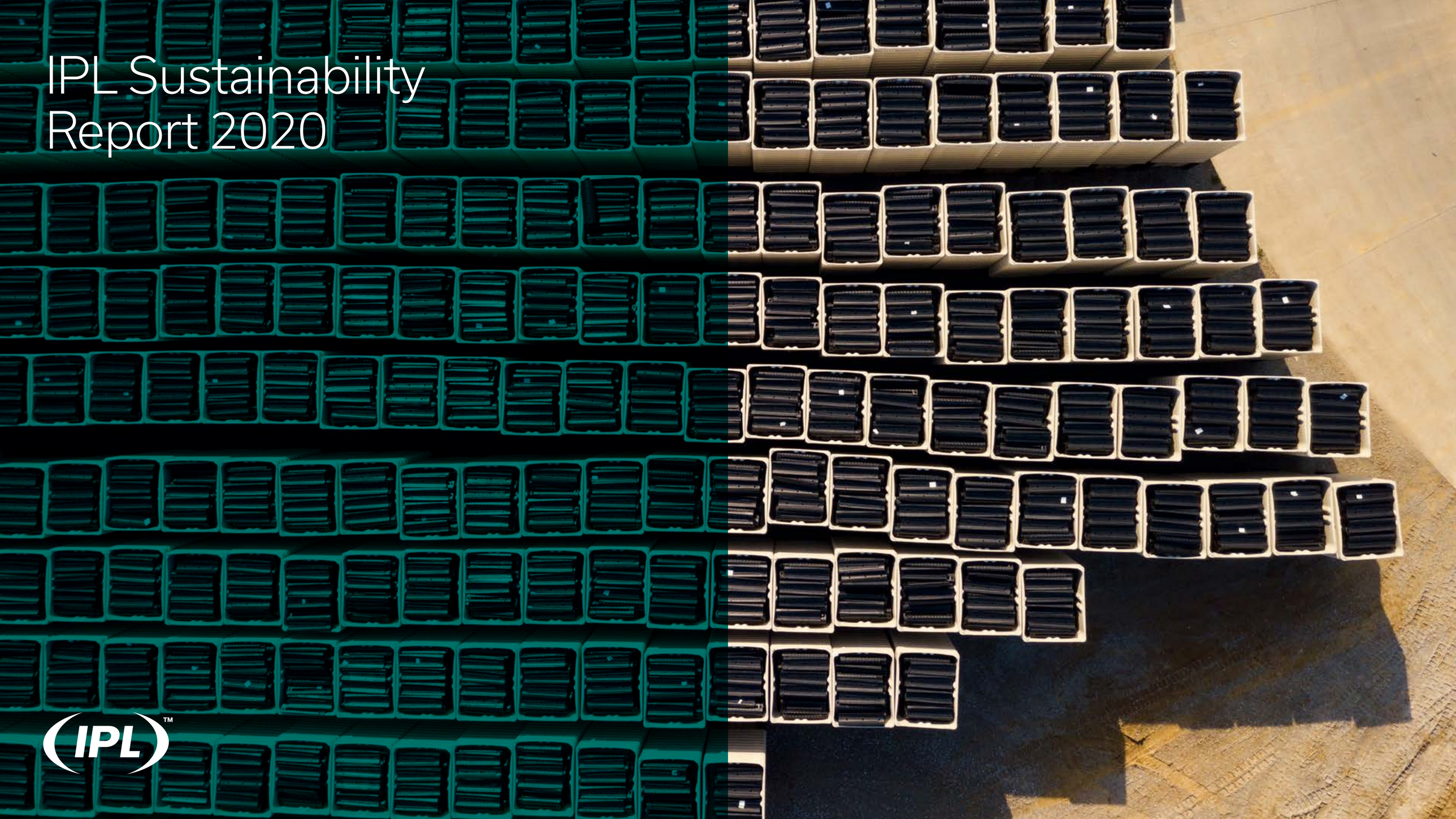
IPL Sustainability Report 2020



Contents

Front cover: An aerial shot of our returnable Hybrid 1012 bins waiting to be shipped from our Shelbyville, Kentucky facility in time for the upcoming harvest.

2020 at a Glance

23,000+

TONNES OF POST-CONSUMER RECYCLED RESIN USED (14.3% OF TOTAL RESINS USED)

9%

IMPROVEMENT IN GROUP SAFETY RATE

$11M

INVESTED IN R&D

29%

OF REVENUE MADE UP OF RETURNABLE OR REUSABLE PRODUCTS

$614M

IN REVENUE FROM 100% RECYCLABLE PRODUCTS

55,000+

TONNES CO2E REDUCED BY USING RECYCLED CONTENT

Your Partner IPL
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Your Partner IPL
About IPL

We are leaders in a wide range of packaging solutions, partnering with customers to drive innovation and help them achieve their sustainability commitments.

Our products are used and reused daily all over the world. We are a trusted innovation partner to some of the biggest brands in the world, including Unilever, Ford, Walmart, Nivea, Friesland Campina, Danone and Heineken.

Our **Environmental, Returnable and Industrial Solutions (ERIS) Division** makes 100% recyclable pails, containers and crates for numerous end-markets, wheeled environmental bins and related reusable containers. Our returnable and collapsible containers include bulk bins for the agriculture and automotive end-markets and reusable interlocking flooring solutions for a wide range of industrial and event applications.

Our **Consumer Packaging Solutions (CPS) Division** makes 100% recyclable thin-wall injection molded containers, lids, overcaps and custom solutions for branded and private label food and consumer products companies.

614M
SALES (US$)

2500+
EMPLOYEES

19
PLANTS

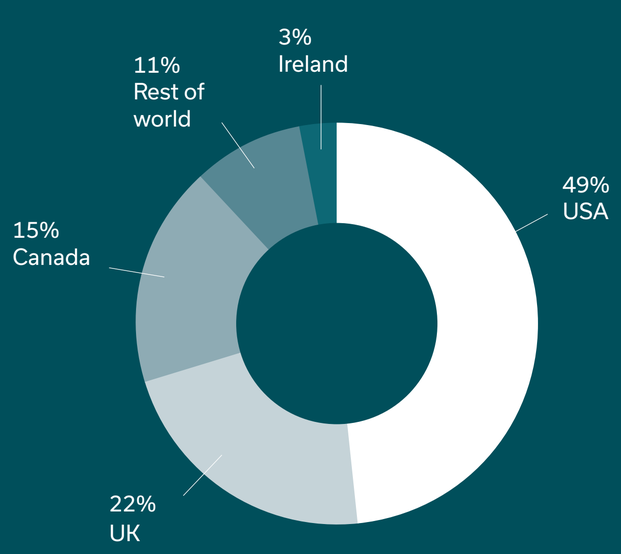
2
DIVISIONS

450+
MACHINES

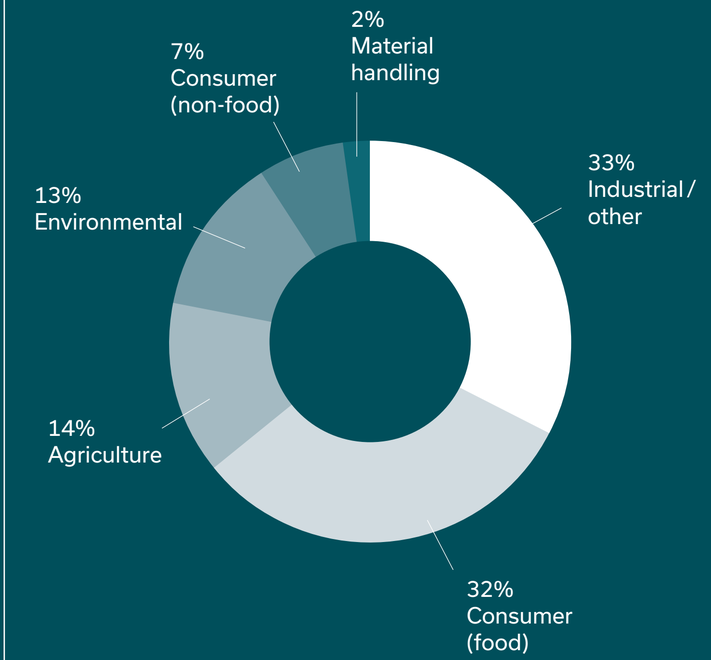
3
R&D FACILITIES

Your Partner IPL
Our Market Presence

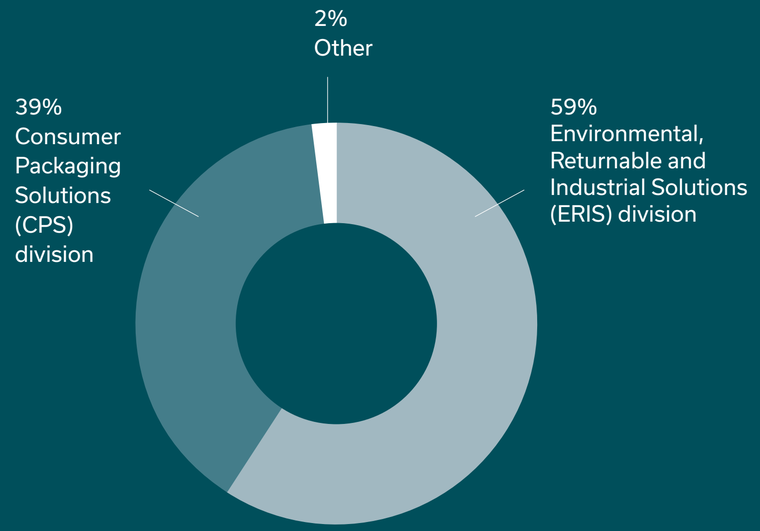
FY2020 revenue $614M by Geography (origination)



FY2020 revenue $614M by End market



FY2020 revenue $614M by Division



Your Partner IPL
Message from our CEO,
Alan Walsh

More than ever we are committed to delivering step change in the responsible use of plastics across the value chain

Our journey to becoming a global leader in returnable, reusable and recyclable packaging is well under way. We are making great progress thanks to the tireless work and dedication of our colleagues around the world.

