



## Non-financial statement 2021

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Paack Logistics Iberia, S.L.U.  
and its subsidiaries

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# About this Report



## 1. About this Report

This statement of non-financial information is part of the Management Report for the fiscal year 2021 (from 01/01/2021 to 31/12/2021) of Paack Logistics Iberia, S.L.U. and its subsidiaries (hereinafter Paack) and has been prepared in line with the requirements established in Law 11/2018 of December 28th, 2018, which modifies the Commercial Code, the revised text of the Capital Companies Law approved by the Royal Legislative Decree 1/2010, on the 2nd of July, and Law 22/2015, on the 20th of July, on Auditing Accounts, on non-financial information and diversity.

In this context, through the statement of non-financial information, **Paack aims to report on environmental, social and personnel issues, respect for human rights, the fight against corruption and bribery, as well as in relation to society that is relevant to the company in the execution of its business activities.**

For the preparation of this report and selection of its contents, the relevant issues identified by Paack in the materiality assessment have been considered (see section “1.2 Materiality Analysis”). In this way, this statement of non-financial information indicates, for each issue proposed by Law 11/2018, the relevance for the company, the associated policies, the related risks, and the reference indicators used for its monitoring and evaluation.

For the preparation of the information, **some standards of the Global Reporting Initiative (GRI) have been selected according to their materiality for the company** and their alignment with the information required by Law 11/2018.

Finally, as indicated in Law 11/2018 on non-financial information and diversity, this statement of non-financial information is subject to verification by an independent verification services provider.



## 1. About this Report 1.2 Materiality Analysis

The Group’s activities have been analyzed with the aim of knowing the materiality of the aspects related to its strategy in the sector. In line with the analysis carried out, material aspects have been identified for the organization and thus be able to render accounts to its Stakeholders on Non-Financial Information.

The material aspects identified have been structured based on 3 areas. These are **environment, social and governance**. Each of the points identified in each of the areas is described below:

MATERIAL ASPECTS	DESCRIPTION
<b>ENVIRONMENT</b>	
EMISSIONS	The emissions need to be addressed in order to mitigate Paack’s main environmental negative impact
NATURAL RESOURCES USE	Working on energy and water efficiency will reduce Paack’s impact on the planet.
CIRCULAR ECONOMY	Circularity in packaging is a topic of growing importance among stakeholders. Paack has the opportunity to promote circularity in the warehouses
<b>SOCIAL</b>	
EMPLOYMENT PRACTICES	Delivery sector needs to assure quality work environments provision and proper labor conditions through the supply chain
HEALTH & SAFETY	Maintaining the highest safety standards throughout the global operations to minimize the risks is a key issue in Paack’s sector
GENDER EQUALITY & DIVERSITY	In a masculinized sector it is necessary to promote gender equality
PROMOTING SOLID CULTURE	Maintaining a strong culture and empowering the professional development of employees must be considered to attract talent in a fast-growing company
COMMUNITY INVOLVEMENT	Engage with the community and promote positive impact through collaboration
<b>GOVERNANCE</b>	
BUSINESS ETHICS & TRANSPARENCY	Ethical principles must be established to guide Paack’s behavior and work on an increase in transparency
STAKEHOLDER’S ENGAGEMENT	Promoting the dialog with stakeholders will allow Paack to instill trust and comply with their expectations.
SUPPLY CHAIN MANAGEMENT	Ensure integration of sustainability criteria through the supply chain
PARTNERSHIPS	The collaboration will be necessary to promote sustainability and new innovative solutions to face global challenges

Through the report, all the aspects identified as material are collected, and aligned with the requirements contemplated by Law 11/2018 on Non-Financial Information and Diversity.

1. About this Report  
1.3 Scope

This report covers from 1 January 2021 to 31 December 2021. The quantitative information presented in this document shows the performance of Paack SPV Investments, S.L. and its subsidiaries:

Paack Logistics  
Iberia, S.L.U

Paack Logistics  
FR, Sarl.

Paack Logistics  
UK, Ltd.

Paack Logistics  
PT, Unipessoal Lda.



# Business Model

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## 2. Business Model

### 2.1 Introduction to the Company and the Business Environment

Paack is a Barcelona-based company that was founded in 2015 by a group of international engineers who wanted to create “**the most advanced tech-enabled delivery solution ensuring the best-in-class sustainable delivery experience**”. Established in the logistics and delivery sector, Paack is focused on providing a rapid and customer centric delivery experience that allows the customer to choose themselves when it is most appropriate to receive their online purchases and deliveries.

**Providing time slots for customers to decide when to receive their packages** and delivering them as soon as the same day or next day, sets Paack apart from the competition in the region. Through

in-house developed technology, **Paack aims to be the most technologically advanced delivery solution, being the only European last-mile delivery company to incorporate robotic automation in the last mile warehouse sorting process.** Paack further puts the focus on sustainability at the heart of the organization and is dedicated to reducing emissions by, for instance, offering zero-emissions deliveries in all markets. The rapid success of Paack has inevitably fostered exponential growth and, from its humble beginnings, **Paack now has over 500 employees across the company, and plans to grow even further.**

## 2. Business Model

### 2.2 Areas of Activity

Paack offers the industry-leading delivery experience and provides end-customers with several options for receiving their purchases and packages; ranging **from Next-Day, Same Day, Instant and Preferred-day deliveries.** This customer centric approach differentiates Paack in the industry. Towards clients, who range from international online retailers to smaller stores, **Paack offers both Warehouse and Store model solutions for delivering their packages to end-customers and gives clients the option of what level of service to provide to end-customers.** Paack further

offers specialized services such as Paack Food which provides clients with the ability to deliver food items with temperature-controlled transports adapted to a range of demands for diverse food products. In all areas of activity, **Paack keeps focus on sustainability and provides zero carbon-emission deliveries in all markets.**

Currently, Paack is serving all its clients with a robust network consisting of **2 distribution centers in Portugal, 9 in France, 5 in the UK and 15 in Spain.**



## 2. Business Model

### 2.3 Market Presence

**Paack operates in 4 European markets, which beyond the home market of Spain, includes Portugal, France, and the UK.** This European geographical footprint allows Paack to serve clients and customers across European borders, which has transformed the company into a truly **international player in the European delivery sector.**

### 2.4 Organization and Governance Structure

**The governance structure of Paack consists of the Executive Leadership Team, integrated by the heads of each department in Paack, totaling 12 people.** The Executive Leadership Team meets weekly in an Executive Leadership Meeting to discuss the most pressing matters, highlights and challenges of the company and maintains open communication from top to bottom across the company.

