Aptargroup



Global Reporting Initiative (GRI) Index

2014 Corporate Sustainability Report

Prepared in accordance with GRI G4 (core) guidelines



AptarGroup's 2014 Sustainability Report highlights activities that took place across our global portfolio from January 1 - December 31, 2014 unless otherwise noted. This report, our first prepared using the Global Reporting Initiative (GRI) framework, is based on, and contains standard disclosures from, the GRI G4 (Core) Sustainability Reporting Guidelines. We obtained external assurance from ERM Certification and Verification Services Inc. (ERM CVS) based on ISAE 3000 for the 2014 absolute data for

electricity, fuel oil and natural gas (please see <u>assurance statement</u>). ERM CVS also provided assurance on the Scope 1 and Scope 2 greenhouse gas emissions from these sources, as reported in our CDP (formerly known as the Carbon Disclosure Project) submission for the reporting year 2014. This assurance statement is linked within the response, which is reported to CDP in June of 2015 and available for viewing in approximately November of 2015.

General Standard Disclosures	Page/Location of Response
G4 - 1	CEO Letter, pg. 4
G4 - 3	AptarGroup
G4 - 4	AptarGroup 2014 Annual Report - PDF pages 9-11
G4 - 5	Crystal Lake, Illinois, USA
G4 - 6	AptarGroup 2014 Annual Report - PDF page 7
G4 - 7	AptarGroup 2014 Annual Report - PDF page 18
G4 - 8	AptarGroup 2014 Annual Report - PDF page 9
G4 - 9	Highlights At-a-Glance, pg. 2
	Total number of operations: 46
	Net revenues (for public sector organizations): \$2,597.8 million
	Aptar provides more than 10,000 product types to more than 5,000 customers worldwide.



G4 - 10

Please see the AptarGroup 2014 Annual Report

Number of employees by region, employment contract category, gender, and employee type:

Omissions: This is our first attempt to collect and report data for this Human Resources related indicator. We believe the figures to be accurate +/- 15%. As it is ever-changing, the data presented in the table is a snapshot of the situation as of December of 2014.

Region	Employee Catergory	Male	Female	M&P Employees ¹	Other Employees ¹	Total
Central	Fixed+Unlimited Term Contract	1,463	760	262	1,789	2,223
Europe	Temporary	82	45	0	105	127
West	Fixed+Unlimited Term Contract	2,458	1,434	810	2,949	3,892
Europe	Temporary	338	78	0	62	417
South	Fixed+Unlimited Term Contract	510	84	112	482	594
Europe	Temporary	107	62	0	169	169
North	Fixed+Unlimited Term Contract	1,203	807	597	1,414	2,010
America	Temporary	34	19	3	49	53
China	Fixed+Unlimited Term Contract	541	454	94	901	995
Olillia	Temporary	5	9	0	14	14
Latin	Fixed+Unlimited Term Contract	765	525	264	1,026	1,290
America	Temporary	8	6	4	1	14
Southeast	Fixed+Unlimited Term Contract	381	283	96	562	664
Asia and India	Temporary	221	97	0	0	308
Aptar Total	Fixed+Unlimited Term Contract	7,321	4,347	2,235	9,123	11,668
Apiai Totai	Temporary	785	316	7	400	1,102



General Standard Disclosures	Page/Location of Response						
G4 - 11	Omissions: This is our first attempt to collect and report data for this Human	Percentage of total employees covered by collective bargaining agreements:					
	Resources related indicator. We believe the figures to be accurate +/- 15%.	Region	Percentatge				
	As it is ever-changing, the data presented in this table is a snapshot of the situation as of December of 2014.	Central Europe	17.4%				
	as of December of 2014.	West Europe	92.9%				
		South Europe	100%				
		North America	8.0%				
		China	100%				
		Latin America	85.7%				
		Southeast Asia and India	0%				
G4 - 12	Aptar sources components, raw materials, equipment, services, and non-production items (e.g., energy and transportation) from suppliers around the world. In 2014, these purchases totaled approximately 1.3 billion USD. We are in the process of transforming our purchasing approach to further centralize and streamline across our three business segments. We believe this work will help us to increase efficiency, implement better, more consistent tools and processes, and ultimately, create innovative solutions to overcome supply chain challenges.						
G4 - 13							
G4 - 15	regulatory specifications for each type of mate N/A	rial and collects and analyzes supplie	er declarations				
G4 - 16	N/A						