Following four recent acquisitions, we now have 19 manufacturing facilities in North America, Europe and Asia, facilitating our growing base of global brands and local customers.

The demand for high quality packaging is increasing. With plastic being a reusable and fully recyclable material, we see opportunities to grow across all segments of our business. Environmentally aware consumers, coupled with the emergence of tax incentives, are accelerating the transition to a more circular economy. IPL is well positioned to deliver on these market trends.

We also have ambitious plans to reduce both our own and our customers' greenhouse gas emissions (GHGs), through advanced returnable packaging for complex value chains and increased use of recycled content that underpins the circular economy.

These plans will be further developed throughout 2021.

Alan Walsh
CHIEF EXECUTIVE OFFICER

Your Partner IPL
Comments from our Head of Sustainability, Conor Wall

Increased use of recycled plastics will accelerate our transition to low carbon

Consumers' increasing demand for more sustainable products is reshaping our industry and creating powerful incentives for companies to become leaders of this transition.

Our 2019–2022 Sustainability Strategy steps up to this challenge, with integrated action areas including recycled content, product innovation, climate change and energy efficiency.

By committing to increased amounts of recycled plastics in our products, this in turn will reduce GHGs associated with our raw material inputs, whilst also supporting a more circular business model. In addition, by reporting the carbon impact of our raw materials for the first time in 2020, this also allows us to better understand our wider value chain emissions and become more transparent as a business.

In the near-term we are aiming for operational emissions reduction targets, increased use of recycled content and product innovation to further enhance the reusability and recyclability of our products. Our longer-term ambition is to transition to a low carbon company.

Through 2021 we will be further developing our sustainability performance indicators and goals.

Conor Wall
HEAD OF SUSTAINABILITY

Your Partner IPL
Our Global Reach

Following 4 recent acquisitions we have expanded our global footprint to 19 facilities and 3 R&D centres of excellence.

Emphasis on this global approach will remain a key part of IPL's long-term strategy in the coming years.

Molding the future of circular plastics

↓
Engage and empower the best and brightest talent

↓
Build trust with all partners and stakeholders

↓
Provide responsible and safe solutions

↓
Deliver on our promises safely, on-time and on budget

↓
Innovate constantly to deliver circular solutions

Demonstrate respect

We work with respect and integrity, we always consider where today's work takes us and how it impacts those around us.

Innovate with passion

We drive innovation by being curious, asking questions to discover how things work and generating new ideas.

Delight our customers

We anticipate needs and deliver on our promises, we proactively partner with our customers on breakthrough solutions.

Empower our people

We create an environment where all feel welcome, safe and heard and everyone can contribute towards our common purpose.

Your Partner IPL
An Eventful 2020 / Early 2021

IPL has had an eventful 15 months with strategic acquisitions and product launches to meet emerging market needs.

JAN 2020
Launch of MacroBin® 32, now more durable and reusable

JAN 2020
Acquisition of trade and assets of Ravensbourn Ltd., UK.

MAR 2020
Redesign of oval CPS container to improve GHG savings

SEP 2020
Finalist National Recycling Awards – UK business

SEP 2020
Launch of new generation MacroBin® 26 for improved shipping of fruit and vegetables

OCT 2020
Acquisition of IPL Group by MDP (leading private equity investment firm in the US) and CDPQ (Canadian rollover shareholder)

OCT 2020
Acquisition of PBS – manufacturer of HDPE bottles, UK

DEC 2020
Acquisition of Tech II – manufacturer of overcaps, Dayton, OH

FEB 2021
Acquisition of Leaktite – manufacturer of pails in Boston, MA and Phoenix, AZ

MAR 2021
Acquisition of Coral Products (Mouldings) Ltd. and Interpack Ltd. – returnable packaging business (UK)

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The Future of Plastics
Global Commitment to 2025

The Global Commitment is led by the Ellen MacArthur Foundation (EMF), in collaboration with the UN Environment Programme.

This initiative now unites over 500 businesses, governments and NGOs behind a vision to address plastic packaging pollution.

IPL's 2019–2022 Sustainability Strategy fully aligns with the Commitment and we are proud to support this initiative by continuing to deliver an increasing range of innovative and circular packaging solutions.

Crucially, the Global Commitment establishes standard definitions that underpin the goals. Being aligned with definitions such as recyclability or recycled content promotes greater transparency among global brands, convertors and raw material producers. It ensures a mutual understanding of the end goal as we work to fulfil our individual commitments to the 2025 targets.

2025 Targets[1]

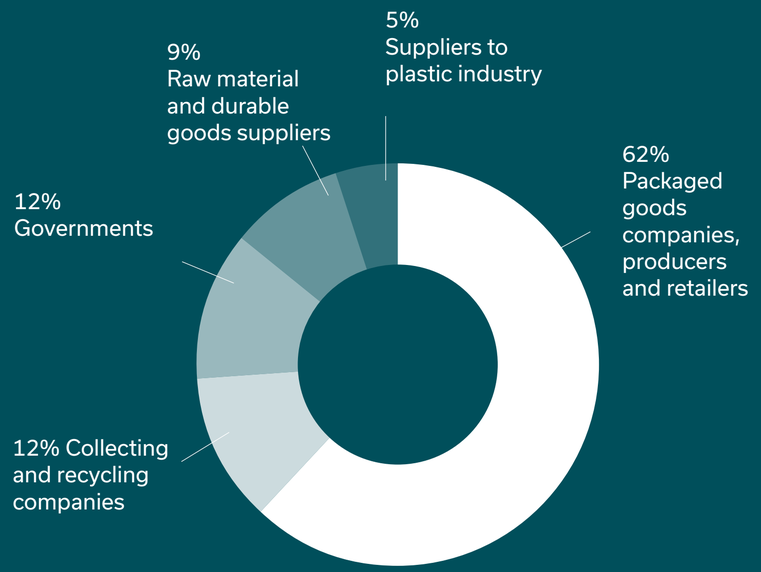
01 Eliminate problematic packaging

02 100% plastic packaging to be reusable, recyclable or compostable

03 Move from single use towards reuse models

04 Set ambitious recycled content target across all packaging used

Breakdown of 500 Signatories[1]



1 Ellen MacArthur Foundation (EMF), 2020, The Global Commitment 2020 Progress Report.

The Future of Plastics
Global Commitment to 2025
Our Performance 2020

● Performance in 2020

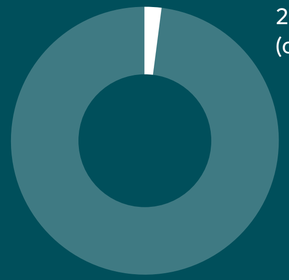
01
Eliminate problematic packaging e.g. Polystyrene, PVC[2]

Signatory Performance 2020[1]

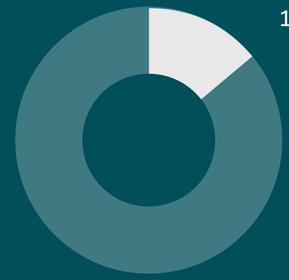
IPL Performance 2020

02
100% plastic packaging to be reusable, recyclable or compostable

03
Moving from single-use towards reuse models



04
Set ambitious recycled content target across all packaging used



1 Ellen MacArthur Foundation (EMF), 2020, The Global Commitment 2020 Progress Report.
2 EMF New Plastic Economy Global Commitment, Feb 2020, Definitions (Pg.7)

In 2020 we replaced 14.3% virgin resins with recycled plastics (2.6% increase on 2019)

The Future of Plastics
Role of Plastics is Becoming Increasingly Important

Plastic packaging gives our customers a safe, responsible and recyclable way to deliver products to their consumers.

It has many unique properties compared to alternatives. A good example is its carbon footprint, which is much less than glass and other packaging materials due to its lightweight and flexibility.

There is still room for improvement and IPL continues to work collaboratively with our customers and raw material suppliers to boost recycling rates through re-design and increasing recycled content.

These efforts will in turn reduce waste and leakage of plastic out of the circular economy, whilst also further reducing greenhouse gas emissions associated with the wider value chain.

Our resins – polypropylene (PP) and polyethylene (PE) are 100% recyclable

Shatter-proof, food-safe, sealable and tamper evident

Significant transportation savings due to unique stacking properties

Less greenhouse gas emissions than other types of packaging

Meets global brand commitments for recyclability

Generates less product waste due to resistance to breakage and denting

The Future of Plastics
Plastics vs. Alternatives

Plastic polymers deliver many benefits to society compared to alternatives. However, their unique properties also have limitations.

