

FOOD AND  
PHARMACEUTICAL  
PACKAGING FILMS  
AND LAMINATES  
SPOŻYWCZE  
I FARMACEUTYCZNE FOLIE  
OPAKOWANIOWE I LAMINATY

LLDPE STRETCH FILM  
PET STRAPS  
INDUSTRIAL PACKAGING  
OPTIMISATION  
FOLIE STRETCH LLDPE  
TAŚMY PET  
OPTIMALIZACJA OPAKOWAŃ  
PRZEMYSŁOWYCH

CONSTRUCTION  
AND SPECIAL APPLICATION  
PVC FILMS  
FOLIE BUDOWLANE  
I SPECJALISTYCZNE Z PVC

PVC COMPOUNDS  
GRANULATY PVC

PET FLAKES  
PŁATKI PET



## 1. Mission

The Group's mission is to act for the benefit of all stakeholders and, above all, the shareholders, clients and employees.

As far as its clients are concerned, the Group fulfils its mission with a view to meeting the clients' needs in respect of the Group's core business activities, and does so in a manner which brings satisfaction to the clients, generates profits for the shareholders, and ensures compliance with employees' rights.

With respect to the shareholders, the Group fulfils its mission with a view to securing decent returns on their investment in the Company through ensuring growth of the value of shares in the medium-and long-term, and where possible, paying dividend.

When it comes to the employees, the Group fulfils its mission with a view to creating working conditions under which the employees are able to achieve the Company's objectives in harmony with their private lives and confident that they are given due respect and receive adequate remuneration for their work.

The Group fulfils its mission in an atmosphere of respect for values generally recognised in our culture such as the respect for human rights and dignity, respect for the people and cultural differences, honesty, rationality of actions, respect for the natural environment, and cooperation with the local community.

## 2. The Ergis Group Strategy

The Group fulfils its mission in accordance with the strategy based on highquality products and goods, constantly builds the trust of its business partners, and develops permanent business relationships. High operational efficiency, flexibility and competencies in managing the business process and plastics processing technology play an important role in accomplishing the business objectives of the Group.

The strategy is fulfilled through:

- maintaining the leading position in the plastics processing sector in Central and Eastern Europe;
- selling the Group's products on the Polish market and different foreign markets in such a manner that the costs of operations on these markets do not excessively level the profits gained;
- carrying out intense research and development activities in the Group's laboratories in cooperation with external research units.

To this end the Group intends to:

- 1) acquire employees whose potential guarantees that objectives are achieved,
- 2) inspire employees to share responsibility for the business and production processes they participate in, and encourage them to be innovative,
- 3) trigger and support employees' ambitions to develop professionally,
- 4) observe and analyse the markets on which the Group operates or could operate,
- 5) compare its activities to those of the competitors and introduce best practices,
- 6) constantly decrease the costs of operation without detriment to the quality of products,
- 7) adjust the stock by actively responding to the market needs or stimulating the demand,
- 8) maintain good relations with the current and potential clients and take care of its image on the markets which are of interest to the Group,

9) acquire properly-selected entities, organically develop the production capacity in existing product groups and invest in new products. Research the environment with respect to potential mergers with the right partners.

### **3. Description of Operations**

The primary products and goods marketed by the Ergis Group are as follows:

#### 1. industrial packaging:

- StretchPE nanoERGIS® film
- Greenstretch ®
- Pre-Stretch PE film,
- Stretch PE film,
- Polypropylene BOPP film,
- PVC shrink film,
- Greenstrap - polyester strapping bands

#### 2. food packaging

- PVC and PET films for direct contact with foodstuff
- PVC and PET rigid pharmaceutical films for packing pills, capsules and medical equipment
- PVC/PE and PET/PE rigid film laminates for direct contact with foodstuff and pharmaceuticals, containing barrier layers
- printed flexible laminates for food packaging

#### 3. specialised film

- films for insulation of flood embankments, water tanks and garden ponds,
- films for construction purposes (insulation of foundations, floors, etc.),
- joint filler tapes,
- transparent or colourful films, rigid and soft,
- PVC coated paper,
- PVC tablecloth (single-layer films, laminated films with unwoven fabric),

#### 4. compounds and flakes

- PVC compounds for the cable and telecommunications industry,
- PVC compounds for the footwear industry,
- PVC compounds for technical purposes,
- PET flakes.

### **4. Key financial indicators resulting from strategy implementation**

Over the last years, the Company set itself the goal to increase the value of consolidated EBITDA by 10% -12% annually.

Given the increase in labor costs observed in Poland, the growth of energy costs and the growing negative approach of public opinion in Poland and other European Union countries to plastics, the Management Board feels obliged to

consider the previously set goals as unrealistic to be achieved currently and focus on protecting the currently obtained profitability.

## **5. Information policy and social responsibility as an element in building Group value**

Our information policy aims to win the trust of current and prospective shareholders by maintaining balance between transparency of operations and protection of the Group's secrets.

When it comes to the environment, in the broad sense of the word, we take our share of corporate social responsibility with full confidence and invest in the protection of the environment and human health.

We believe that the industry should be the strength of the economy, and our duty, as one of the leading industrial groups in Poland, is to encourage young people to access education on various levels and such specialisations that provide the industry with well-educated and work-ready staff. We provide young people with the opportunity to undergo student internships and training programmes. We have a scholarship programme under which we provide funds for higher education and guarantee employment upon completion of the scholarship. We co-finance ongoing training of a number of our employees and managers.

We also provide charity support to local, national and international enterprises which promote our values. We were twice awarded the " CSR Policy Leaves" in a ranking of socially responsible companies.

Warsaw, October 14<sup>th</sup>, 2019

Management Board:

Tadeusz Nowicki - President of the Management Board

Marek Kapłucha - Vice-president of the Management Board