**The board of directors, which consists of internal individuals and experienced external investors, meets quarterly to receive an update on the company's progress and provides feedback on the long-term strategic decision of the company.**

Beyond this governance structure, **Paack further attributes extra significance to its ESG governance structure** which will be led by the Head of Sustainability who together with the ESG Strategic Committee, consisting of the Executive Leadership Team will set the ESG agenda quarterly. The Head of Sustainability will steer the different commitments and projects through the ESG Coordination committee and will implement these across the company through the ESG Impact team.

## 2. Business Model

### 2.5 The Group's Mission

**Paack's vision is to lead sustainable e-commerce deliveries in Europe.**

In order to achieve this vision, we have a solid mission: Build the most advanced tech delivery platform in order to ensure the best-in-class sustainable delivery experience.

To achieve Our Mission and Vision, we must act in accordance with Our Values. Company's corporate values are the elements that define it and are linked, among other things, to its culture, organization, the environment it operates in, and the expectations generated by its stakeholders, which may include customers, suppliers, or the employees themselves. **Corporate values are a concept that must be collectively shared by the whole organization,** and its members should have them present in each of their actions, from the most far-reaching ones to the smallest day-to-day details.

### The Objectives and Strategies of the Group

Paack implements a strategic framework across the company that is characterized as a combination of **a bottom-up and top-down approach.** The company-wide strategic goals that are set on a yearly basis build on the Mission, Vision and Values that permeate Paack as a company combined with the aspirations of the company for the coming year. **For 2022, Paack's strategic focus lies in two focus areas: Service and Growth.** Service focuses on providing the best delivery experience for both end customers and retailers while Growth is signified by the focus on growing in new and current markets. The focus on Profitability remains a key strategic aspect throughout the company and permeates the aspirations of all departments.

The Values of Paack permeate everything the company does and represents the values that Paack stands for; **WE Innovate, WE Care and WE Thrive.**



▸ **WE Innovate** means that Paackers are visionaries that think outside the box and challenge the status quo.



▸ **WE Care** means that all Paackers are a team and that we are all accountable for providing a great experience to our customers and fostering a great place to work and a great planet to live in.



▸ **WE thrive** means that Paackers are game-breakers that love challenges and to grow exceeding expectations.



## 2. Business Model

### 2.6 The Main Factors and Trends that can Affect the Future Evolution of the Business

The future of e-commerce logistics will be driven by several underlying megatrends.

The volume growth of the parcel delivery market will continue in the coming years. This growth will be supported by a growing share of online retail as a proportion of total retail sales, an increasingly urban population, and an increasing focus on customer-centric delivery experiences.

Consumer expectations of deliveries will continue to increase in terms of **speed, convenience, and sustainability at a low cost**. Successful retailers will exceed their customer's expectations of delivery experience, driving demand for businesses like

Paack, focused on providing an excellent consumer experience without depleting the resources from our planet. **Paack is focusing on positioning itself to succeed in such a future by investing heavily in the transition to zero-emissions deliveries, and building technology required to increase the efficiency of the delivery process and the rate of success of first-time deliveries.**

Other trends affecting Paack include the growth of the **circular economy**, the development of **automation and robotics**, the development of AI, and the increasing use of technology hardware and software in the delivery process.

## 2. Business Model

### 2.7 ESG Strategy of the Group and Commitment to the Community

For Paack the two material themes related to Sustainable Development are emissions and traffic congestion and decent work.

Paack operates in an industry that significantly contributes to emissions and traffic congestion. Although the adaptation of electric vehicles enables zero-emission deliveries, the industry adapts slowly. In contrast to industry peers, **Paack made zero-emission deliveries a strategic cornerstone.**

Paack has been in conversations with the **Commission of the 2030 Agenda of the Barcelona City Council** to work together on a reduction of emissions and traffic congestion. With the headquarters in Barcelona, Paack feels obliged to contribute especially to this city.

**In 2021 Paack ran a series of experiments in Barcelona to develop novel operating models that could reduce the company's contribution to traffic congestion.** The idea is to deliver parcels from a van to bicycles to consumers. In this case, the van acts as a mobile depot. The number of vans on the street can be reduced while those deliveries are being replaced by bicycle deliveries. The experiments are going to continue in 2022.

In addition to emissions and traffic congestion, major players in the industry are repeatedly under scrutiny for poor working conditions, especially with regard to health and safety.

Paack makes decent work inherent to their operating model. **Paack has always had a mission of improving the job of a delivery driver.** Paack has been forging strong partnerships with **local fleets and shares profits** in a fair manner to **provide decent work under healthy and safe conditions.** Paack achieves this by working with delivery partners (companies known as "delivery fleets", operating with multiple drivers) who provide their drivers with steady employment and a payment that supports the cost of living. **Paack recognizes the importance of these factors, and therefore does not work with any "gig economy" model.** The technology that Paack provides its fleet partners enables them to be highly effective.

We are the first logistics company to partner alongside other responsible organizations from a wide range of sectors by supporting the UNFCCC (United Nations Framework Convention on Climate Change). We are well on our way to being certified net zero and are aiming to be the first multinational logistics business to achieve it.

As Paack continues to grow, more job opportunities are created for both Paack's direct employees and partners.

To account for the central importance of Sustainable Development, Paack made sustainability a cornerstone of the strategy. **Paack's ESG strategy aims to encompass both the Environmental, Social and Governance aspects by focusing on 4 pillars:** Planet, People, Society and Responsible Business.

- ✦ **Planet:** We are committed to leading green deliveries to mitigate our environmental impact and promote sector transformation
- ✦ **People:** We are committed to the welfare and empowerment of the people through our value chain
- ✦ **Society:** We are committed to our society's development to ensure inclusive progress where no one is left behind
- ✦ **Responsible business:** We are committed to implementing the best responsible business practices to comply with our stakeholders' expectations

In each of these pillars, Paack strives to commit to several projects and practices such as **Reducing emissions, Promoting diversity and inclusion in the workplace, Community involvement and Ethical conduct** and compliance to name a few. More detailed information about these projects and practices are further developed in the next sections.

The Sustainable Development Goals of the United Nations (SDGs) guide Paack's sustainability strategy. Specifically, the SDGs 11. Sustainable Cities and Communities and 8. Decent Work and Economic Growth are fundamental to Paack.