Plastic offers a sustainable solution over the course of its life cycle, but only if it is reused or recycled responsibly. Broad and systemic change is urgently needed to address this challenge and we are seeing positive signs of this change both in Europe and across North America.

Emerging policies, regulation, taxation and other incentives will help drive this change and address the potential negative aspects of plastics. Our raw material resin producers are also preparing for new opportunities to make plastic resins more circular and sustainable, where nothing is leaked out of the circular economy.

Criteria	Plastic	Alternatives Glass, cans, paper	Details
Climate change	✓	✗	Less greenhouse gas emissions[3]
Environmental cost	✓	✗	Alternatives have 3.8x greater environmental cost[4]
Energy to produce	✓	✗	More energy required to produce alternatives[5]
Chemical resistance	✓	✗	Metals may oxidize or rust[5]
Weight	✓	✗	Alternatives are 4.1x heavier on average[6]
Plastics in the ocean	✗	✓	Plastic, including fishing gear, makes up 80–85% of marine litter[7]
Low recycling rates	✗	✓	Only 14% of plastic packaging is collected for recycling[8]

3 Franklin Associates, April 2018, Life Cycle Impacts of Plastic Packaging Compared to Substitutes in USA and Canada
4 Trucost, July 2016, Plastics and Sustainability, pg. 7
5 Citi GPS: Global Perspectives and Solutions, Aug 2018, Rethinking Single-use Plastics pg. 4
6 Goldman Sachs, July 2019, The Plastics Paradox
7 European Parliament Think Tank, June 2019, https://www.europarl.europa.eu/thinktank/de/document.html?reference=EPRS_BRI%282018%29625115
8 The Ellen MacArthur Foundation, 2016, The New Plastics Economy: Rethinking the future of plastics Report, https://www.ellenmacarthurfoundation.org/publications/the-new-plastics-economy-rethinking-the-future-of-plastics-catalysing-action

The Future of Plastics
Bold Action Required to Increase Recycled Content

A key element of any sustainable packaging strategy is to ensure that materials are effectively recovered at the end of their useful life to provide new inputs into the circular economy.

Recycling is the most prevalent recovery pathway for packaging. To ensure that packaging is effectively recycled, the packaging community must engage on two critical fronts:

- designing products that flow optimally through the recycling system; and
- supporting end markets for the recycled content created by that system.

At IPL, we are continuously rethinking how we design our products to channel more recycled content back into the value chain, thus underpinning the new circular economy.

Criteria	Recycled[9] Content	Details of benefits
Circular economy	✓	**Unlocks the circular economy** Recycled content allows brand owners to close the loop
GHGs reduced by 88%	✓	**Lowers greenhouse gas emissions** Recycled plastics emit up to 88% less GHGs compared to virgin resins
Recyclability	✓	**Enhances the recyclability of packaging** Specifying recycled content can help ensure that end markets exist
Global Commitments	✓	**Meets 'global commitments' of brand owners** Large retailers are calling for the use of recycled content by brand owners
Pollution	✓	**Takes action against packaging pollution** Strong end markets for recycled content ensure marine pollution is avoided
Regulations	✓	**Gets ahead of emerging regulations** Companies can prepare for regulations stipulating mandatory use of recycled content

9 Sustainable Packaging Coalition, 2019, Design for Recycled Content Guide

The Future of Plastics
Our Products and The Waste Hierarchy

The waste hierarchy is an internationally recognised method of ranking products from most to least preferred in terms of their post-consumer use. All of IPL's products are ranked favourably in this hierarchy.

We do not manufacture any products that need end-of-waste treatments such as incineration or landfill disposal as all our products are in the beneficial categories of reduce, reuse and recycle.

We are leading manufacturers of environmental containers in the UK and Canada. Our returnable containers also hold a leadership position in the US. All our consumer packaging solutions are 100% recyclable and fully compatible with emerging government regulations and leading brand commitments to recyclability.

REDUCE AND REUSE	 Recycling containers, waste carts and wheelie bins	 Agricultural bins, returnable crates and totes.
	13% Group Revenue (FY2020)	16% Group Revenue (FY2020)
	ERIS Division	ERIS Division
RECYCLE	 Pails, jerry cans, paint containers and other industrial products	 Injection moulded containers, lids and overcaps (for food)
	39% Group Revenue (FY2020)	32% Group Revenue (FY2020)
	ERIS and CPS Divisions	CPS Division
INCINERATE	No IPL products in this category	
LANDFILL	No IPL products in this category	

MOST PREFERRED

LEAST PREFERRED

THE CIRCULAR DESIGN GUIDE

ELLEN MACARTHUR FOUNDATION
Rethink the future

We design products for circularity and the transition to low carbon

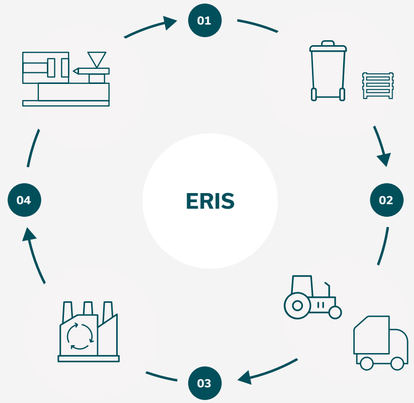
The Future of Plastics
Our Circular Business Model

Circularity is embedded across our two business divisions. Products in our ERIS Division are designed using easy-to-recycle polypropylene (PP) and polyethylene (PE) polymers. In many instances these products are designed for reuse, such as returnable waste carts, agricultural bins and material handing solutions.

Once these products reach their end-of-life, they are designed to be easily returned and recycled into new products through mechanical recycling.

In our CPS division, all our products are 100% recyclable, again using easy-to-recycle resins allowing this valuable resource also to be captured by current mechanical recycling technologies. For food-grade applications, advanced recycling is also expected to drive increased recycling rates in the future.

Environmental, Returnable and Industrial Solutions (ERIS)



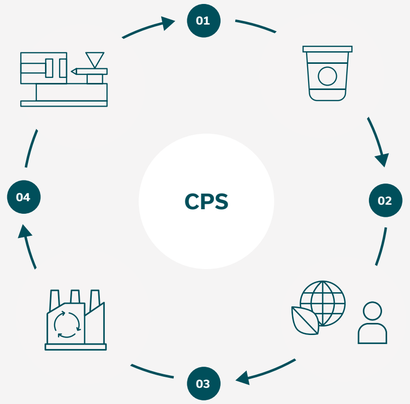
01 – Carts, bins and containers built for waste segregation/ material handling

02 – Used by customers for +10 years

03 – Containers returned at end-of-life for recycling (IPL or other)

04 – Recycled plastic returned to new containers

Consumer Packaging Solutions (CPS)



01 – Designed for 100% recyclability

02 – CPS Packaging has many environmental benefits compared to alternatives

3A – Advanced recycling for food applications (emerging technology)
3B – Mechanical recycling for non-food application

04 – Products returned at end-of-life for recycling

The Future of Plastics
Emerging Regulation Continuing to Drive Step Change

IPL continues to view new and progressive government regulation as a positive and welcome trend to accelerate investment in waste recycling industries and to promote increased use of recycled content across our sector.

New plastic tax legislation is imminent in the UK and EU, which will accelerate these investments in recycling technologies, with Canada and USA following closely. Examples include:

- EU tax on plastic packaging at €0.80 per kg (2021); and
- UK plastic tax on packaging at £200 per tonne (2022), where recycled content is <30%.

Given the favourable position of our products on the waste hierarchy, we believe this will present more opportunities for IPL in this new plastics economy.

Europe and UK

New plastic packaging tax legislation proposed for EU and UK

Incentives will increase use of recycled content in packaging

EU targets 55% plastic recycling by 2030

IPL Opportunity

ERIS in Europe currently utilizing up to 50% recycled vs. virgin resin raw materials

Scaling up use of recycled content to meet emerging legislation/policy

Canada

'Canada-Wide Action Plan on Zero Plastic Waste' (June 2019)

Aims to reduce impacts of plastic waste through value recovery to achieve circular plastics economy

IPL Opportunity

Our circular business model is prepared for emerging policy objectives including:

- Extended producer responsibility;
- Single use plastics ban;
- Incentives for a circular economy; and
- Green procurement promoting circular resins.

USA

Washington State Bill (proposed, 2021): 15% PCR by 2023

New Jersey State Bill (proposed, 2020): 35% PCR by 2022

Oregon State Bill (proposed, 2021): Packaging recovery rate to be established

Draft Federal Legislation. 'Break Free From Plastic Pollution Act of 2020' (Feb 2020)

IPL Opportunity

Transfer of skills and knowledge from European operations ongoing

Product range for PCR established, with trials complete for pails and carts in North America

Suitable PCR suppliers in North America identified

Your Partner IPL
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Sustainability Governance
Materiality – Identifying What Matters

Our material sustainability issues articulate what matters most to our business and are critical to managing our risks and opportunities and our ability to respond to key stakeholders' expectations.

