approach and components	77-83			
103-3	Management approach evaluation	77-83			
GRI 306: Waste 2020					

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
306-1	Waste generation and significant waste-related impacts	53; 77		3. Good health and well-being 12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
306-2	Management of significant waste-related impacts	78		3. Good health and well-being 12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
306-3	Waste generated	79		12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
306-4	Waste diverted from disposal	82		12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
306-5	Waste directed to disposal	82		12. Responsible consumption and production	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
ENVIRONMENTAL COMPLIANCE					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	88			
103-2	Management approach and components	88			
103-3	Management approach evaluation	88			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
GRI 307: Environmental Compliance 2016					
307-1	Noncompliance of environmental regulations and legislation.	There were no fines or nonmonetary sanctions for noncompliance of environmental regulations and legislation.		12. Responsible consumption and production 16. Peace, justice and strong institutions	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
SUPPLIER ENVIRONMENTAL ASSESSMENT					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	88-90			
103-2	Management approach and components	88-90			
103-3	Management approach evaluation	88-90			
GRI 308: Supplier Environmental Assessment 2016					

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
308-1	New suppliers who have passed evaluation and selection filters based on environmental criteria	88	Information not available.		Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
GRI 400: Social aspects					
EMPLOYMENT					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	95-96			
103-2	Management approach and components	95-96			
103-3	Management approach evaluation	95-96			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
GRI 401: Employment 2016					
401-1	New hires and staff turnover	95-96		5. Gender equality 8. Decent work and economic growth	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.
LABOR/MANAGEMENT RELATIONS					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	99			
103-2	Management approach and components	99			
103-3	Management approach evaluation	99			
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice time of operational changes	Minimum notice time of organizational changes is 30 days as established by the workers agreement, though in practise, notice is usually given before the required time limit.		8. Decent work and economic growth	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
OCCUPATIONAL HEALTH AND SAFETY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	102-110			
103-2	Management approach and components	102-110			
103-3	Management approach evaluation	102-110			
GRI 403: Health and safety in the work place 2016					
403-1	Occupational health and safety management system	102		3. Good health and well-being	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-2	Danger identification, risk evaluation and incident investigation	109	3. Good health and well-being 8. Decent work and economic growth		Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
403-3	Health services at work	107		3. Good health and well-being	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-4	Worker participation, consultation and communication on occupational health and safety	107		3. Good health and well-being	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-5	Occupational health and safety training for employees	109		3. Good health and well-being 4. Quality education 8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-6	Fostering workers' health	104-107		3. Good health and well-being 8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-7	Impact prevention and mitigation for the health and safety of workers with direct business ties	102		3. Good health and well-being 8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
403-8	Workers covered by an occupational health and safety management system	103		3. Good health and well-being 8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
403-9	Labour accident injuries	110		3. Good health and well-being 8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.
TRAINING AND EDUCATION					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	97-98			
103-2	Management approach and components	97-98			
103-3	Management approach evaluation	97-98			
GRI 404: Training and Education 2016					

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
Average annual hours of training for employees		98		4. Quality education 5. Gender equality 8. Decent work and economic growth	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	100-101			
103-2	Management approach and components	100-101			
103-3	Management approach evaluation	100-101			
GRI 405: Diversity and Equal Opportunity 2016					
405-1	Diversity in governing organs and employees	100-101		5. Gender equality 8. Decent work and economic growth	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
NON-DISCRIMINATION					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	100-101			
103-2	Management approach and components	100-101			
103-3	Management approach evaluation	100-101			
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	There are no incidents of discrimination.		5. Gender equality 8. Decent work and economic growth 16. Peace, justice and strong institutions	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence. Principle 2: Businesses should make sure that they are not complicit in human rights abuses. Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	99			
103-2	Management approach and components	99			
103-3	Management approach evaluation	99			
GRI 407: Freedom of Association and Collective Bargaining					
407-1	Operations and suppliers whose rights for freedom of association and collective bargaining might be at risk	There are no operations or suppliers whose rights for freedom of association and collective bargaining might be at risk		8. Decent work and economic growth	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence. Principle 2: Businesses should make sure that they are not complicit in human rights abuses. Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
SUPPLIER SOCIAL ASSESSMENT					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	88			
103-2	Management approach and components	88			
103-3	Management approach evaluation	88			
GRI 414: Supplier Social Assessment 2016					
414-1	New suppliers that were screened using social criteria	88	Information not available.	8. Decent work and economic growth 16. Peace, justice and strong institutions	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence. Principle 2: Businesses should make sure that they are not complicit in human rights abuses. Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
CUSTOMER HEALTH AND SAFETY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	25			
103-2	Management approach and components	25			
103-3	Management approach evaluation	25			
GRI 416: Customer Health and Safety 2016					
416-1	Assessment of impact on health and safety of product and service categories	25		3. Good health and well-being	
MARKETING AND LABELING					
GRI 103: Management Approach 2016					
103-1	Explanation and boundary of material aspects	29-30			
103-2	Management approach and components	29-30			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-3	Management approach evaluation	29-30			
GRI 417: Marketing and Labeling 2016					
417-1	Requirements for product and service information and labeling	29-30		12. Responsible consumption and production 16. Peace, justice and strong institutions	
SOCIOECONOMIC COMPLIANCE					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	45-48			
103-2	Management approach and components	45-48			
103-3	Management approach evaluation	45-48			
GRI 419: Socieconomic Compliance 2016					
419-1	Non-compliance with laws and regulations in the social and economic area	There are no fines or nonmonetary sanctions for non-compliance with laws and regulations in the social and economic area		16. Peace, justice and strong institutions	

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
INNOVATION IN PRODUCTS AND PROCESSES					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	57-66			
103-2	Management approach and components	57-66			
103-3	Management approach evaluation	57-66			
	Investment R+D+I (percentage of turnover)	65		12. Responsible consumption and production	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
MEMBERSHIP OF INDUSTRY SUSTAINABILITY INITIATIVES					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	121			
103-2	Management approach and components	121		1. Zero poverty 5. Gender equality	

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-3	Management approach evaluation	121			
	Membership of industry sustainability initiatives	121		12. Responsible consumption and production	
CUSTOMER MANAGEMENT (AFTER-SALES SERVICE)					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	23-28			
103-2	Management approach and components	23-28			
103-3	Management approach evaluation	23-28			
	Customer satisfaction survey results	28		12. Responsible consumption and production	

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
LIFE CYCLE ASSESSMENT					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	74			
103-2	Management approach and components	74			
103-3	Management approach evaluation	74			
	Life Cycle Assessment calculation	74		3. Good health and well-being 12. Responsible consumption and production	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
MONITORING THE SUSTAINABILITY OF CATALOGUE PRODUCTS					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	60			
103-2	Management approach and components	60			
103-3	Management approach evaluation	60			
	Updating the catalogue to make it more sustainable	60		3. Good health and well-being 12. Responsible consumption and production	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
PROMOTION OF CIRCULAR ECONOMY					
GRI 103: Management approach 2016					
103-1	Explanation and boundary of material aspects	49-54			
103-2	Management approach and components	49-54			

GRI STANDARD CONTENT		PAGE OR DIRECT RESPONSE	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS	GLOBAL COMPACT
103-3	Management approach evaluation	49-54			
	Initiative to foster Circular Economy	50		12. Responsible consumption and production 8. Decent work and economic growth	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

We would like to thank everyone who has contributed to the production of this Sustainability Report.

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