G4 - 17	AptarGroup 2014 Annual Report - PDF pages 35-67
G4 - 18	About this report, pg. 3
	Aptar conducted a materiality assessment to define report content and aspect boundaries. Elements of the assessment included:
	• Peer Analysis: Aptar conducted a landscape assessment to better understand the current level of sustainability reporting in the industry.
	 Aptar Voice of the Customer Survey: Aptar surveyed approximately 90 customers to learn more about their sustainability priorities and expectations.
	• Materiality Survey: Aptar surveyed internal and external stakeholders and asked them to rank sustainability issues according to their economic, environmental and social impacts on the business. Respondents included:
	- Community and thought leaders
	 Aptar employees in eight countries representing all three segments of the business, as well as corporate, and a variety of functional roles.
	- Seniority ranged from the intern level to the Executive Board.
	• Interviews: Aptar conducted one-on-one interviews with senior executives to better understand their vision for sustainability at Aptar.
	 Investor Communications: Aptar incorporated feedback from key Socially Responsible Investment (SRI) firms on sustainability issues.
G4 - 19	Aptar identified the following material Aspects:
	Economic: Economic Performance
	• Environmental: Energy; Effluents and Waste
	Social: Training and Education; Local Communities; Anti-Corruption; Compliance
G4 - 20	Aspect Boundaries:
G4 - 21	Unless specifically noted otherwise, the report boundaries for each material Aspect are:
	• Economic: Economic Performance - AptarGroup and its subsidiaries
	• Environmental: Energy; Effluents and Waste - Aptar-owned manufacturing facilities
	Social: Training and Education; Anti-Corruption; Compliance - AptarGroup and its subsidiaries
	Social: Local Communities - Activities that took place in and around communities with Aptar-owned facilities
	About this report, pg. 3
G4 - 22	N/A
G4 - 23	N/A - First GRI report
G4 - 24	See G4-18
G4 - 25	See G4-18
G4 - 26	About this report, pg. 3
	People section, pg. 6
	Product section, pg. 15
G4 - 27	About this report, pg. 3
	Product section, pg. 15



General Standard Disclosures	Page/Location of Response
G4 - 28	This report covers activities from January 1, 2014 to December 31, 2014 unless otherwise noted.
G4 - 29	June 27, 2014
G4 - 30	Annual
G4 - 31	Matt DellaMaria, Vice President, Investor Relations. Matt.DellaMaria@aptar.com
G4 - 32	This report has been prepared using the Global Reporting Initiative (GRI) framework, is based on, and contains standard disclosures from, the GRI G4 (Core) Sustainability Reporting Guidelines. See G4-33 for assurance information.
G4 - 33	About this report, pg. 3
	In addition to the data that was externally verified (please see assurance statement for <u>absolute energy</u> metrics), all report information was reviewed by the Sustainability Report Steering Committee, Aptar's Vice President of Investor Relations, an Aptar Financial Analyst, and functional leaders throughout the organization.
G4 - 34	AptarGroup governance highlights
	Aptar governance is organized in four committees: audit, compensation, governance and executive.
	The Audit Committee is in charge of assisting Aptar's Board of Directors in overseeing Aptar financial statements, compliance with the applicable laws, independent auditors and internal audit.
	The Compensation Committee is in charge of the compensation of Aptar executives.
	The Governance Committee is in charge of identifying, evaluating and recommending individuals qualified to be directors of Aptar.
	Finally, the Executive Committee is in charge of performing the duties and exercising the powers delegated to it by the Aptar Board of Directors.
G4 - 56	<u>Our Values</u>
	CEO letter, pg. 4
	Aptar teaches its Core Values through internal training programs offered to different categories of employees. Those Core Values are:
	• we believe in the self-worth of individuals regardless of their status.
	• we strive for relationships that are based on openness, honesty, and feedback.
	we promote teamwork and cooperation at all levels.
	we challenge people to develop their potential and to take initiative.
	we practice business relationships that are based on responsibility and on long-term and mutual interests to all stakeholders.
	Besides those values, Aptar norms of behavior and conduct are embodied within the Code of Business Conduct and Ethics available here . The Code of Business Conduct and Ethics summarizes the long-standing principles of conduct that AptarGroup and its subsidiaries follow to ensure integrity and compliance with the law.