During the preparation of our 2019–2022 Sustainability Strategy, we carried out a detailed assessment of our material topics to understand their importance and provide clear direction on the challenges we face. The assessment included interviews with shareholders, customers, internal and external stakeholders and a benchmarking process against our peers in the packaging industry.

Understanding the results
Using the top 20 material topics facing the Company and ranking them in terms of importance, we established 3 Sustainability Pillars:

- Innovation and The Circular Economy
- Environmental Stewardship
- People, Safety and Communities

Waste	Energy	Climate change	Operational excellence	Innovation and product development/design
Talent attraction and retention	Circular economy	Growth and acquisitions	Health and safety	Sustainable raw materials and supply chain
Regulation	Research and development	Emissions	Ethics and human rights	Plastic use
Training and education	Local communities	Employee relations	Water	Product safety

Sustainability Governance
Our Ambitions

Within these pillars we further identified 10 key action areas on which we will focus in the coming years.

Our sustainability commitments and ambitions are now set for 2022, in line with the UN Sustainable Development Goals.

For each of these 10 action areas, we have stated our ambitions for the next two years.

The strategy will also be updated periodically to ensure alignment with IPL's overall strategic goals.

Innovation and The Circular Economy

01 — Recycled Plastics

Develop products that contain significant amounts of recycled plastics

02 — Innovation and Product Development

Innovate our products to ensure more recycled plastic polymers come back into the circular economy

03 — Design for Circularity

Design products with circular capabilities that can easily become raw materials for the future

Environmental Stewardship

04 — Climate Change

Factor climate change into our decision-making and risk management processes

05 — Energy

Transition to a low-carbon energy future

06 — Waste

Develop new solutions that enable us and our customers to reduce our collective waste footprint

07 — Water

Minimize our water footprint across the business

People, Safety and Communities

08 — Employee Health and Safety

Maintain a culture where the health and safety of our people is a key priority

09 — People Development

Continue to build a diverse and inclusive culture in which our people feel empowered and supported as we invest in continued career development

10 — Support for Local Communities

Actively engage with communities where we operate to create a positive impact and contribute to the local economy

In 2020, we reduced our GHG emission intensity by 5.6% (Scope 1 & 2)

Sustainability Governance
United Nations Global Compact

The United Nations Global Compact works with companies at all stages of their sustainability journey to help them align with the 'Ten Principles' on human rights, labour, the environment and anti-corruption. Since the adoption of the Sustainable Development Goals and Paris Climate Agreement in 2015, businesses around the world have been using these principles to deliver transformative progress holistically and effectively.

IPL's governance framework includes a wide range of corporate policies, which are fully aligned to the 10 principles.

United Nations Global Compact

Human Rights

Principle 1: Support and respect the protection of human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Labour

Principle 3: Uphold the freedom of association and right to collective bargaining

Principle 4: Elimination of all forms of forced and compulsory labour

Principle 5: Effective abolition of child labour

Principle 6: Elimination of discrimination in respect of employment and occupation

Environment

Principle 7: Support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development of environmentally friendly technologies

Anti-Corruption

Principle 10: Work against corruption in all its forms, including extortion and bribery

Sustainability Governance
Integrated Governance Framework

Our sustainability governance framework provides a solid foundation for developing and anchoring sustainability strategy, ambitions and targets. It ensures that we focus on embedding sustainability into the business by implementing decisions in the relevant business areas.

At Group Board level, the Audit and Risk Committee (ARC) assists the Board in fulfilling its oversight responsibilities concerning sustainability, which includes its disclosure responsibilities on environmental, social and governance (ESG) performance.

The ARC is supported by the Executive, Group functions and divisions across the Group which underpin the governance framework.

IPL Board Committees

Human Resources and Remuneration Committee
- Oversees the Group approach to HR policies and remuneration including incentive schemes for the executive directors; and
- Ensures alignment with HR practices.

Audit and Risk Committee (ARC)
- Oversees the Group's sustainability policy, initiatives and performance; and
- Ensures alignment with global best practice.

Executive Risk and EHSS Committee

Management responsibility for sustainability performance, guided by the ARC Committee

Ensures that divisional management uphold their responsibilities for sustainability performance

Group Functions and Networks

Treasury

Operations

HR

I.T.

Legal

Finance

Risk and Internal audit

Global networks including
- Health and Safety;
- Energy;
- Environment; and
- Sustainable resins.

Management Frameworks

Risk Management Framework

Group EHSS Policy

EHSS Management Structure

EHSS Internal audit

EHSS Risk Register

Standards and externally verified certification

Division and operational level responsibilities

Division General Manager

VP of Operations

Plant Manager

EHS Representative, Plant Level

Sustainability Governance
Driving Our Plan Forward

In 2017, our first step was to develop consistent sustainability key performance indicators (KPIs) for the Group. Then in 2018 we published our Sustainability Strategy for the 2019 to 2022 period, setting out key pillars and action areas to focus on over a 4 year timeframe.

Throughout 2019 we further developed our data management systems to monitor progress, and in March 2020 we published our first Sustainability Report, publicly disclosing our Year 1 baseline performance to assurance level. This 2020 report establishes our Year 2 baseline performance, again to assurance level.

With 2 years of reliable baseline data now established, in 2021 we are focused on setting ambitious targets to drive improvement across our key action areas out to 2025. This will be shared in our annual sustainability report next year, with progress against our 2025 targets.

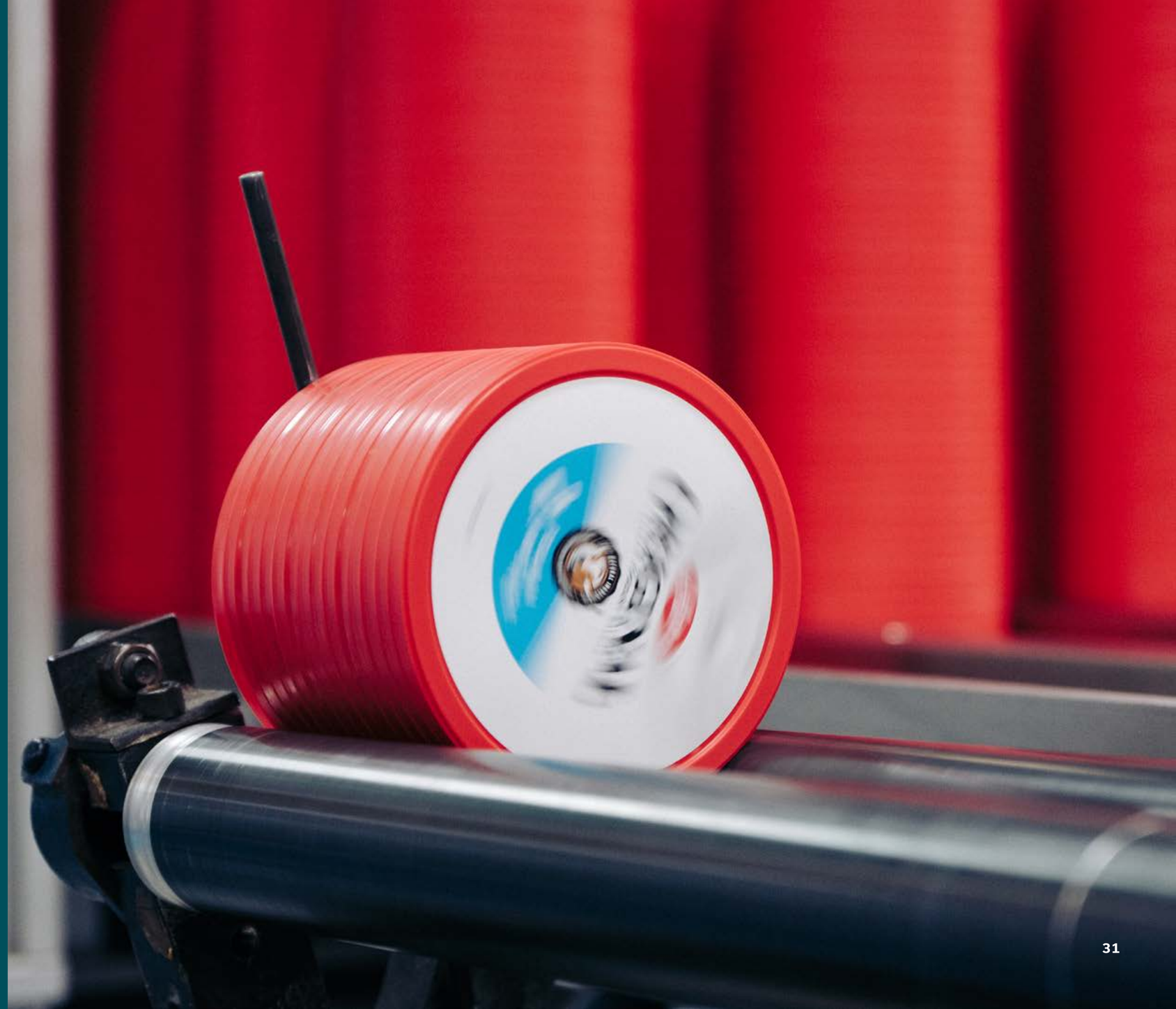
Sustainability Governance
Assurance Standards

For our 2020 sustainability performance Ernst & Young (EY) has provided limited assurance on selected KPIs presented in this report. This is the second year we have reported in accordance with internationally recognised assurance engagements.

