

# Thriving in the circular economy

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ESG 2021  
Report



# GRI Index

This is IFCO's first ESG report, which marks IFCO's commitment to reporting on an annual basis. The data in this report covers the fiscal year July 1, 2020–June 30, 2021, unless otherwise stated. This report and GRI index have been prepared in accordance with the GRI Standards: Core option. For a detailed explanation of the standards, visit the GRI website.

## General Disclosures

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>GRI 102: General standard disclosures 2016</b>		
<b>Organization profile</b>		
102-1	Name of the organization	IFCO SYSTEMS GmbH/IFCO Management GmbH
102-2	Activities, brands, products, and services	Our services cover every aspect of Reusable Packaging Containers (RPCs) management, from delivering clean containers to producers, to collecting them from retailers, to cleaning and sanitizing them again, ready for redistribution.
102-3	Location of headquarters	Pullach, Germany
102-4	Location of operations	IFCO has operations in the following countries: <ul style="list-style-type: none"> <li>■ United States, Canada</li> <li>■ Colombia, Chile, Uruguay, Argentina and Brazil</li> <li>■ China, Japan</li> <li>■ Turkey, Italy, Spain, France, Greece, Portugal, Germany, Austria, Switzerland, Norway, Finland, Poland, Slovakia, Russia, Denmark, Croatia, Czech Republic, Hungary, Romania, UK and South Africa</li> </ul> <a href="https://www.ifco.com/services-products/">https://www.ifco.com/services-products/</a>
102-5	Ownership and legal form	IFCO SYSTEMS GmbH is owned by funds advised by Triton Partners and Luxinva, a wholly owned subsidiary of the Abu Dhabi Investment Authority (ADIA).
102-6	Markets served	IFCO serves customers including grocery retailers, growers, packers, producers, distributors and wholesalers across markets located in Europe, North and South America, Africa and Asia.
102-7	Scale of the organization	IFCO has 1,251 employees and their operations take place in 93 service centers. They serve over 1.9 billion shipments per year. Total sales revenue of the company of 1.1 billion EUR.
102-8	Information on employees and other workers	Please see Table 1 on p.13.
102-9	Supply chain	<a href="#">IFCO SmartCycle™ – A circular approach</a> ESG Report: Circular supply chains, p.11–12
102-10	Significant changes to the organization and its supply chain	In May 2019, IFCO was acquired by Triton Partners and Abu Dhabi Investment Authority (ADIA).

GRI Indicator	GRI Disclosure	Response/Page(s)
102-11	Precautionary Principle or approach	<a href="#">Code of Conduct</a> ESG Report: Our Business Continuity Plan, p.14
102-12	External initiatives	ESG Report: About this report, p.6
102-13	Membership of associations	ESG Report: Cradle to Cradle®, p.21 Reusable Packaging Association (RPA), Stiftung Initiative Mehrweg (SIM), Reusable Packaging Europe (RPE)
<b>Strategy</b>		
102-14	Statement from senior decision-maker	ESG Report: A message from our CEO and CFO, p.5
<b>Ethics and integrity</b>		
102-16	Values, principles, standards, and norms of behavior	ESG Report: Who we are, p.4 <a href="#">Zero Harm Charter</a> <a href="#">Human Rights Policy</a> <a href="#">Code of Conduct</a>
<b>Governance</b>		
102-18	Governance structure	ESG Report: Governance, p.13
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	Grocery retailers, growers, producers, distributors, wholesalers, employees, shareholders, suppliers and the community
102-41	Collective bargaining agreements	Percentage of total employees covered by collective bargaining agreements is 39%.
102-42	Identifying and selecting stakeholders	ESG Report: IFCO materiality assessment, p.7
102-43	Approach to stakeholder engagement	ESG Report: IFCO materiality assessment, p.7
102-44	Key topics and concerns raised	ESG Report: IFCO materiality assessment, p.7 ESG Report: Our ESG strategy, p.8