G4-DMA: As discussed in G4-18, material Aspects were identified through our materiality assessment process. These indicators represent issues that are important to our business from an economic, social and/or environmental perspective. In addition to the data that was externally verified (noted below), all report information was reviewed by the reporting team, Aptar's Vice President of Investor Relations, and functional leaders throughout the organization.

Economic - EC2:

Report risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure

Please see our most recent response to the CDP (formerly known as the Carbon Disclosure Project) information request by searching for AptarGroup here. Information for the reporting year 2014 is reported to CDP in June of 2015 and available for viewing on the CDP website in approximately November of 2015.

Environmental - EN3:

- a. Report total fuel consumption from non-renewable sources
- b. Report total fuel consumption from renewable fuel sources
- c. Report in joules, watt-hours or multiples, the total: Electricity consumption Heating consumption Cooling consumption Steam consumption
- d. Report in joules, watt-hours or multiples, the total: Electricity sold Heating sold Cooling sold Steam sold
- e. Report total energy consumption in joules or multiples.
- f. Report standards, methodologies, and assumptions used.
- g. Report the source of the conversion factors used.

The Aptar Production System measures energy consumption and waste disposal to landfill normalized to units invoiced and compared to the previous year. Sites are required to report progress through an enterprise scorecard at least quarterly and are measured against a 5% year-over-year reduction target.

Throughout 2013 we built a web-based metrics reporting system that uses our SAP financial platform, Compass. We launched the system in March of 2014 with extensive focus on improving data accuracy. With this new system, we are able to analyze progress more accurately and more frequently than in the past.

We obtained external assurance from ERM Certification and Verification Services Inc. (ERM CVS) based on ISAE 3000 for the 2014 absolute data for electricity, fuel oil and natural gas. See assurance statement for absolute energy metrics here.

ERM CVS also provided assurance on the Scope 1 and Scope 2 greenhouse gas emissions from these sources, as reported in our CDP submission for the reporting year 2014. Please see our most recent response to the CDP information request by searching for AptarGroup here. Information for the reporting year 2014 is reported to CDP in June of 2015 and will be available for viewing on the CDP website in approximately November of 2015.

Aptar tracks environmental metrics for all manufacturing facilities and joint ventures in which Aptar holds 51% or greater ownership. Currently, Aptar does not hold majority ownership in any joint ventures.

Total absolute consumption for AptarGroup:

2013										
Electricity (kWh) Natural Gas (kWh) Fuel Oil (Gallons) Fuel Oil (kWh)*										
467,238,776	76,281,637	275,736	11,222,442							
2014										
Electricity (kWh)	Natural Gas (kWh)	Fuel Oil (Gallons)	Fuel Oil (kWh)*							
475,019,685	76,746,023	171,658	6,986,488							

^{*} For the conversion of fuel oil from gallons to kWh we assume that the fuel type is diesel, as this is our most used fuel oil.



Environmental - EN3: Continued

In 2014, Aptar conducted a survey to better understand renewable energy use at our facilities. $\ensuremath{^{\star\star}}$

2014

Location	Energy Type	Percentage	Source Notes
Aptar Annecy	Hydroelectric	100%	Documentation from supplier on file
Aptar Bohringen	Not reported	50%	Self-reported during an assessment completed in June 2014
Aptar Cary	Wind	10%	Self-reported during an assessment completed in June 2014
Aptar Cheiti	Hydroelectric Wind	100%	Documentation from supplier on file
Aptar Dortmund	Based on the renewables mix of the Stadtwerke Menden GmbH	22%	Self-reported during an assessment completed in June 2014, documentation from supplier on file.
Aptar Jundiai	Hydroelectric	30%	Documentation from supplier on file through September 1, when a fire occurred at Aptar Jundiai and forced a change in energy sources.
Aptar Le Vaudrueil	Hydroelectric	100%	Documentation from supplier on file
Aptar Mukwonago	Not reported	4%	Self-reported during an assessment completed in June 2014
Aptar Pescara	Hydroelectric Wind	100%	Documentation from supplier on file
Aptar Stratford	Not reported	10%	Self-reported during an assessment completed in June 2014
Aptar Verneuil	Not reported	30%	Self-reported during an assessment completed in June 2014

^{**} Two Aptar facilities did not submit a response to the renewable energy survey.