EY's assurance engagement was planned and performed in accordance with the International Standard for Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000) and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements (ISAE3410).

A copy of EY's Independent Assurance Statement is provided on page 52.

ISAE 3000 CERTIFIED



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Responsible manufacturing of packaging requires product innovation, advanced recycling infrastructure and enhanced consumer participation.

Strong collaboration with recyclers, resin suppliers and global brands is also critical to the new plastics economy.

Sustainability Highlights
Innovation and The Circular Economy
Action Area Highlights 2020

Sustainable Development Goals (SDGs)[10] **and Strategic Objectives**

SDG 9.4
By 2030, retrofit industries to make them sustainable, with increased resource-use efficiency

SDG 12.2
By 2030, achieve the sustainable management and efficient use of natural resources

SDG 12.5
By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

SDG 12.6
Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Action Area 01
Recycled Content

- 14.3% of all resins used in IPL were from recycled content, an improvement on 2019 (+2.6%)
- 13 products were approved in ERIS division to accept >50% post-consumer resin (PCR)
- New recyclers identified in North America to supply consistent quality of recycled content for emerging product range
- 30% PCR incorporated into an eco-range of jerry cans for the UK market
- 26% of all resins used at California plant from recycled content, up from 18.6% in 2019. Mainly facilitated through the return and recycling of agricultural bins

Action Area 02
Innovation and Product Development

- New paint lid with increased watertightness launched – allows access to viscous paints market
- MacroBin® NG32 bin launched in 2020, enhanced design features
- Redesigned oval tub – reduced weight by 18%, with GHG savings for customer
- Enhanced MasterCart Series to facilitate up to 75% PCR mix
- New Generation MacroBin® 26 launched sustainable solution for shipping of fruit and vegetables

Action Area 03
Design for Circularity (DfC)

- 'Design for Circularity' principles integrated into existing product development process
- IPL collaborating on HolyGrail 2.0 initiative – expected to bring significant advances to packaging
- IPL follows the American Plastic Recyclers (APR) design guide, How2Recycle label system, and customer DfC
- Customers are challenged to design out potential recyclability issues in new product
- Sustainable resin offered to customers as part of design process

10 United Nations 2015, Sustainable Developments Goals.

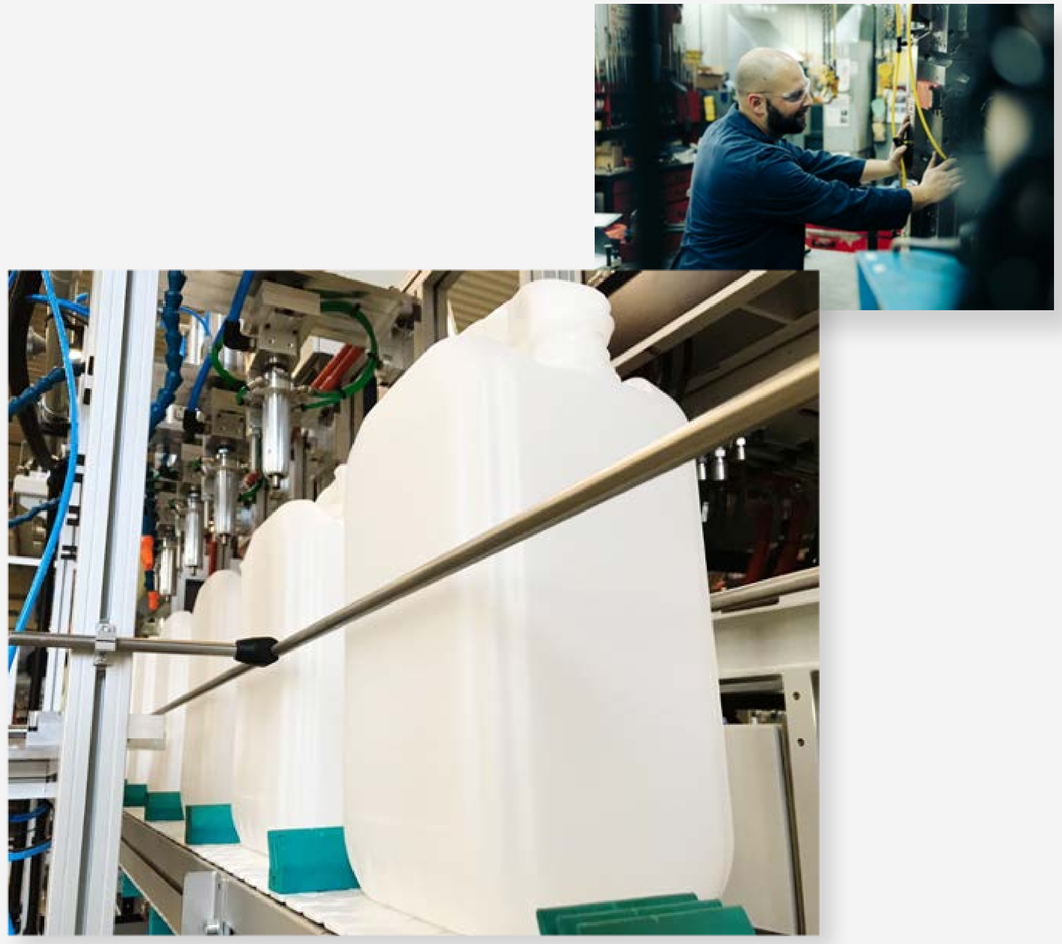
Sustainability Highlights
Innovation and The Circular Economy
Recycled Content

Technical advances deliver 30% PCR in our blow-molded jerry can range

The Challenge
The current jerry can range uses 100% single high-density polyethylene (virgin sources). IPL's technical team set out to incorporate up to 30% PCR in order to develop a new 'eco range' for this product and meet the growing trend of 30% recycled content in plastic packaging.

The Approach
Working with some of our key material suppliers throughout 2020, we successfully trialled PCR materials and proved these materials to be of the same high quality standard we expect of our standard virgin resins.

The Result
The new jerry can range with increased PCR content was successfully delivered to market in Q4 2020, effectively creating an end market for PCR in the circular economy. This product meets the market expectation of minimum 30% PCR content and delivers on commitments made by major retailers and global brands.



Sustainability Highlights
Innovation and The Circular Economy
Product Innovation

Latest in design innovations make a superior bin to outperform other bins on the market

The Challenge
Redesign the MacroBin® 26, commonly used for harvest of fruits and vegetables, to incorporate the latest in design innovations to make a superior bin with new generation features to outperform other bins on the market.

The Approach
Firstly, the bin's columns and feet were reinforced to improve impact resistance and reduce damage during tough harvests. A unique cross pattern design was also incorporated into the base to further reduce damage to produce by decreasing base line deflection.

The Result
- Improved column strength, increasing the bin's durability;
- Innovative geometry protects produce from side impact by creating a 'bruise buffer zone';
- Lightweight construction reduces greenhouse gas (GHG) emissions during transport; and
- Increased ventilation.

Sustainability Highlights
Innovation and The Circular Economy
Design for Circularity

Ground breaking technology will bring significant advances to plastic recycling

The Challenge
One of the biggest hurdles to increased volumes of recycled plastics is the complexity of the packaging design. Countless packaging formats, with many material combinations are in use, while the sorting technology on the end-of-use side is capable of recognising only a few properties.

The Approach
The HolyGrail 2.0 project is assessing two sorting technology proposals that could drive higher quality recycling rates, namely:

- Chemical tracing - encodes information into the plastic resin of the product; and
- Digital watermarking - prints a code directly onto the packaging's surface, or pressed into the material.

The Result
Recently won the Sustainability Leaders Awards 2020 for Circular Economy Innovation. This technology is expected to bring significant advances to packaging, sorting and post-consumer recycled resin supply. HolyGrail will continue to explore possible test markets throughout 2021. IPL is one of more than 100 companies across the value chain leading this initiative.

As we grow, we will continue to focus on reducing GHGs, energy and waste impacts across our value chain, including upstream raw materials.

Sustainability Highlights
Environmental Stewardship
Action Area Highlights 2020

Sustainable Development Goals and Strategic Objectives

SDG 7.2
By 2030, increase substantially the share of renewable energy in the global energy mix

SDG 7.A
By 2030, facilitate access to renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology

SDG 9.4
By 2030, retrofit industries to make them sustainable, with increased resource-use efficiency

SDG 12.2
By 2030, achieve the sustainable management and efficient use of natural resources

SDG 13.2
Integrate climate change measures into policies, strategies and planning

SDG 13.3
Improve education on climate change mitigation

Action Area 04
Climate Change

- Scope 1 (emissions) reduced by 16.1% YoY, primarily due to mild 2019/2020 winter in North America
- Scope 2 (emissions) reduced by 3.7% YoY, due to combination of grid improvements and energy efficiency at plant level
- Scope 1+2 emission intensity improved by 5.6% vs. 2019
- Scope 3 reported for first time
- Weight reduction on SnapPack Series delivered GHG savings of 12 tonnes CO2e per 1.0M units

Action Area 05
Energy

- Energy intensity improved by 1% YoY, due to increased production which is driving efficiencies
- Absolute electricity consumption increased 2.1% YoY; actual tonnes processed increased by 3.1% – we produced additional volume without increasing energy demand
- Product light-weighting may negatively affect our efforts to reduce energy intensity since volume processed is our preferred denominator

Action Area 06 and 07
Waste and Water

- Created an outlet for 23,461 tonnes of recycled plastics – a 5.8% YoY increase on 2019 volumes
- MasterCart Series redesigned for up to 75% PCR in its design, facilitating significant outlet for circular economy
- Scrap rate reduced by 90% on paint can assembly line at Tamworth Plant. US$0.6M savings annualized
- Global review of production scrap rates undertaken in 2020. Action plan being implemented

Sustainability Highlights
Environmental Stewardship
Climate Change

A reduced environmental footprint for tamper-evident consumer packaging application

The Challenge
IPL had several objectives for the upgraded SnapPack Series, including:

- Maintain supply chain performance;
- Lower part weight;
- Deliver GHG reductions;
- Better pallet density;
- Less littering (break tab); and
- Easy to open and modern look.