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>Reporting practice</b>		
102-45	Entities included in the consolidated financial statements	IFCO Systems Austria, IFCO Systems Croatia, IFCO Czech (Czech Republic), IFCO Systems Skandinavien (Denmark) and Norway Branch, IFCO Systems Finland, IFCO Systems France, IFCO Systems Hellas (Greece), IFCO Systems Hungary, IFCO Systems Italia (Italy), IFCO Systems Poland, IFCO Systems Portugal, International Food Container Organization (Romania), IFCO Russia, IFCO Systems Slovakia, IFCO Systems Espana (Spain), IFCO Systems Schweiz (Switzerland), IFCO Systems Turkey, IFCO Systems UK, IFCO Systems UK and South Africa Branch, IFCO Systems Canada, IFCO Systems US, IFCO Systems Argentina, IFCO Brazil, IFCO Chile, IFCO Systems Colombia, IFCO Peru, IFCO Uruguay, IFCO Systems China, IFCO Japan
102-46	Defining report content and topic Boundaries	ESG Report: About this report, p.6
102-47	List of material topics	ESG Report: IFCO materiality assessment, p.7
102-48	Restatements of information	This is IFCO's first ESG Report.
102-49	Changes in reporting	This is IFCO's first ESG Report.
102-50	Reporting period	July 1, 2020–June 30, 2021 ESG Report: About this report, p.6
102-51	Date of most recent report	This is IFCO's first ESG Report.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Inigo Canalejo Vice President, ESG <a href="mailto:inigo.canalejo@ifco.com">inigo.canalejo@ifco.com</a>
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance to GRI Standards: Core option.
102-55	GRI content index	<a href="http://www.ifco.com/sustainability">www.ifco.com/sustainability</a>
102-56	External assurance	IFCO does not currently look for external assurance for the report.

## Standard Disclosures

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>Economic</b>		
<b>GRI 103: Management approach 2016</b>		
<b>103-1</b>	Explanation of the material topic and its Boundaries	<p>ESG Report: About this report, p.6</p> <p>IFCO is committed to being a responsible and valuable partner in the supply chain, continuing to build a sustainable business that serves its customers, employees and shareholders and the communities in which they live.</p> <p>A strong and dynamic supplier base is essential to IFCO's long-term success. IFCO relies on the expertise and skill of suppliers to meet customers' changing needs.</p> <p>IFCO is committed to working with its supplier partners to develop more efficient, safer and sustainable supply chains by abiding by the principles and values outlined in its Code of Conduct and Zero Harm Charter which are implemented through local business policies.</p>
<b>103-2</b>	The management approach and its components	<p>ESG Report: Business ethics and transparency, p.14</p> <p><a href="#">IFCO Code of Conduct: Integrity Line Policy, p.13</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Bribery and Corruption Policy, p.34</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Money Laundering Policy, p.46</a></p> <p><a href="#">IFCO Code of Conduct: Competitive Compliance Policy, p.21</a></p> <p><a href="#">IFCO Code of Conduct: Supplier Policy, p.32</a></p> <p>As part of our aspiration to lead the industry through best-in-class governance and compliance, we will be evaluating and strengthening our current policies, frameworks and employee trainings, as well as implementing new policies where required by 2025. We expect our supplier partners to work with IFCO to develop more efficient, safer and sustainable supply chains, including by conducting business in compliance with all applicable laws and regulations and in accordance with the principles and values set forth in our supplier policy, which applies to all our supplier partners (but not limited to) our subcontractors, consultants, service providers and their employees.</p>
<b>103-3</b>	Evaluation of the management approach	<p>IFCO's policies are reviewed on an annual basis. We circulate awareness of our policies through internal communications and require new starters to read IFCO's policies and Code of Conduct. Currently, we are in the process of implementing new training tools to systematically track and manage compliance training, implementation of new policies and/or re-educate learners on changes in policy.</p>
<b>GRI 204: Procurement practices 2016</b>		
<b>204-1</b>	Proportion of spending on local suppliers	<p>The majority of IFCO's procurement spend takes place in our local area of operation. Our largest categories of spend include new RPCs, transport and partner sites.</p>