Environmental - EN5:

- a. Report the energy intensity ratio.
- B. Report the organization-specific metric (the ratio denominator) chosen to calculate the ratio.
- Report the types of energy included in the intensity ratio: fuel, electricity, heating, cooling, steam, or all.
- d. Report whether the ratio uses energy consumed within the organization, outside of it or both.

	2013 Electricty Natural Gas Fuel Oil (kWh/IQ) (kWh/IQ) (kWh/IQ) (kWh/IQ)							
AptarGroup Total	10.86	1.77	0.26					
Asia	16.86	0.00	1.92					
EMEA	9.59	2.18	0.25					
LATAM	17.43	0.58	0.01					
N. America	11.24	1.43	0.00					

	2014							
	Electricty Natural Gas Fuel Oil (kWh/IQ) (kWh/IQ) (kWh/IQ)							
AptarGroup Total	10.90	1.76	0.16					
Asia	17.81	0.00	1.06					
EMEA	9.82	2.07	0.16					
LATAM	17.66	0.47	0.02					
N. America	10.46	1.71	0.00					

Data is normalized by Invoiced Quantities (IQ), as reported in thousands (TH) of units. Accuracy of Invoiced Quantities reported through the metrics collection system is approximately +/-5%. Invoiced Quantities for Aptar Brecey and Granville are added to totals by hand, outside of the system.

The energy sources represented here are Scope 1 and 2 sources – energy consumed for electricity, fuel and heating/cooling within the organization. We do have some information regarding Scope 3 sources, which we report through CDP.

Environmental - EN6:

- a. Report the amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
- Report the types of energy included in the reductions: fuel, electricity, heating, cooling, and steam.
- Report the basis for calculating reductions in energy consumption such as base year or baseline, and the rationale for choosing it.
- d. Report standards, methodologies, and assumptions used.

Improvement year to year:

2014 vs 2013

Electricity	Natural Gas	Fuel Oil	NG+Fuel Oil
(kWh/IQ*)	(kWh/IQ)	(kWh/IQ)	(kWh/IQ)
0%	1%	39%	6%

* Invoiced Quantities, as reported in thousands of units. Accuracy of Invoiced Quantities reported through the metrics collection system is approximately +/-5%. Invoiced Quantities for Aptar Brecey and Granville are added to totals by hand, outside of the system. Energy sources represented are Scope 1 and 2 sources – energy consumed for electricity, fuel and heating/cooling within the organization.



Environmental - EN 23:

- a. Report the total weight of hazardous and non-hazardous waste, by disposal method.
- b. Report how the waste disposal method has been determined.

Established in 2013, and based off of the Zero Waste International Alliance protocol, Aptar's internal Landfill Free program encourages the reduction, reuse and recycling of waste by-products from our manufacturing processes. Since 2013, the program has become a focus initiative that is integrated in the Aptar Production System's 20 Keys Program (Planet section, pg. 10). Within Key 16-Sustainability, sites are required to perform calculations toward Landfill Free in level 3.4, and must achieve Landfill Free on level 4.1.

As of year-end 2014, eight Aptar locations had achieved landfill free certification. These sites have proven, by third-party verification audit, at least 90% recycle/reuse of operational wastes. Aptar actively encourages all sites to reduce waste, and hopes to continue increasing the number of Landfill Free facilities in the future and thus, the availability of data on disposal methods. Six additional sites: Aptar Leeds, Aptar Maringa, Aptar Mezzovico, Aptar Mukwonago, Aptar Queretaro and Aptar Stratford, began the certification process in 2014, and several others have committed to starting the process in 2015.

Omissions: Aptar collects data regarding waste disposal amounts from all locations globally on a monthly basis, including total non-hazardous waste to landfill and total hazardous waste. However, we are currently able to provide detailed disposal method information only at Landfill Free certified sites, where the data has been verified by a third-party. Records specific to each waste stream are maintained at the site level, but these details are not visible in the corporate metrics reporting system.