## 2. Business Model

### 2.7 ESG Strategy of the Group and Commitment to the Community

**Paack will create the position of Head of Environmental, Social & Governance**, who will report directly to the Chief Strategy Officer, in order to give Sustainable Development and the material topics the utmost priority.

We believe that the combination of our core values as a company and our desire to expand and take our innovative and planet-friendly approach to new destinations will have a positive impact locally and globally and, at the same time, will make us an attractive option for potential investors. We also hope to inspire other competitors to reduce their carbon footprint, which will have an impact on sustainability in the entire sector.

**Our ESG credentials are important to us as an industry standard**, but at Paack we have always believed in developing our business while having a positive impact on people and on the planet.

Our commitments are in line with the **2015 Paris Agreement and now, with COP26** too. Paack Logistics UK, Ltd signed the UN's Climate Neutral Now pledge in 2020 and is the first logistics business to do so. We don't want to mark our own homework. We want the experts to keep us honest, which is why we are seeking certification for our measurements and our commitments to the Climate Now pledge through the Carbon Trust.

Our contribution work also includes a **partnership with the non-profit organization One Tree Planted** to support reforestation projects all over the world. We're extending this to provide numerous certified climate compensation investments through **reforestation, clean energy, biodiversity and reducing ocean plastics**.

# Environment

# 3





### 3. Environment

#### 3.1 Explanation of Each Material Topic Relating to the Environment

Paack has a clear vision to become the leader in Europe for **sustainable e-commerce deliveries** and returns. Road transport emissions are accounting for more than **70% of the EU transportation greenhouse gas emissions** and therefore, we need to make sure that these emissions are eliminated.

#### 3.2 Explanation of how the Organization Manages Each Material Topic

Acknowledging the 2050 goal of the Paris agreement, we have joined initiatives whose common goal is to be net zero by 2040, while **ours is to be net zero by 2030**. Our environmental approach focus on measuring and reducing our environmental impact. In order to reach our sustainability goals, we are committed to improving the infrastructure for electric vehicles.

We have invested over half a million euros in the installation of electric vehicle charging stations at our distribution centers in 2021.

In addition, **Paack counts on a liability policy that covers for environmental damages**, amounting to a total of 600.000 euros by sinister and by year.



### 3. Environment

#### 3.3 Results

##### 3.3.1 Sustainable Use of Resources

##### Direct and indirect energy consumption

	SPAIN	FRANCE	UK	PORTUGAL	TOTAL
Electricity (kWh)	768.767	161.190	274.739	10.827	1.215.523
Natural gas (kWh)	-	219.711	232.027	-	451.738
<b>TOTAL CONSUMPTION</b>	<b>768.767</b>	<b>380.901</b>	<b>506.766</b>	<b>10.827</b>	<b>1.667.261</b>

For the calculation of electricity consumption, both offices and warehouses from Paack have been accounted. The data from those warehouses that provided a bill without the details of consumption could not be obtained and, hence, are not considered in the calculations above.

In our distribution centers, we are committed to changing some contracts in order to have a higher percentage of renewable energy with the **aim of achieving 100% of our warehouses with renewable energy during 2022**. Currently, our renewable energy consumption is 364.931 kWh, which represents 30% of our energy.

##### Water consumption and collection

Water consumption (m3)	SPAIN	FRANCE	UK	PORTUGAL	TOTAL
	687	-	358	-	1.045

For the calculation of water consumption, both offices and warehouses from Paack have been accounted. The data from those warehouses that provided a bill without the details of consumption could not be obtained and, hence, are not considered in the calculations above. Water consumption is mostly sanitary.

Water consumption is not relevant to our operations since we are not using it for them. We are in the process of creating best practices for water use in our bathrooms, but the impact is expected to be minimal.

### 3. Environment

#### 3.3 Results

Raw materials

Raw materials (kg)	2021			
	SPAIN	FRANCE	UK	PORTUGAL
Printer labels	25.903	2	790	150
Transparent film	19.028	663	-	-
Carton boxes	30.525	-	-	87
Vest	817	12	34	-
Dark pallet wrap film	9.490	-	689	-
Marking tape	1.036	51	4	-
Ops gloves	89	7	12	-
Boots	3	-	-	-
<b>Total consumption of raw materials</b>	<b>86.891</b>	<b>735</b>	<b>1.529</b>	<b>237</b>

For the calculation of operating material, only the consumption of the Paack warehouses has been considered.

For the moment, we are focused on reducing film consumption in our warehouses since it accounts for more than 50% of the total emissions. In this case, we are testing a solution made of recyclable materials that substitute the film.

#### 3.3.2 Circular Economy and Waste Prevention and Management

Globally, we make sure that all our waste is treated in the most sustainable way. To do so, we are changing all our contracts in order to have companies that give us the expected service. Also, all **pallets that we receive are returned to their origin to make sure that they are used again.**

In the UK we partner with Nespresso and Inditex in circular economies initiatives.

- For **Nespresso**, we collect used capsules when delivering new ones and then we ensure those are recycled.
- For **Inditex**, we collect used clothes that are donated to the Red Cross. The collections are performed when an order is delivered to the customer.

Given the sector in which Paack operates, food waste is not material for the group.



### 3. Environment

#### 3.3 Results

#### 3.3.3 Pollutant Emissions into the Atmosphere

Considering the business activities carried out in Paack, light pollution is not material. On the other hand, noise pollution is considered but it has not been measured during 2021. **We have however**

**achieved a decrease in noise pollution with the use of electric vehicles, walkers and bikes compared to the use of fueled vans and motorbikes.**

#### 3.3.4 Greenhouse Gas Emissions

To calculate our emissions, we have followed the following standards:

- ISO 14067: Specifies the principles, requirements, and guidelines for the quantification and communication of the carbon footprint of products.
- ISO 14064-1: 2019: Specification with guidance at the organization level for the quantification and reporting of greenhouse gas emissions.
- GHG Protocol: Develop of of internationally accepted greenhouse gas (GHG) accounting and reporting standards for businesses and promote their broad adoption.

Scope 3 includes the GHG emissions associated with the materials used and transported in the cross-dock and last-mile warehouses, the parcels picked up from the retailers and transported to the Cross-dock warehouses, the parcels transported from Cross-dock warehouses to last-mile warehouses, the transport from last-mile warehouses to end-consumers, the transport from stores to end-consumers, the returns from end-consumers to retailers, the returns from end-consumers to stores, the employee commuting and business travel.