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>GRI 205: Anti-corruption 2016</b>		
205-1	Operations assessed for risks related to corruption	<p>ESG Report: Business ethics and transparency, p.14</p> <p><a href="#">IFCO Code of Conduct: Integrity Line Policy, p.13</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Bribery and Corruption Policy, p.34</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Money Laundering Policy, p.46</a></p>
205-2	Communication and training about anti-corruption policies and procedures	<p>IFCO communicated the Code of Conduct with its employees globally since its launch on June 30, 2020. 100% employees with access to our HR systems have received it electronically. The Code of Conduct has also been made available to employees without access to HR systems at our service centers.</p> <p><a href="#">IFCO Code of Conduct: Integrity Line Policy, p.13</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Bribery and Corruption Policy, p.34</a></p> <p><a href="#">IFCO Code of Conduct: Anti-Money Laundering Policy, p.46</a></p>
<b>GRI 206: Anti-competitive behavior 2016</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero actions related to anti-competitive behavior.
<b>Environmental</b>		
<b>GRI 103: Management approach 2016</b>		
103-1	Explanation of the material topic and its Boundaries	<p>ESG Report: About this report, p.6</p> <p>Our business model takes a holistic view of the fresh supply chain to focus on sustainable reusable packaging solutions that are 100% recyclable.</p> <p>IFCO's circular supply chain and the reuse of RPCs are central to the carbon transition and tackling single-use plastics. Our low carbon business model generates significant CO<sub>2</sub> savings in the supply chain when compared to single-use packaging.</p> <p>A large part of our carbon footprint relates to our Scope 3 emissions which come from transport and the materials used to manufacture new RPCs, which are needed to support our business growth. We are also committed to looking at more ways to recycle the water we use in our wash facilities and reduce our energy consumption in IFCO owned and partner sites.</p>

GRI Indicator	GRI Disclosure	Response/Page(s)
103-2	The management approach and its components	<p>We maximize efficiency and minimize our own and our customers' carbon footprint. By embracing the circular economy concept of "share-reuse-reduce", we reject linear "take-make-waste" designs. IFCO's circular supply chain and the reuse of RPCs are central to the carbon transition and tackling single-use plastics. We are focused and committed to running our operations more efficiently and these are some of our initiatives:</p> <ul style="list-style-type: none"> <li>■ Maximizing vehicle fill rate, network optimization and increasing the use of alternative fuels and multimodal transport.</li> <li>■ We follow the greenhouse gas (GHG) protocol to estimate our Scope 3 emissions and our objective is to implement the Science Based Targets initiative (SBTi) approach in order to measure our emissions more accurately and decarbonize our supply chain in alignment with a 1.5-degree future.</li> <li>■ We have set a target for IFCO to use 100% renewable electricity by 2025.</li> <li>■ Installing energy-efficiency systems as well as decreasing commuting miles with the ultimate goal of reducing our emissions, including Scope 3.</li> <li>■ IFCO is committed to becoming a Zero Waste Business by 2025.</li> <li>■ Commitment to working towards Zero Harm, meaning no injuries and no environmental damage.</li> <li>■ Improving washing technology with closed-loop systems that minimize water and energy use.</li> <li>■ Our Environmental Policy includes seeking out supplier partners who have a proactive approach to environmental risk management and who manage natural resources responsibly; and ask our contractors to adhere to the same environmental standards as we do.</li> </ul>
103-3	Evaluation of the management approach	<p>IFCO manages ESG data in Accuvio ESG software - Scope 1, 2 and 3.</p> <p>It is a minimum requirement that all IFCO operations comply with all relevant environmental laws and regulations (Environmental Regulations).</p> <p>We ask all employees to take a proactive approach to environmental risk management and familiarize themselves with all Environmental Regulations covering their individual areas of operation.</p>
<b>GRI 301: Materials 2016</b>		
301-2	Recycled input materials used	<p>RPCs produced during FY21 contain 84% virgin material and 16% reused IFCO regrind material. On average, our pool contains &gt;20% reused IFCO regrind material.</p> <p>ESG Report: Materials, p.21</p>
<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organization	<p>Purchased and used electricity in IFCO global operations: 32.9 TJ in FY21</p> <p>Stationary combustion in IFCO global operations: 46.0 TJ in FY21</p> <p>Total energy consumption from fuel/non-renewable sources in IFCO global operations: 78.9 TJ in FY21</p>
302-2	Energy consumption outside of the organization	<p>The total energy consumption from partner sites - upstream leased assets, based on invoices was 515.2 TJ in FY21.</p>
302-4	Reduction of energy consumption	<p>ESG Report: Climate change, p.18</p>