The Approach
IPL undertook the following steps to deliver a successful project:

- 'Voice of Customer' engagement;
- Concepts mockup;
- Finite Element Analysis (FEA);
- Moldflow analysis;
- Plastic weight and palletization density optimization; and
- Quantitative GHG savings analysis.

The Result
A superior product, with the following product improvements:

- 18% weight reduction;
- 12 tons CO2e reduction per million units (weight-based calculation);
- +20% containers per pallet;
- +60% lids per pallet; and
- Reduced littering potential.

Reduced weight
A weight reduction of 18% achieved

More space efficient
+20% containers
+60% lids

Less emissions
CO2 emissions (12 tonnes CO2e per million units)

Sustainability Highlights
Environmental Stewardship
Waste

Scrap rate reduced by 90% on paint can assembly (annual savings US$0.6M)

The Challenge
A new assembly process with a challenging scrap rate was restraining outputs on our pail assembly line. Scrap rates internally for the welding stage of the line were well in excess of acceptable tolerance levels. In-depth investigations as well as extensive investment in people via training was required to address this challenge.

The Approach
Firstly, the team assessed each stage of product welding to gain a better understanding of this process. Using slow-motion video, the team identified the welding process as being problematic. Scrap rate fluctuations were directly linked to early parameters in the component manufacture.

The Result
The welding process was upgraded in terms of stability and reliability, resulting in scrap rate reduction of 90%. Raw material and costs savings of US$0.6M (annualized) were also realized.

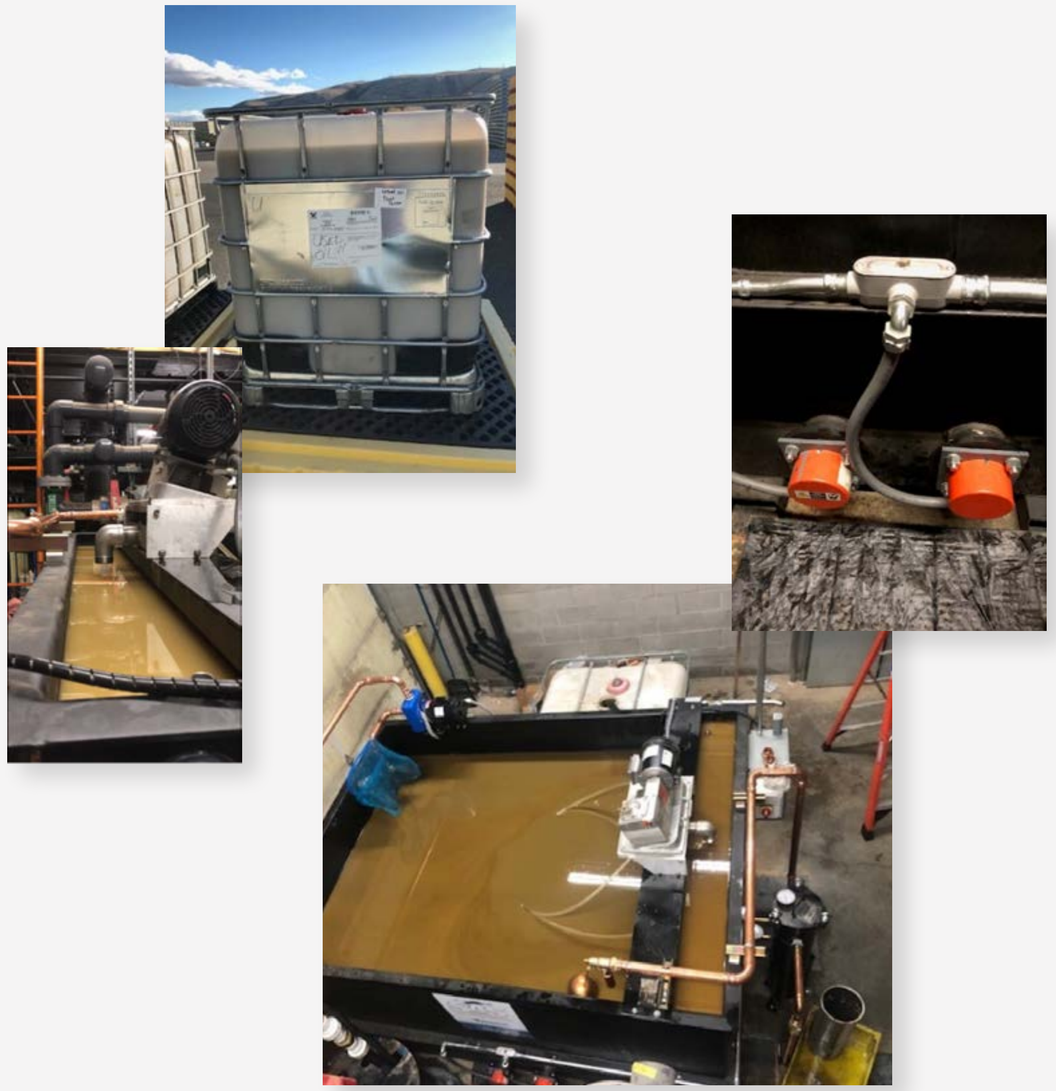
Sustainability Highlights
Environmental Stewardship
Water

US$0.1M annualized savings in using advanced oil skimmer to treat wastewater

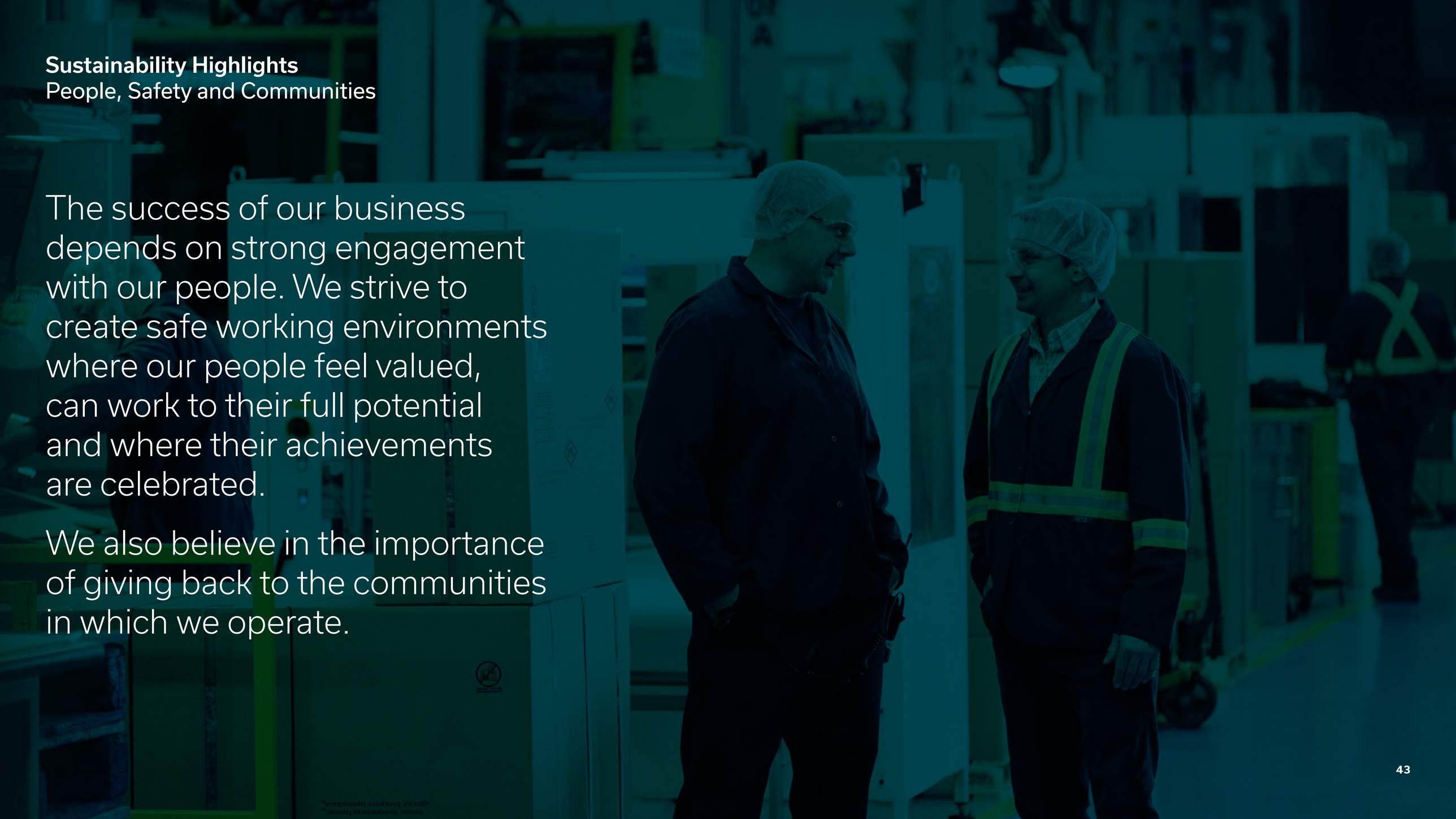
The Challenge
In prior years, the Washington facility was spending +US$0.1M per annum in oily water removal due to cooling water losses containing hydraulic oils. This issue was further compounded by a high-water table, which generated excess amounts of water requiring treatment.