The following data has been excluded for the calculation of the scope emissions: the parcel transportation from pick-up to XD warehouse; the material consumption from the warehouses; the waste generated and its treatment in the warehouses and offices; the consumption of electricity in the storage from third PS warehouses; Refrigerant gas consumption; water consumption in the offices; natural gas consumption in the offices and office material equipment for headquarters.

Our emissions are distributed as follows:

- Scope 1 emissions account for 0.68% of the total emissions and include the GHG emissions associated with the consumption of natural gas. It excludes the fleet since it is outsourced.
- Scope 2 (market-based) emissions result in 0.53% of the total emissions
- Scope 3 emissions have a relative weight of 98.79%.

### 3. Environment

#### 3.3 Results

Scope 1, 2 and 3 CO2 emissions.

	PAACK
Scope 1 emissions (KgCO2)	121,85
Scope 2 Emissions (Location Based) (KgCO2)	-
Scope 2 Emissions (Marked Based) (KgCO2)	250,3
Scope 2 Emissions (Marked Based) (KgCO2)	-
Scope 3 Emissions (KgCO2)	94,5
<b>Scope 3 Emissions (KgCO2)</b>	<b>17.639,39</b>
Purchased goods and services	44,23
Upstream transport and distribution	5335,18
Business travel	76,18
Employee commuting	278,29
Downstream transport and distribution	11905,50

Also, we are working with the Carbon Trust in order to get the PAS2060 certification.

In 2021, we implemented measures to transform our fleet to a more sustainable one: this includes the increase of electric vehicles and other zero direct emission vehicles and the experiment of micro mobility solutions, such as mobile depot or eco-hubs in city centers.

We have also engaged with many companies in order to start testing electrical truck prototypes to have those on the road as soon as possible.

For the last-mile delivery, we have made all our **paperless service and our routing algorithm** has been improved to reduce the distance the drivers cover every day. Moreover, thanks to our tracking and time slot deliveries, **we have reduced by more than 10 points** the failed attempts which accounts for a high percentage of the emissions in the last mile deliveries.

The most relevant measures can be found below:

- **Defining, measuring, and reporting** all aspects of environmental impact in our Carbon footprint
- **Reducing our emissions** by increasing the number of electrical vehicles in our network
- Continuous improvement of the operational efficiency ensuring optimal first attempt success to travel less a deliver more
- **Compensation models** and offset initiatives in the UK
- Commitment to **Net Zero initiatives** such as The Climate Pledge, a cross-sector community of companies, organizations, individuals, and partners, working together to crack the climate crisis and solve the challenges of decarbonizing our economy. The initiative has been co-founded by Amazon and Global Optimism in 2019.



### 3. Environment

#### 3.3 Results

During the last 18 months:

- We have been working on our **routing algorithms** to reduce the distance traveled by our drivers and therefore, reduce their emissions.
- **Time slot deliveries** reduce the number of failed attempts - we have a delivery success rate of 10pp better than most competitors. This reduces the emissions of reattempts and returns to warehouses.
- **Decreasing relative costs** for partners using electrical vehicles (EVs) versus polluting vehicles incentivizing the usage of these vehicles.
- **Install over 100 charging points** in our distribution centers to improve the infrastructure and allow more partners to use the EVs. We have tripled our EVs during the first quarter of 2022.
- **Reforestation offsets** exceeding 14,000 trees planted to achieve carbon neutrality in the UK.
- **Launching circular economy** / reverse logistics solutions for textiles and aluminum compensating part of our emissions.
- **Data and market research** of measurement criteria and neutrality modeling improve our knowledge of where we are at and what measures have bigger impact to reduce our emissions. Thanks to this, we are drafting a roadmap for 2022.
- **Digital ID handshakes** make all our operations paperless.



Going forward with are considering:

- Continuous improvement of **measurement and data** in order to tackle better our problems.
- **Pick up and drop off points** (PUDO Network) for 2022 in order to keep decreasing failed attempts and grouping the failed attempts reducing our emissions.
- **Eco-hubs** in city centers in order to increase the zero-emissions vehicles used in our networks. Also, it will increase the number of couriers delivering by walking or with an **electric vehicle reducing the traffic in the main cities**.
- Intensified reporting transparency sharing reports with our clients on a monthly basis and making public all our reports as a company.
- **PAS2060 certification**. PAS2060 is the internationally recognized specification for carbon neutrality and builds on the existing PAS 2050 environmental standard. It sets out requirements for the quantification, reduction and offsetting of greenhouse gas (GHG) emissions for organizations, products and events.
- **Striving for 100% 0 emissions deliveries for the last mile by the end of 2023**
- **Enhancing and diversifying offsets** improves our compensation of emissions.
- **Renewable energy** in all our distribution centers reduces all our emissions with the usage of energy including the electricity needed to charge the EVs.
- **Install solar panels** in main distribution centers.

At this stage, the Group has not made an analysis of the possible risks associated with climate change and its impact on the business.



3. Environment  
3.3 Results

3.3.5 Protection of Biodiversity

The different activities carried out by Paack are not located in protected areas or areas of high natural interest. Consequently, **no biodiversity risk has been identified** arising from the company's activities.