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>GRI 303: Water and effluents 2018</b>		
303-1	Interactions with water as a shared resource	ESG Report: Water, p.20
303-2	Management of water discharge-related impacts	Local municipalities establish the requirements for effluent discharge. All sites discharge into a sanitary drain where effluent will be sent to a water treatment facility. We have no sites that discharge where there are no guidelines for effluent. Our chemical supplier Ecolab also assists us with the effluent discharge requirements and has provided assurance that all chemicals used in our portfolio are not considered hazardous waste when diluted for use in our wash process.
303-5	Water consumption	Total water consumption for IFCO owned sites from all areas in megaliters: 206.12 Please see Table 2 on p.13.
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>■ Gross Scope 1 emissions in FY21: 2,685 tonnes of CO<sub>2</sub>eq</li> </ul> Gross Scope 1 emissions have been calculated via Accuvio ESG Software system.
305-2	Energy indirect (Scope 2) GHG emissions	Location based: <ul style="list-style-type: none"> <li>■ Gross Scope 2 emissions in FY21: 2,718 tonnes of CO<sub>2</sub>eq</li> </ul> Market based: <ul style="list-style-type: none"> <li>■ Gross Scope 2 emissions in FY21: 2,912 tonnes of CO<sub>2</sub>eq</li> </ul> Gross Scope 2 emissions have been calculated via Accuvio ESG Software system. ESG Report: Climate change, p.18
305-3	Other indirect (Scope 3) GHG emissions	Scope 3 emissions in FY21 in tonnes CO <sub>2</sub> eq: <ul style="list-style-type: none"> <li>■ Partner sites (emissions from waste disposal and water supply not included): 29,755</li> <li>■ Transport (inbound+outbound+stock movements+returns): 158,890</li> <li>■ Purchased material (100% virgin PP): 234,413</li> </ul>
305-5	Reduction of GHG emissions	ESG Report: Climate change, p.18
<b>GRI 306: Waste 2020</b>		
306-1	Waste generation and significant waste-related impacts	ESG Report: Materials, p.21-22
306-2	Management of significant waste-related impacts	ESG Report: Our Thriving in the Circular Economy dashboard, p.9 ESG Report: Materials, p.21-22
306-3	Waste generated	Total non-hazardous waste generated from IFCO owned operations. FY21: 1,492 metric tonnes Data has been compiled through bills and invoices. Where the data is not available, total amount of waste has been estimated based on the regional intensity rate where the data is available.

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>GRI 308: Supplier environmental assessment 2016</b>		
<b>308-1</b>	New suppliers that were screened using environmental criteria	We research our suppliers and expect our suppliers to share in our commitments outlined in our supplier policy, which includes environmental practices. Additionally, we have created a new supplier due diligence questionnaire that will be implemented shortly. <a href="#">Supplier Policy</a>
<b>Social</b>		
<b>GRI 103: Management approach 2016</b>		
<b>103-1</b>	Explanation of the material topic and its Boundaries	Everything we do at IFCO is about providing products that make life better, safer and more sustainable. That philosophy of care extends to people - the ones who work for us and with us and the people who live near us. We work tirelessly to create spaces where people can do their best work in teams that celebrate diversity and inclusivity and help contribute to resilient communities. Food safety and product responsibility underpin all our processes, starting with how we make our RPCs through to how we clean and protect them. We support and uphold the principles contained in the Universal Declaration of Human Rights.
<b>103-2</b>	The management approach and its components	<p>Training:</p> <ul style="list-style-type: none"> <li>■ We empower our team members to be health and safety champions at work and train all operational employees twice a year at a minimum and additional training for those working in our wash centers.</li> <li>■ For employees working in higher risk environments, such as those operating machines, training can be as frequent as twice per week.</li> <li>■ Non-operational team members are trained once a year.</li> <li>■ Career development: We believe that career journeys are as unique as the people who make them. Ours is a culture where every person is encouraged to work with confidence and pride.</li> <li>■ By partnering with food relief, humanitarian and social organizations, and volunteering, we're committed to using our resources, expertise and time to help end food waste and world hunger. Each IFCO employee is entitled to three days of volunteering leave per year to support community-based organizations and environmental initiatives.</li> <li>■ Since 1992, we have met global hygiene standards with a perfect food safety record.</li> <li>■ More information can be found on the <a href="#">Code of Conduct</a>.</li> </ul> <p>Human Rights:</p> <ul style="list-style-type: none"> <li>■ We will not tolerate child labor or forced labor in our own operations or those of our partner sites. The minimum age for hazardous work is 18 years.</li> <li>■ Supplier partners and other third parties are asked to acknowledge IFCO's Supplier Policy, which is aligned with the expectations and commitments of this Human Rights Policy.</li> <li>■ IFCO values the diversity of the people with whom we work and the contributions they make. We have a long-standing commitment to equal opportunity and have no tolerance for discrimination or harassment of any kind.</li> </ul>