The Approach
Installation of a novel oil/water skimming plant, which uses heat to accelerate the oil/water separation process. Skimmed oil is then decanted into used oil totes for collection and recycling by a waste oil reprocessor.

The Result
For a capital investment of US$35K, the plant eliminated the mixed oil and water issue with annualized savings of +US$0.1M realized. This upgrade also addressed the high-water table challenge. Learnings from this project have been shared with other facilities in the Group to promote continuous improvement.



Sustainability Highlights
People, Safety and Communities



The success of our business depends on strong engagement with our people. We strive to create safe working environments where our people feel valued, can work to their full potential and where their achievements are celebrated.

We also believe in the importance of giving back to the communities in which we operate.

Sustainability Highlights
People, Safety and Communities
Action Area Highlights 2020

Sustainable Development Goals and Strategic Objectives

SDG 8.3
Promote policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation

SDG 8.5
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities

SDG 8.8
Protect labour rights and promote safe and secure working environments for all workers

SDG 9.2
Promote inclusive and sustainable industrialization and by 2030, significantly raise industry's share of employment

Action Area 08
Health and Safety

- Recordable case rate improved by 9% YoY (4.37 vs. 4.78 in 2019)
- Days away and restricted duty rate (DART) improved by 27% YoY (3.2 vs. 4.4 in 2019)
- Early response to COVID-19 in 2020 ensured the safety of our people remained a top priority
- IPL COVID-19 manual commended by regulators in multiple locations
- All plants kept fully operational throughout pandemic, despite challenges
- EHS compliance assessments undertaken by external auditors at all production plants, with no critical findings identified in 2020

Action Area 09
People Development

- Employee Assistance Programs rolled out to all locations to support our people and their families during a challenging year due to COVID-19
- Targeted compensation review to provide support to operations where labor challenges exist
- Increased focus on wellness activities
- Through performance management, manager/ employee communication process significantly improved
- 10% of current workforce at Rotherham plant now made up of apprentices

Action Area 10
Communities

- IPL Macro continued to contribute significantly to '1% for The Planet' Foundation (US$38K)
- Increase in community spend by 11% (US$80K vs. US$71K in 2019)
- Logistics support and CAD$25K worth of products donated to food networks across Canada – COVID-19 response
- Donation of waste carts to local rugby and football clubs in UK – used as 'ice baths'
- Forget-Me-Not charity uses IPL wheeled bins across West Yorkshire and Manchester
- Redesign of a waste cart lid via outreach program with Arthritis Action Charity

Sustainability Highlights
People, Safety and Communities
Health and Safety

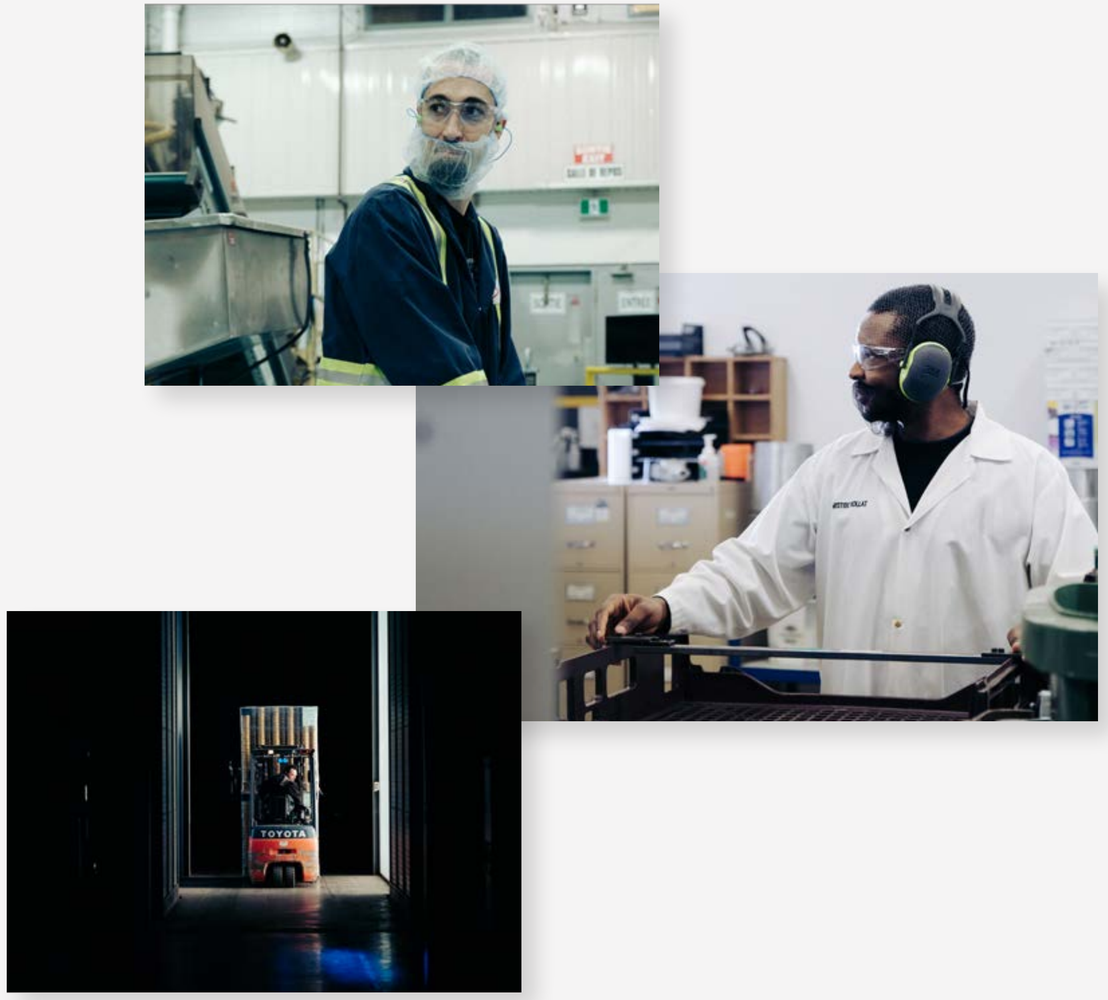
36% improvement in safety at St. Damien plant

The Challenge
In 2019, management at our St. Damien plant introduced new measures to bring a renewed focus to the importance of health and safety at this location. Following consultations with numerous internal and external stakeholders, a detailed plan was prepared, and clear objectives set for the 2020 period.

The Approach
Measures introduced in early 2020 included:

- In-house training and coaching on safety leadership to supervisors and managers;
- Detailed analysis of all injury and near miss reports;
- Investigation coaching to managers;
- Reinforcement of housekeeping measures; and
- Daily floor inspections by management

The Result
Year-on-year improvement across all key performance indicators for health and safety, with an overall Total Recordable Case (TRC) rate improvement of 36% in 2020 versus the previous 2019 performance. This performance also led to an overall Group improvement of 9% on the TRC rate when compared to 2019.



Enhanced performance management processes are changing the conversation

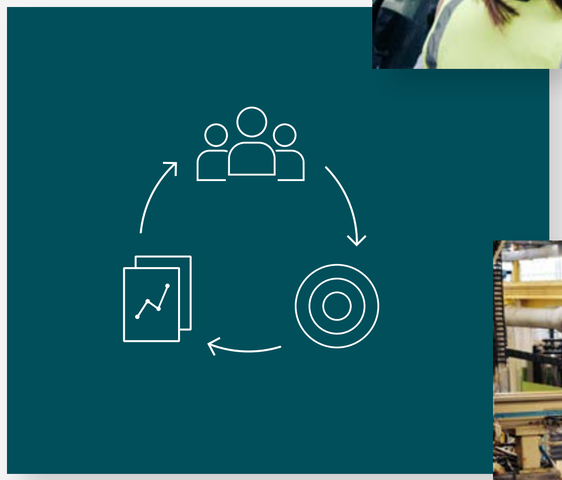
The Challenge
A streamlined and consistent approach was needed to enable the business to continue its growth trajectory. Receiving frequent and high-quality feedback, followed by recognition of their valued contribution, will further empower our people and enable them to realize their full potential.