# Human Resources

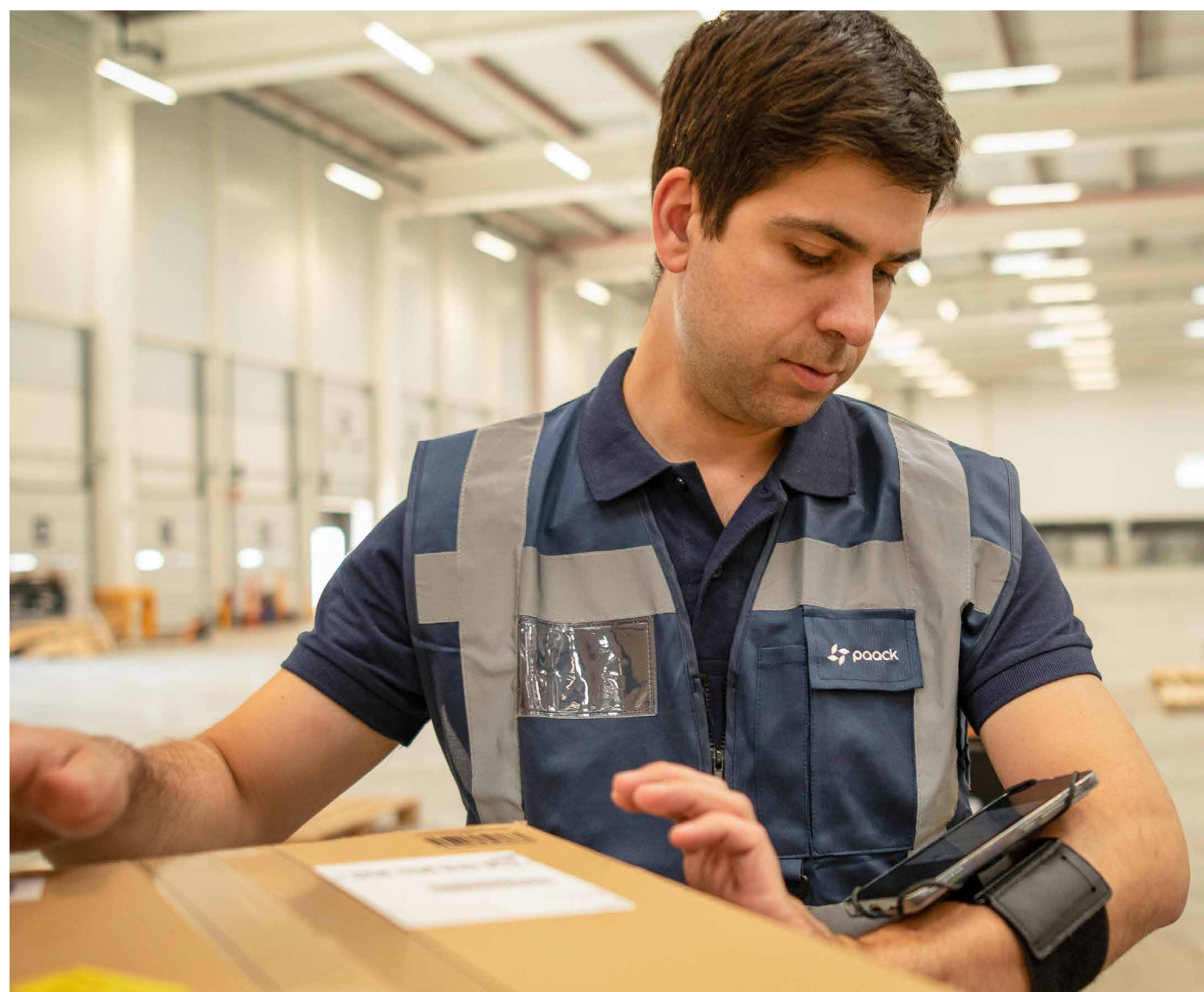


## 4. Human Resources

(Quantitative data for this section can be found in **Annex 1**.) One of the main pillars on which Paack's **growth and expansion has been sustained is its People**. We started 2021 with 242 Paackers and reached the number of 500 by the end of the year. In addition to our Technology and Operational Capacity, our People are our main asset.

Our aim as an employer is to impact the community through **stable and quality employment opportunities, career development opportunities and diversity management**.

The year 2020 was unlike any other. Having to navigate the global pandemic was certainly a priority. In 2021 we remain focused on protecting our teams' Health & Safety, but we also strengthen our ongoing Talent Acquisition priorities and implement actions to listen to the Voice of Our Employees. This year, **we deepened our efforts around our strategies for recruiting, learning and development, and engagement**.



## 4. Human Resources

### 4.1 Recruiting

We believe that **diversity makes us stronger**, and we actively work to ensure that our team is inclusive. We feel very proud of ending the year 2021 with a team of Paackers of **more than 40 nationalities, and an action plan to train hiring managers on Recruitment Interviews, with a focus on how to identify and manage unconscious bias**. However, we are also aware that we have a way to go regarding the representation of women and especially in senior roles, which is something quite challenging in our business sector.

In 2021, we implemented a recruitment platform, with the aim of:

**1 Deploying a technology to leverage data** for the optimization of an inclusive hiring process that provides greater diversity.

**2 Speeding up our recruitment processes** by automating their different stages.

Our job openings are posted in the "Work with us Section" on our public Paack website but also shared with all employees whenever a job position is open.

### Onboarding Program

As a company with a team that is constantly growing, to having a solid Onboarding Process is key to:

- Offer a positive and caring experience that encourages the new employee to stay in the company and contribute
- Help new hires to understand not only what they do, but also how they fit in what Paack does
- Faster time to competence means putting in place the necessary tools to accelerate learning curve
- **Introduce and create** connections with other people at the company

Due to our geographical dispersion together with the fact that many of our colleagues work remotely the majority of the year, **we have transformed our Onboarding Experience into a hybrid model**, where both virtual learning and on-site training are equally important.

All employees are invited to participate in onboarding training, where different topics are covered. This training is a mixture of two elements:

**1 E-Learning modules in our WELearn Platform:** Welcome to Paack; Paack Business and Structure; Diversity & Inclusion (Respect at Work); Paack Sustainability; GDPR; H&S Basics; Cybersecurity

**2 Live training sessions:** People at Paack, Mission, Vision and Corporate Values; Operational Models and Technology & Product

In addition to these training modules that are similar for all Paackers, each team offers training to their new colleagues in a rather dynamic environment relevant to their position, including the usage of tools, processes and procedures.

## 4. Environment

### 4.2 Learning and Development

Career Development is one of our **topmost priorities that we promote to continue developing** our existing talent. We are a company that is growing and consolidating its business structure, which develops to cope with emerging challenges. In 2021, 102 new roles at Paack were taken by employees as career development opportunities.

#### WELead – Leadership Program

To support the skills development of our People who are managing Teams, in 2021 we launched our **WELead Program** with the aim of providing them a space to get tools, share discussions and concerns about their day-to-day challenges in their roles as team managers, regardless of their experience. This program allows them to learn how to support and inspire their teams to perform and develop at the highest level, toward the achievement of a common goal. Workshops delivered covered the following topics:

- Emotional Intelligence and Self-Awareness
- Conflict Management and Difficult Conversations
- Managing Performance, Behaviors and Attitudes

A total of 80 team managers participated in this training program on leadership skills, which was translated into a total of 238 hours of training.

We strongly believe in a culture of ongoing feedback, therefore we train our team managers to be able to provide it.

Additionally, we planned and delivered a wide range of **e-learning training modules** throughout the year to cover specific training needs not only to support our new joiners to learn about Paack and about their roles, but also to manage day-to-day challenges:

Country	2021 Hours
Spain	1.815
France	165
Portugal	37
UK	193
<b>Total</b>	<b>2.210</b>

This total of 2.210 e-learning training hours has been distributed as follows per professional category:

Professional Category	2021	
	Hours	%
Management	66,3	3%
Middle Management	309,4	14%
Qualified Personnel	928,2	42%
Operational	861,9	39%
<b>Others*</b>	<b>44,2</b>	<b>2%</b>

\* "Others" refer to students that have undertaken an internship with us and have been offered training as a part of their internship project.