GRI Indicator	GRI Disclosure	Response/Page(s)
103-3	Evaluation of the management approach	<p>We create an inspiring and dynamic employee experience through a range of education, training and individual development opportunities.</p> <p>For many years, we've worked with food banks across the world which provide essential meals to those in need.</p> <p>We partner with Ecolab (SmartGuardian system), the global leader in sanitation solutions, to manage our hygiene systems, from maintaining clean and safe environments to verifying our chemicals and attending each site monthly for auditing:</p> <ul style="list-style-type: none"> <li>■ All safety data is recorded through the integrated Compliance, Analysis &amp; Reporting Environment (iCARE) online system - this allows Health, Safety &amp; Environment (HSE) managers to analyze performance and progress related to health and safety.</li> <li>■ Our aim is to further develop the management components of human rights in our business related to processes and procedures, communications and reporting.</li> </ul>
<b>GRI 401: Employment 2016</b>		
401-1	New employee hires and employee turnover	Please see Table 3 on p.14.
401-3	Parental leave	Please see Table 4 on p.14.
<b>GRI 403: Occupational health and safety 2018</b>		
403-1	Occupational health and safety management system	<p><u>Our Zero Harm program</u></p> <p>IFCO implements the IFCO Safety Management System at global level, covering its operations. Our Safety Management System is the overall management system that includes organizational structure, planning, responsibilities, procedures, processes and resources for developing, implementing, reviewing and maintaining processes to control safety, health and environmental risks within the organization.</p>
403-2	Hazard identification, risk assessment, and incident investigation	<p>IFCO's hazard control and risk management procedure applies to global operations and guides all sites on how to define workplace hazards and risks to reduce health and safety risks through hazard identification, risk assessment and development of risk control measures to comply with legal requirements.</p> <p>All risk assessments are to be subject to a review procedure to assess their effectiveness in controlling risk and to ensure that they are still valid. A review period should take into account the level of residual risk.</p> <p>Every IFCO staff member and onsite labor hire/temporary staff member is responsible for ensuring work-related incidents are reported to the manager of their work area. This includes incidents they have observed, regardless of whether or not they were directly involved. While the initial notification of an incident is the responsibility of the individual, the overall responsibility for the reporting of incidents and recording of these in iCARE rests with line and site management.</p>

GRI Indicator	GRI Disclosure	Response/Page(s)
403-3	Occupational health services	<p>ESG Report: Our people, p.24</p> <p>IFCO also regulates a training, competence and awareness procedure in all our service centers. This includes processes and procedures for reporting near misses, risk assessments, training, a behavioral observation system, role matrix, retraining and reassessment, competence and conscience awareness. We use a software system, iCARE, for tracking occupational health and safety.</p> <p><a href="#">Our Zero Harm program</a></p>
403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Consultation can be achieved in many ways such as focus groups, perception surveys, participation in audit interviews and safety committees. Additionally, group meetings to discuss loss-control subjects are an effective method of communication and encourage employee involvement in the safety and loss-control system.</p>
403-5	Worker training on occupational health and safety	<p>IFCO Systems recognizes the cultural and legislative differences throughout the world. To this point, we operate separate training programs for the following regions: Europe, North and South America. The training programs can be further tailored to each country IFCO is operating in.</p> <p>At least once per year, the Plant Management team at each site will evaluate the effectiveness of the training by reviewing the training each individual received throughout the previous year.</p>
403-6	Promotion of worker health	<p>Health promotion is carried out through a healthy lifestyles program, which includes the following activities to be carried out during the year. These programs are being coordinated with HR functions within the relevant country we operate in.</p> <p>Some examples include:</p> <ol style="list-style-type: none"> <li>1. Periodic occupational medical examinations are performed annually</li> <li>2. Active breaks program</li> <li>3. Epidemiological surveillance program depending on the risk we are evaluating</li> <li>4. Preventive medicine programs</li> </ol>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p><a href="#">Our Zero Harm program</a> <a href="#">Health and Safety Policy</a></p>
403-8	Workers covered by an occupational health and safety management system	<p>Zero Harm is also expected from our supplier partners, especially our service providers in the washing depots. The following interested parties are defined:</p> <ul style="list-style-type: none"> <li>■ IFCO employees</li> <li>■ Employees of the service providers</li> <li>■ Employees of agencies</li> <li>■ Supplier partners, especially transport companies</li> <li>■ Local authorities and occupational health and safety organizations</li> </ul> <p>All interested parties are covered by the Zero Harm Management System.</p>