The Approach
Our people perform better and are more engaged when they know clearly:

- What is expected of them;
- How they contribute to IPL's success; and
- When they receive regular and quality feedback.

We adopted a consistent approach to setting and cascading objectives and having performance conversations.

The Result
In 2020 there was a considerable increase in the adoption of our revised process, stimulating conversation across the business around performance objectives. These improvements have generated a greater level of conversation and performance feedback as well as increasing empowerment of our people across the business.

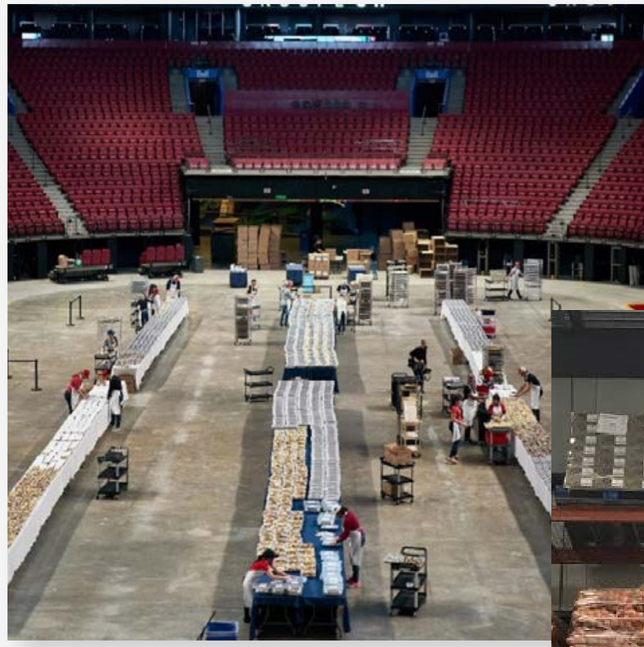


IPL takes part in the largest solidarity food preparation event in Canada

The Challenge
Our St. Damien plant partnered with "Les Cuisines Solidaires" (Solidarity Kitchens) to help with food bank networks across Canada. In Edmundston, we sponsored COVID-19 events to encourage solidarity in the community.

The Approach
We provided logistical support and also a product donation of CAD$25K towards the Solidarity Kitchens Campaign. In Edmundston we contributed towards the purchase of PPE for a local charity caregiver to continue their services. We also sponsored the Edmundston firework display.

The Result
Les Cuisines Solidaires achieved their goal of 2 million meals for food banks across Canada, the largest solidarity food preparation event in the Country. Community events in Edmundston were also very well received, meeting our ambition to create a positive impact by actively engaging in the communities in which we operate.



Your Partner IPL
The Future of Plastics
Sustainability Governance
Sustainability Highlights
Our Performance

Our Performance
Innovation and The Circular Economy

	What we said	What we did in 2020	Performance in brief	2019	2020*
Recycled Plastics	Develop products that contain significant amounts of recycled plastics	5.8% YoY volume increase of recycled content used in the Group Significant increase of recycled content at Tamworth Plant, primarily driven by plastic packaging tax due in April 2022 New product trials in ERIS division will facilitate up to 75% PCR across a range of products	14.3% recycled content vs. virgin resins used across the Group	13.9% Δ	14.3% Δ
Innovation and Product Development	Innovate our products. Ensure more recycled plastic polymers come back into the circular economy	R&D investments made in emerging polymers, new process technologies, high-end injection mold development, recycled content trials and process automation New generation returnable bins brought to market for agriculture market (MacroBin® 26NG and 32NG) Omnicart Series also launched – universal design to withstand all types of collection equipment and waste streams in North America	US$11.046M Δ represents 1.80% of total revenues for 2020	1.64%	1.80%
Design for Circularity	Develop new solutions that enable us, and our customers, to reduce our collective footprint	Principles of design for recyclability integrated into the IPL Product Development Process Enhanced design of pails in North America will reduce associated carbon emissions in value chain Redesign of consumer SnapPack Series will also reduce customer GHG emissions.	29% of products in the Group are re-usable or returnable 100% of IPL products recyclable	n/a	29%

* Progress performance metrics do not include data from aquisitions made in the 2020 period. These will be included in the 2021 report.
Δ Independent Assurance provided by EY

Our Performance
Environmental Stewardship

	What we said	What we did in 2020	Performance in brief (vs. 2019)	2019	2020*
Climate Change	Factor climate change into our decision-making and risk management processes	**Scope 1 (On-site emissions from fuels)** Absolute tCO2e reduced primarily due to milder weather conditions in North America during 2019/2020 winter	Absolute: 2,810 tonnes CO2e (-16.1% YoY variance)	3,350 tCO2e Δ	2,810 tCO2e Δ
		Scope 2 (Emissions from purchased electricity) Absolute tCO2e reduced primarily due to greening of the electricity grid across most jurisdictions	Absolute: 67,846 tonnes CO2e (-3.7% YoY variance)	70,430 tCO2e Δ	67,846 tCO2e Δ
		Scope 3 (Emission from raw materials) First year for IPL to calculate scope 3 emissions	Absolute: 385,019 tonnes CO2e	n/a	385,019 tCO2e Δ
		Scope 1+2 (Combined emissions) Intensity decreased due to greening of the electricity grid and improved energy efficiency	Intensity: 115 tonnes CO2e per $1.0M revenue (-5.6%YoY variance)	122	115
Energy Efficiency	Transition to a low-carbon energy future	Absolute energy use (electricity) increased, driven by increased sales in CPS and ERIS in Europe	Absolute: 234.4 million kWH (+2.1% YoY variance)	229.5 MkWH Δ	234.4 MkWH Δ
			Intensity: 1,426 kWh/tonnes processed (-1.0% YoY variance)	1,440 kWh/t Δ	1,426kWh/t Δ
Waste	Develop new solutions that enable us, and our customers, to reduce our collective footprint	Global review of production scrap rates undertaken in 2020. Action plan being implemented following results	100% of plants audited to determine production scrap rate		

* Progress performance metrics do not include data from aquisitions made in the 2020 period. These will be included in the 2021 report.
Δ Independent Assurance provided by EY

Our Performance
People, Safety and Communities

	What we said	What we did in 2020	Performance in brief (vs. 2019)	2019	2020*
Health and Safety	Maintain a culture where the health and safety of our people is a key priority	Early response to COVID-19 in 2020 ensured the safety of our people remained a top priority IPL COVID-19 manual commended by regulators at multiple locations Significant management focus on Health and Safety performance throughout 2020 with improvement plans initiated where required	Total Recordable Case Rate (TRCR): 4.37 (-8.6% YoY variance)	4.78 Δ	4.37 Δ
People Development	Continue to build a diverse and inclusive culture in which our people feel empowered and supported as we invest in continued career development	Increased focus on developing the diversity of our teams Through performance management, manager/employee communication process significantly improved Further development of apprenticeship programs in the UK	25% female representation on Executive Leadership Team, 0% in 2019 29% female representation across the Group 10% of workforce at Rotherham plant now made up of apprentices	0%	25%
Communities	Actively engage with communities where we operate to create a positive impact and contribute to the local economy	Increased spend in our communities, on projects including: • Food banks across Canada to address COVID-19 challenges (St. Damien); • Community events to support COVID-19 activities (Edmundston); • Partnered with Arthritis Action to design fit for purpose bin lid (Tamworth); • Science visits by local community to understand our plant (Rotherham); and • '1% For The Planet' contributions for certain agricultural bin products.	11% YOY increase on total spend vs. 2019	$71,428 Δ	$79,494 Δ

* Progress performance metrics do not include data from aquisitions made in the 2020 period. These will be included in the 2021 report.
Δ Independent Assurance provided by EY

Our Performance
Independent Assurance Statement to IPL Plastics Limited.

Scope
We have been engaged by IPL Plastics Limited ('IPL') to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on IPL's selected subject matter information marked with the symbol Δ (the "Subject Matter") in the Sustainability Report ("the Report") for the year ended 31 December 2020.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by IPL
In preparing the Subject Matter, IPL applied their internally developed KPI Boundary Reports ("the Criteria"). Such Criteria were specifically designed by IPL to guide the measurement and reporting of the Subject Matter. As a result, the Subject Matter may not be suitable for another purpose.

IPL's responsibilities
IPL's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements (ISAE 3410), and the terms of reference for this engagement as agreed with IPL on 17th December 2020. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

Our Independence and Quality Control
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.
EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed
Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:
- Interviewed management to understand the key processes, systems and controls in place for the preparation of the Subject Matter.
- Performed a review of the data management systems, tested reasonableness of conversion factors applied, reviewed alignment with the Criteria and conducted analytical review procedures over the Subject Matter.
- Undertook a remote desktop site visit to a selected IPL operation to understand the process of data collection and reporting from site level to head office.
- Agreed sample selection to supporting documentation and re-performed calculations.
- Assessed the appropriateness of the Criteria for the Subject Matter.
- Reviewed the Report for the appropriate presentation of the Subject Matter, including the discussion of limitations and assumptions relating to the data presented.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion
Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended 31 December 2020, in order for it to be in accordance with the Criteria.

Ernst & Young
Dublin, 23 March 2021

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