Location	Total % Landfill Free	Returned to Suppliers	Reused	End of Waste/ By-Product	Recovery to Recycle	Recovery to Thermal Recovery	Disposal to Landfill	Disposal to Incinera- tion	Disposal to Chemical - Physical Treatment	Wastes Without Evidence
Aptar Charleval	91.5%	0.0%	0.0%	0.0%	62.9%	28.5%	6.6%	0.04%	1.0%	0.9%
Aptar Chieti	97.7%	0.2%	51.6%	0.0%	46.0%	0.0%	1.1%	0.00%	1.2%	0.0%
Aptar Dortmund	92.6%	0.0%	54.3%	0.0%	33.1%	5.2%	0.1%	0.00%	0.0%	7.3%
Aptar Menden	98.9%	0.0%	76.4%	19.2%	1.4%	2.0%	0.3%	0.00%	0.0%	0.8%
Aptar Pescara	96.1%	0.0%	69.3%	4.0%	22.7%	0.0%	1.4%	0.00%	2.5%	0.0%
Aptar Poincy	92.2%	26.7%	24.6%	0.0%	40.8%	0.1%	2.5%	0.08%	0.8%	4.5%
Aptar Torello	93.8%	8.4%	57.4%	0.0%	27.1%	0.9%	5.9%	0.01%	0.3%	0.0%
Aptar Verneuil	91.3%	0.0%	35.7%	0.0%	50.8%	4.9%	4.1%	0.00%	3.8%	0.8%
Totals for Landfill Free	94.8%	2.5%	55.1%	4.3%	29.7%	3.2%	1.7%	0.01%	1.3%	2.2%
Certified Sites	12.2 M (kg)	0.3 M (kg)	6.7 M (kg)	0.5 M (kg)	3.6 M (kg)	0.4 M (kg)	0.2 M (kg)	< 0.01 M (kg)	0.2 M (kg)	0.3 M (kg)



Social - LA9:

Average hours of training per year per employee by gender, region and employee category.

Omissions: Due to limitations in our current data collection systems, reporting is incomplete for the Latin America region.

	. •	iining Hours ender	Average Training Hours by Employee Category		
Region	Male Female I		Managers & Professionals ¹	Other Employees ¹	
Central Europe	6	5	3	6	
West Europe	15	14	24	14	
South Europe	25	20	28	24	
North America	20	20	28	17	
China	15 12		23	12	
Latin America	Currently unavailable				
SEA India	29	27	61	25	

Social - SO1:

Percentage of operations with implemented local community engagement, impact assessments, and development programs.

Omissions: Due to limitations in current data collection processes, information was unavailable for the Southeast Asia/India region.

Region	Percentage of operations
Central Europe	83%
West Europe	100%
South Europe	100%
North America	100%
China	100%
Latin America	71%
SEA India	Not available

Social - SO3:

Report the significant risks related to corruption identified through the risk assessment.

AptarGroup did not identify any significant risks related to corruption during this reporting year.



Social - SO4:

Communication and training on anti-corruption policies and procedures

Omissions: Aptar is not currently able to provide data on the number of employees or business partners (part c) that Aptar's anti-corruption policies and procedures have been communicated to or that have received training on anti-corruption policies and procedures (SO4 – b and SO4 – c). Data related to sections a, d and e of this indicator are provided below, omitting South America where information is currently unavailable.

	(Includi Indonesia	sia ng India, ı, Thailand, nd Japan)	ailand, (Including Switzerland		Latin America (Including Mexico)		North America	
Metric	Total Number	%	Total Number	%	Total Number	%	Total Number	%
Governance body members that Aptar's anti-corruption policies and procedures have been communicated to	2	100	8	100	2	100	12	100
Governance body members that have received training on anti-corruption	2	100	7	87	1	50	9	75
Employees that Aptar's anti-corruption policies and procedures have been communicated to	256	100	1,117	100	293	100	392	100
Employees that have received training on anti-corruption	131	51	198	18	144	49	89	23

Social - SO8:

Report the monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

AptarGroup was not subject to significant fines or non-monetary sanctions during the reporting period.