GRI Indicator	GRI Disclosure	Response/Page(s)
<b>GRI 404: Training and education 2016</b>		
404-1	Average hours of training per year per employee	Please see Table 5 on p.15.
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">IFCO Code of Conduct: Health and Safety Policy p.24</a>
404-3	Percentage of employees receiving regular performance and career development reviews	Please see Table 6 on p.15.
<b>GRI 405: Diversity and equal opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	In FY21, there were 12 people reporting to the CEO, 4 of which were women. The total number of employees was 912 males and 339 females.
<b>GRI 408: Child labor 2016</b>		
408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">IFCO FY20 Modern Slavery Statement</a> <a href="#">IFCO Code of Conduct</a> All IFCO suppliers comply with our Code of Conduct and none is considered to have significant risk for incidents of child labor.
<b>GRI 412: Human rights assessment 2016</b>		
412-1	Operations that have been subject to human rights reviews or impact assessments	IFCO expects its suppliers to comply with our Code of Conduct, which includes firm human rights commitments.
<b>GRI 414: Supplier social assessment 2016</b>		
414-1	New suppliers that were screened using social criteria	We created a new supplier due diligence questionnaire which we will roll out in FY22. Our Code of Conduct and Zero Harm Charter outline our legal and ethical principles and values expected of suppliers.
<b>GRI 418: Customer privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In FY20 and FY21, IFCO has not received substantiated complaints concerning breaches of customer privacy.
<b>GRI 419: Socioeconomic compliance 2016</b>		
419-1	Non-compliance with laws and regulations in the social and economic area	The organization has not identified any non-compliance with laws and/or regulations to our knowledge.

# GRI Index: tables

**Table 1 – GRI 102-3: Information on employees and other workers**

Gender	FY21	
	Male	Female
Number of full-time employees	905	313
Number of part-time employees	7	26
Number of temporary employees	43	21
Number of permanent employees	869	318

Region	EU	NA	LATAM	ASIA
	FY21	FY21	FY21	FY21
Number of full-time employees	335	253	610	20
Number of part-time employees	32	0	1	0
Number of temporary employees	12	1	31	20
Number of permanent employees	355	252	580	0

**Table 2 – GRI 303-5: Water consumption**

Location	Water stress level	Country	Region	Water consumption in megaliters FY21
IFCO Santiago	Extremely high (>80%)	Chile	Latin America	81.65
IFCO La Serena	Extremely high (>80%)	Chile	Latin America	1.26
IFCO Concepción	High (40-80%)	Chile	Latin America	0.75
IFCO São Paulo	High (40-80%)	Brazil	Latin America	4.18
IFCO Fortaleza	High (40-80%)	Brazil	Latin America	1.64

**Table 3 – GRI 401-1: New employee hires and employee turnover**

Highlights	FY21
Total employee number	1,251
Total full-time employees	1,218
Total part-time employees	33
Total temporary employees	64
Total permanent employees	1,187
Total male employees	912
Total female employees	339
Total new hires	409
Total employee turnover (total number of leavers)	301
Net change in FTE previous year	95
Female to male gender ratio	3/8
Employee turnover rate	24.06%
% of female employees	27.09%
% of male employees	72.91%

**Table 4 – GRI 401-3: Parental leave**

Highlights	FY21	
	Male	Female
Number of employees that were entitled to parental leave	865	340
Employees that took parental leave	13	10
Employees that returned to work after parental leave	13	6
Number of employees retained 12 months after returning to work following a period of parental leave	9	2
Number of employees due to return to work after parental leave	10	2
Number of employees returning from parental leave in previous reporting period	9	6
Return to work rate after parental leave	100%	60%
Retention rate after parental leave	100%	33%

**Table 5 – GRI 404-1: Average hours of training per year per employee in FY21**

Gender	Male	Female	Average
Global	3.5	4.1	3.6

Category	Average
Asset management	2.6
Customer service	1.6
Executives	0.5
Finance	5.8
Human resources	9.1
Information systems	1.0
Marketing	3.4
Operations	3.5
Sales	4.6

**Table 6 – GRI 404-3: Percentage of employees receiving regular performance and career development reviews in FY21**

	% Male	% Female
Asia	100%	100%
Europe	96%	100%
Latin America	86%	81%
North America	87%	90%
<b>Grand total</b>	<b>93%</b>	<b>94%</b>

# SASB Index

The Sustainability Accounting Standards Board (SASB) is an organization that sets standards for reporting of financially material sustainability information by companies to their investors. IFCO's ESG Report 2021 marks the first time IFCO reports to the SASB framework against the Containers and Packaging Industry Standards, as outlined in the table below.