## 4. Environment

### 4.3 Engagement

At Paack, our main initiatives to support and engage our employees are the following:



#### Employee Assistance Program

This program is a personal support program for **expert guidance and support for all types of personal and family well-being**. It is a confidential, independent, and cost-free service for our employees and immediate family. This service is also available if instead of consultation on a particular topic, one would like to search for general health and well-being information.



#### Monthly Budget Allocation for Team Activities

Team Managers at Paack have a **monthly budget allocation per employee in their teams to make team activities**. The operational needs and therefore work organization system in each team may be different. For this reason, each manager has the freedom to spend that budget in the way that better matches needs and interests of their team members as far as the aim of the activity is to bring the people in the team together by **encouraging collaboration and teamwork, reinforcing them working together cohesively towards a common goal and enjoying a great time together at the same time**.



#### Flexible Compensation Scheme

The Flexible Compensation Scheme is a **Remuneration System that allows the employee to distribute their salary**, one part in cash and another through products or services. This remuneration system is currently available only in Spain, but we are exploring to expand similar programs to all our operational countries, where feasible.



#### Employees Engagement Survey

In July 2021, we launched our Voice of the Employee Survey. It is an anonymous survey that we perform two times a year **to understand employees' engagement and perceptions about four different categories** i.e. Their Role; Work Environment; Company and Leadership.

Company results were shared with all employees in an **All-Hands meeting**, where each manager discussed their team results in different team meetings. We are proud to say that **85% of Paackers would recommend Paack to a friend** (with a 78% response rate).

Scoring was high in each of the four sections (4/5) but what was especially highlighted as positive ("What do you like the most?") was Teamwork & Work environment (40%).

As a next step, each team nominated a representative (VoE Ambassador) for brainstorming on how to tackle improvement areas and to develop an action plan as a way forward.



## 4. Enviroment

### 4.4 Internal Communication and Participation

To **promote transparency and enhance the flow of information** between the company, the different departments and Paackers in general, we run the following initiatives:



#### Town Hall

This initiative consists of a **monthly all-hands meeting that brings all Paackers together to share updates** about business performance and new projects. It is also a great opportunity to welcome new colleagues, celebrate promotions and ask questions to senior leadership.



#### Newsletter

We send email communication pieces with very **detailed information about the latest news and updates** in each of our operational countries.



#### Coffee Chat with an Executive Leadership Team

Coffee chats are informal monthly **meetings between one member of the executive leadership team and a group of around ten Paackers from different departments**. The aim of such coffee chats is to get to know each other and have the possibility to ask questions and raise concerns in a relaxed environment.



#### Your Voice

Your Voice is an online 24/7 channel where **any employee can share suggestions, raise ethics cases, or report compliance**. It can be managed anonymously if that is the choice of the person contacting.

## 4. Enviroment

### 4.5 Work Organization and Hours of Absenteeism

As an alternative to the conventional working day with a fixed start and finish time, **we support a flexible work schedule that allows our employees a level of autonomy to create their own schedules and find a work-life balance that works for them**. In those departments, where this option is not feasible because of the nature of the service, they are provided with required pre-defined shifts. At the same time, **we support exchanges among colleagues with the aim of supporting a work-life balance 24/7 in our operational environment**.

In 2021, we reported 2.538 hours of absenteeism in Spain, which translates into an absenteeism rate of 0,1 (\*).

(\*). Data from our external mutual service. Includes common diseases, absence to work with or without sick note.



## 4. Environment

### 4.6 Diversity and Equality

At Paack WE are committed to promoting a diverse and inclusive workplace:

- **WE value the range of perspectives**, ideas, and experiences from a truly diverse environment.
- **WE believe diversity and inclusion** create a broader and richer environment that enhances creative thinking, innovation and problem-solving.
- **WE foster a culture based on meritocracy**, where we value and demand respect for others and where opportunities are widely available to all.

Each Human Being brings a **diverse set of perspectives and life experiences**. That is what makes our Team so great.

This is our diversity statement and all Paackers are introduced to it, when joining as part of their Onboarding Training.

As mentioned in the Recruiting section, **we believe that diversity makes us stronger**, and we actively work to ensure that our team is inclusive. We feel very proud of ending the year 2021 with a team of Paackers of more than 40 nationalities and an action plan to train hiring managers on Recruitment Interviews, with focus on how to identify and manage Unconscious Bias. However, we are also aware that **we have a way to go regarding the**

**representation of women and especially in senior roles**, which is something especially challenging in our business sector. In this sense, in Spain we have performed the **“Gender Equality Plan”** and identified focus areas that have resulted in an action plan that we will run globally.

So far, the focus has been on making sure that we use inclusive language in both external and internal communications. In this sense, in 2021 we launched the **“Your Voice” tool to provide workers with a safe space to voice their concerns**. It is an on-line 24/7 channel where any employee can **share suggestions, raise ethical cases, or report compliance ones**. It can be managed anonymously if that is the choice of the person contacting.

In relation to the participation of persons with disabilities in our company, we support labor integration by **collaborating with the Special Employment Center from Grupo Social Once**. In this regard, by 31st December 2021, the number of employees with disabilities was three and all of them were in Spain, which is consistent with the size of our teams in each country. According to the General Law on the rights of people with disabilities and their social inclusion, it is necessary to cover a percentage of 2% of the workforce (8 people). Looking to the future, Paack will work to reach the objectives set by law.

In all our operational countries, **100% of our employees are covered by the Collective Bargaining Agreement** that corresponds to their work, as this is a requirement when setting and registering a new company at the relevant labor authorities, except for the UK where that is not a requirement.

## 4. Environment

### 4.7 Social Relations



# Health and Safety

# 5





## 5. Health and Safety

Paack considers the **safety** of people to be its “highest priority.”

The company, aware that Occupational Health and Safety Management is responsibility of all the people who work in the organization, will adopt a Management System based on the general Management objectives related to the continuous improvement of its actions within the logistics sector, also guaranteeing that each of them is framed within the criteria of sustainability.

This approach to Occupational Risk Prevention is based on **the fundamental rights and values of health, physical integrity and respect for people, teamwork, active participation of employees** and application of the best techniques and preventive strategies at all times based on legal requirements.