1 G4 10 and LA-9 Employee Category Definitions:

M&P - Managers & Professionals:

- Executives, managers, experts, engineers & specialists who meet the following criteria:
- Possess a bachelor's degree or above (or equivalent academic degree) which corresponds with at least three years of university-level (or equivalent) education, and
- Hold a position within the organization which requires a bachelor's degree or above in order for the position to be considered appropriately staffed.
- In exceptional cases, possession of relevant skills and experience for a position may be considered as an equivalent level to a bachelor degree.

Other employees:

- Technicians, Foremen & Administrative employees (TFA): Employee who is included neither in the category of Managers and Professionals nor in the category of Operators & Workers. In some countries such employees are paid on a monthly basis (e.g., secretaries, assistants, foremen).
- Operators / Workers (OW): Employee (direct labor or indirect labor) directly involved in the industrial process (manufacturing, maintenance, etc.). In some countries they are paid on an hourly basis.
- 2 All of our manufacturing facilities report sustainability metrics through an online collection system. This system uses slightly different naming conventions than the systems used to collect data for the annual report, as illustrated in the reference table below.

Annual Report	Sustainability Metrics		
Annecy (1 & 2)	APTAR ANNECY		
Böhringen (1 & 2)	APTAR BÖHRINGEN		
Ballinasloe, County Galway	APTAR BALLINASLOE		
Brecey (2)	APTAR BRECEY		
Cajamar (1)	APTAR CAJAMAR		
Cali (1)	APTAR CALI		
Cary, Illinois (1, 2 & 3)	CARY CAMPUS		
McHenry, Illinois (1 & 2)	CANT CAIVIFUS		
Charleval (1 & 2)	APTAR CHARLEVAL		
Chonburi (1)	APTAR CHONBURI		
Cikarang, Bekasi (1)	APTAR CIKARANG BEKAS		
Ckyne (1 & 3)	APTAR CKYNE		
Congers, New York (2)	APTAR CONGERS		
Dortmund (1)	APTAR DORTMUND		
Eigeltingen (2)	APTAR EIGELTINGEN		
Florencio Varela (1 & 2)	APTAR VARELA		
Freyung (1 & 3)	APTAR FREYUNG		
Granville (2)	APTAR GRANVILLE		
Himachal Pradesh	APTAR BOROTIWALA		
Hyderehad (1.9.2)	APTAR BAHADURPALLY		
Hyderabad (1 & 3)	APTAR JEEDIMETIA		
Jundiai (1)	APTAR JUNDIAI		
Le Neubourg (1)	APTAR LE NEUBOURG		
Le Vaudreuil (2)	APTAR LE VAUDREUIL		
Leeds, England (1 & 3)	APTAR LEEDS		

Annual Report	Sustainability Metrics
Libertyville, Illinois (1 & 3)	APTAR LIBERTYVILLE
Lincolnton, North Carolina (3)	APTAR LINCOLNTON
Madrid (1)	APTAR MADRID
Manoppello (1)	APTAR PESCARA
Maring'a Paran'a (1 & 3)	APTAR MARINGA
Menden (1)	APTAR MENDEN
Mezzovico (2)	APTAR MEZZOVICO
Midland, Michigan (1 & 3)	APTAR MIDLAND (LMS)
Mukwonago, Wisconsin (1, 2 & 3)	APTAR MUKWONAGO
Mumbai (2)	APTAR MUMBAI
Oyonnax (1)	APTAR OYONNAX 1501
Poincy (1 & 3)	APTAR POINCY
Queretaro (1 & 3)	APTAR QUERETARO
San Giovanni Teatino (Chieti) (1 & 3)	APTAR CHIETI
Stratford, Connecticut (1 & 3)	APTAR STRATFORD
Suzhou (1, 2 & 3)	APTAR SUZHOU
Torello (1 & 3)	APTAR TORELLO
Torrington, Connecticut (1 & 3)	APTAR TORRINGTON
Tortuguitas (1 & 3)	APTAR TORTUGUITAS
Verneuil Sur Avre (1)	APTAR VERNEUIL
Vladimir (1 & 3)	APTAR VLADIMIR
Watertown, Connecticut (1 & 3)	APTAR WATERTOWN

Aptargroup 🚄



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