Topic	Accounting Metric	Unit of measure	Code	Response
<b>GHG Emissions</b>	(1) Gross Global Scope 1 emissions (2) Percentage covered under emissions-limiting regulations	Metric tons (t) CO <sub>2</sub> -e, Percentage (%)	RT-CP-110a.1	ESG Report: Climate change, p.18 Gross Scope 1 emissions in FY21: 2,685 tonnes of CO <sub>2</sub> eq IFCO's operations could fall under the following CO <sub>2</sub> emission limiting regulations: <ul style="list-style-type: none"> <li>■ California Cap-and-Trade (California Global Warming Solutions Act) - Fresno and Rancho Cucamonga wash centers</li> <li>■ European Union Emissions Trading Scheme (EU ETS) - Wash centers in EU countries where we operate</li> <li>■ Quebec Cap-and-Trade (Draft Bill 42 of 2009) - Saint Hubert wash center</li> </ul>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	RT-CP-110a.2	ESG Report: Climate change, p.18
<b>Air Quality</b>	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O); (2) SO <sub>x</sub> ; (3) volatile organic compounds (VOCs); and (4) particulate matter (PM)	Metric tons (t)	RT-CP-120a.1	These metrics are not currently tracked given the low impact on air quality of our operations. For more information on air quality, ESG Report: Climate change, p.18
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Gigajoules (GJ), Percentage (%)	RT-CP-130a.1	Total energy consumed in IFCO owned operations. FY21: <ul style="list-style-type: none"> <li>■ Total energy consumed: 78,858 GJ</li> <li>■ Percentage of energy from grid electricity: 41.67%</li> <li>■ Percentage of energy from renewable energy sources: 0%</li> <li>■ Percentage of energy from total self-generated energy: 0%</li> </ul>

Topic	Accounting Metric	Unit of measure	Code	Response
<b>Water &amp; Wastewater Management</b>	(1) Total water withdrawn	Thousand cubic meters (m <sup>3</sup> ),	RT-CP-140a.1	Total water withdrawal is unavailable.
	(2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)		Total water consumption at IFCO owned operations: <ul style="list-style-type: none"> <li>■ In FY21: 206.12 thousand cubic meters</li> </ul> Total water consumption at IFCO owned operations in High Baseline Water Stress: <ul style="list-style-type: none"> <li>■ Concepción, Chile: 0.75 thousand cubic meters in FY21</li> <li>■ São Paulo, Brazil: 4.17 thousand cubic meters in FY21</li> <li>■ Fortaleza, Brazil: 1.64 thousand cubic meters in FY21</li> </ul> Total water consumption at IFCO owned operations in Extremely High Baseline Water Stress: <ul style="list-style-type: none"> <li>■ Santiago, Chile: 81.65 thousand cubic meters in FY21</li> <li>■ La Serena, Chile: 1.64 thousand cubic meters in FY21</li> </ul>
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Number	RT-CP-140a.2	ESG Report: Water, p.20
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	RT-CP-140a.3	IFCO is not aware of any incidents of non-compliance associated with water quality permits, standards and regulations recorded during the last reporting period.
<b>Waste &amp; Hazardous Materials Management</b>	Amount of hazardous waste generated, percentage recycled	Metric tons (t), Percentage (%)	RT-CP-150a.1	A third party collects the empty detergent containers to be reused. No hazardous waste is generated in our operations.
<b>Product Quality &amp; Safety</b>	Number of recalls issued, total units recalled	Number	RT-CP-250a.1	There have not been any recalls on IFCO RPCs.
	Discussion of process to identify and manage emerging materials and chemicals of concern	N/A	RT-CP-250a.2	We incorporate chemical and material management into our operational processes. We, with our supplier partners, are always looking ahead to identify new solutions that meet all our strict wash requirements. Cradle to Cradle certification in Europe is a comprehensive evaluation of our material and manufacturing processes to ensure we are meeting Cradle to Cradle (C2C) standards.
<b>Product Design &amp; Lifecycle Management</b>	Percentage of raw materials from: (1) recycled content; (2) renewable resources; and (3) renewable and recycled content	Percentage (%) by weight	RT-CP-410a.1	IFCO's RPCs are reused, and at end-of-life the RPCs are granulated to make new RPCs so the material remains in the same closed manufacturing loop. Considering recycled content as regrind of our RPCs, this varies each year depending on how much we need to grow the pool to service the growth and how much of our current pool is reaching end-of-life.
	Revenue from products that are reusable, recyclable, and/or compostable	Reporting currency	RT-CP-410a.2	All of IFCO's products are reusable and recyclable, being the total sales revenue of the company of 1.1 billion EUR.
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	N/A	RT-CP-410a.3	Our reusable packaging products provide environmental savings to our customers. These savings have been measured using third-party Life Cycle Analysis. ESG Report: Materials, p.21