To make sure that this policy is implemented, the Management makes available to the staff all the resources and means that are necessary and feasible to undertake it, establishing the following principles as a commitment:

**1. Commitment of the Management and of the entire organization** to the promotion of the culture and integrated management of Occupational Risk Prevention in its own activities, as well as that of the collaborating companies, with the aim of achieving a constant reduction of occupational accidents.

**2. Paack bases its preventive action on the legislation** of the countries in which it carries out its activity. All its preventive actions are framed in the current legislation on Occupational Risk Prevention. Likewise, all those commitments signed by the organization are also considered.

**3. Commitment to establish, implement, update and periodically review the Occupational Risk Prevention Management System** of Paack to provide the appropriate framework that guarantees the establishment of objectives, as well as of the continuous improvement of preventive actions and health and safety conditions at work.

**4. The use of tools such as theoretical and practical training, information, consultation and the participation of employees** that make it possible to transform the values, attitudes and behaviours of all members of the organization so that the principles of this Policy are known, understood, developed and maintained.

**5. The Management commits to the annual study and analysis of the results obtained together with the employees’ representatives**, so it is a cyclical process and serves as the basis for updating the Occupational Health and Safety Management System.

**6. The Occupational Risk Prevention Policy is reviewed periodically by the Management**, and is used to introduce the modifications to the system that are advisable to guarantee the continuous improvement of its results.

This Occupational **Risk Prevention Policy applies to the entire company** and all its activities and centers. This statement is communicated and available to all members of the organization, as well as companies and interested parties so that they are aware of it and share it.

In connection to what has been mentioned, the table below shows the number of accidents at work, their frequency and severity, as well as occupational diseases; disaggregated by gender in Spain During 2021, there haven’t been no accidents at work in the UK, France and Portugal.

	SPAIN - 2021		
	Woman	Man	Total
<b>Number of occupational accidents with sick leave (not included in itinere)</b>	0	4	4
<b>Accidents in itinere</b>	0	0	0
<b>Accident Frequency Index</b>	0	13.31	13.31
<b>Accident Severity Index</b>	<b>0</b>	<b>0.37</b>	<b>0.37</b>
<b>Number of occupational diseases</b>	<b>0</b>	<b>0</b>	<b>0</b>

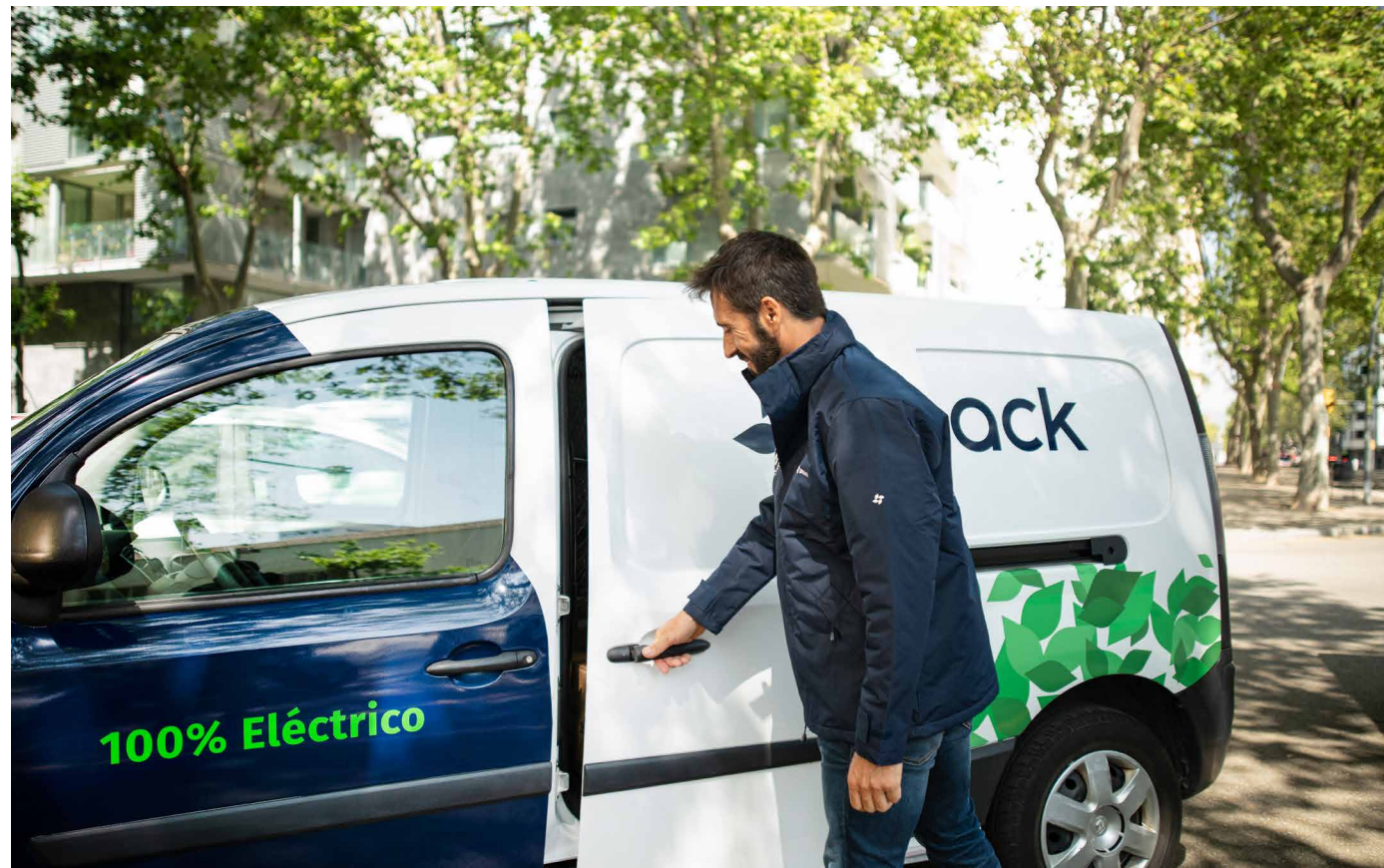
Accident Frequency Index =  $(n^{\circ} \text{ accidents} / n^{\circ} \text{ worked hours}) \times 10^6$   
 Accident Severity Index =  $(n^{\circ} \text{ of lost days} / N^{\circ} \text{ worked hours}) \times 10^3$



## 5. Health and Safety

Covid19 cases are not included in the calculation as they don't impact the company accidents rate Our main accidents at work risks are linked to:

- Tripping and falling
- Treading on objects
- Falls to different levels due to approaching the edge of the dock during loading or unloading operations.
- Falls at different levels to get on and off a vehicle (truck, van, etc)
- Objects falling when handling loads or parcels
- Thoracolumbar injuries and overexertion when handling heavy materials or making many repetitive movements with light loads
- Exposure to extreme ambient temperatures due to working abroad
- Risk of blows, cuts in load handling tasks
- Entrapment due to overturning of the truck for driving at excessive speed, with a raised load, or on uneven or sloping surfaces
- Collisions with mobile and/or immobile objects
- Exposure to physical agents. Noise and vibration.
- Psychosocial factors due to customer demands, organization, workload, stress, etc.