Topic	Accounting Metric	Unit of measure	Code	Response
Supply Chain Management	Total wood fiber procured, percentage from certified sources	Metric tons (t), Percentage (%)	RT-CP-430a.1	This accounting metric is not applicable for IFCO.
	Total aluminum purchased, percentage from certified sources	Metric tons (t) CO <sub>2</sub> -e, Percentage (%)	RT-CP-430a.2	This accounting metric is not applicable for IFCO.

Activity metric	Unit of measure	Code	Response
Amount of production, by substrate*	Metric tons (t),	RT-CP-000.A	100% of our production is Polypropylene.
Percentage of production as: (1) paper/wood; (2) glass; (3) metal; and (4) plastic	Percentage (%) by revenue	RT-CP-000.B	This accounting metric is not applicable for IFCO.
Number of employees	Number	RT-CP-000.C	IFCO has 1,251 employees.

\*Relevant substrates include paper and/or wood fiber, glass, metal and petroleum-based substrates (i.e., polymers).

# UN Global Compact Index

This ESG Report serves as IFCO's first annual United Nations Global Compact (UNGC) Communication on Progress. The below table lists the areas in the report that detail IFCO's implementation of the Ten Principles of the UNGC.

UNGC Principle	Location
<b>Human Rights</b>	
1. Businesses should support and respect the protection of internationally proclaimed human rights.	<a href="#">IFCO FY20 – Modern Slavery and Human Trafficking Statement</a> <a href="#">Our Zero Harm program</a> <a href="#">Code of Conduct: Human Rights</a> ESG Report: Business ethics and transparency, p.14
2. Businesses should make sure that they are not complicit in human rights abuses.	<a href="#">IFCO FY20 – Modern Slavery and Human Trafficking Statement</a> <a href="#">Our Zero Harm program</a> <a href="#">Code of Conduct: Human Rights</a> ESG Report: Business ethics and transparency, p.14 ESG Report: IFCO materiality assessment, p.7
<b>Labor Standards</b>	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<a href="#">IFCO Supplier Policy</a>
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	<a href="#">IFCO FY20 – Modern Slavery and Human Trafficking Statement</a> <a href="#">Our Zero Harm program</a> <a href="#">Code of Conduct: Human Rights</a> ESG Report: Business ethics and transparency, p.14
5. Businesses should uphold the effective abolition of child labor.	<a href="#">IFCO FY20 – Modern Slavery and Human Trafficking Statement</a> <a href="#">Our Zero Harm program</a> <a href="#">Code of Conduct: Human Rights</a> ESG Report: Business ethics and transparency, p.14

UNGC Principle	Location
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<a href="#">Code of Conduct</a> ESG Report: Our people, p.24
<b>Environment</b>	
7. Businesses should support a precautionary approach to environmental challenges.	<a href="#">Our Zero Harm program</a> <a href="#">Code of Conduct</a> ESG Report: Climate change, p.18
8. Businesses should undertake initiatives to promote greater environmental responsibility.	<a href="#">Code of Conduct</a> ESG Report: Thriving Planet, p.17
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	<a href="#">Code of Conduct</a> ESG Report: Thriving Planet, p.17
<b>Anti-Corruption</b>	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	<a href="#">Code of Conduct</a> ESG Report: Business ethics and transparency, p.14