# Respect for Human Rights

# 6



## 6. Respect for Human Rights

At the internal and area level, there is no relevant risk of human rights violations in Paack.

In the supply chain, there might be a moderate risk of possible human rights violations. As a preventive measure and to act against this situation, **we commit to sharing the Compliance Policy, Code of Ethics and Anti-Corruption Policy with the different suppliers with whom we collaborate.** In this way, our suppliers are obliged to read, understand, and take into consideration our policies once the contractual relations are established.

In any case, we work and collaborate with companies that are duly constituted and that operate in compliance with the required legal regulations. Likewise, when establishing relationships with suppliers, the necessary documentation is requested in order to act in accordance with the law through the Dokify platform.

As a group, **we are committed to upholding, supporting, and respecting internationally recognized human rights.** As a result, we count on a Code of Ethics based on the United Nations Universal Declaration of Human Rights; the Convention for the Protection of Human Rights and

Fundamental Freedoms; the various conventions of the International Labour Organization (including a child and forced labour, workers' health and safety, discrimination, wages, freedom of association, the right to organize and collective bargaining) and OECD's Guidelines for Multinational Enterprises. Furthermore, we have a Compliance Policy, which expounds our Code of Ethics, ratifying our commitment to ethical values and regulatory compliance.

In order to mitigate, manage and redress possible abuses committed, we do not only apply our internal Compliance Policies to all employees as mandatory, but we will start sharing them with our external suppliers from 2022 onwards. With this, **we aim at aligning all our internal and external relations, making sure that they all follow the same business standards and work ethics.** Sharing the Compliance Policies with the external suppliers means that they will have to sign them as proof they have read and understood them and will act accordingly.

Even so, it should be noted that there have been no complaints of human rights violations in any case during the year 2021.

# Fight Against Corruption and Bribery

# 7



## 7. Fight Against Corruption and Bribery

### 7.1 Explanation of Each Material Issue Relating to Corruption and Bribery

In order to identify the main risks that may affect the organization in terms of corruption and bribery, **we carried out an evaluation of the main criminal offenses linked to corruption and bribery**, which are possible fraudulent contractual relations with a supplier, such as taking unregulated payments with a fleet by people working directly in the warehouses and to give aid to a relative or close person that could be in conflict of interests with the company.

After this evaluation of our activities from the perspective of corruption and bribery, it was determined that **the main existing risk is making payments to any supplier or employee directly in cash so that it cannot pass through any financial control**, or payment in goods, gifts, travel, or hospitality.



## 7. Fight Against Corruption and Bribery

### 7.2 Explanation of how the Organization Manages Each Material Topic

We have implemented a **Compliance System to highlight our commitment to ethical and regulatory compliance**, as well as to minimize the commission of illegal acts and infringements. The Compliance System elaborates a series of principles and guidelines that must be always respected and complied with. Paack Compliance System includes the Compliance Policy, Code of Ethics, and Anticorruption Policy.

Paack Compliance Officer model is a unipersonal organ. Carmen Mascaray Martí performs its function by supervising the implementation of the Compliance System and overseeing the interpretation of the Compliance Policies. This task is developed with independence and authority. The Compliance system (Code of Ethics and Anti-Corruption Policy) applies to members of the Board of Directors, people with management positions, heads of the different departments and all Paack employees. This means, this commitment **must be shared by the entire team, whatever their position in the company.**

The Code of Ethics is an essential guide and advisory support in daily situations and in the decision-making process. It is the base for other of our Compliance policies. In this way, the Code of Ethics is the starting point to build an effective corporate and compliance culture. We believe that ethical behaviour is the cornerstone of a business that provides answers to the current demands of shareholders, customers, service providers, and anyone collaborating with the company.

Paack's Anticorruption Policy is aimed to establish our action guidelines to prevent the risks of committing any form of corruption, as well as any type of reputational or financial damage arising from its materialization in the company. This Anti-Corruption Policy is inspired by the principles and guidelines of the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act (UKBA) and the Spanish Criminal Code.

In terms of reporting and communication channels, Paack's Compliance Channel allows the Compliance Officer, to be aware of and be able to act in the event of breaches of applicable legislation, breaches of the Code of Ethics or other internal regulations of the company. Access to this form is completely anonymous. The Compliance Officer will not have access to the details of the people making the

complaints unless they voluntarily wish to reveal their identity. In this sense, **the Whistleblower Channel guarantees absolute anonymity and confidentiality.** In addition, the protection of whistleblowers, the persons concerned, and the company is guaranteed. Hence, no whistleblower will suffer any retaliation from Paack. At the same time, we do not tolerate any kind of pressure or discrimination against whistleblowers.

Paack will always **respect the timing of the reporting individual, as well as the degree of information he/she wishes to provide.** A person who reports the commission of an unlawful act shall not be obliged to provide more information than he/she feels confident about. **The identity of the reporting person should not be required to be disclosed.** When an incident is reported, it is important to provide as much information as possible, explaining in detail the events that occurred. Sharing as much information as possible is important so that investigations can be commenced, and the facts reported can be clarified. However, the limit of information shared will always be set by the person making the report.

On the other hand, in addition to the Compliance Channel, if any person working at Paack has any questions or doubts about the interpretation of the Code of Ethics or the Anticorruption Policy, they can contact [compliance@paack.co](mailto:compliance@paack.co). This line of communication with the Compliance team provides points of contact for reporting any queries or doubts regarding the Compliance Policies. **In case of any doubts about how to act in certain situations, any Paack employee can contact the Compliance email address.** Unlike the Compliance Channel, emails sent to [compliance@paack.co](mailto:compliance@paack.co) will not be anonymous, and the Compliance team will have access to the details of the person asking the question. However, **under no circumstances, the identity of the person asking the questions will be revealed.** All shared information will be confidential and treated securely.

It should also be noted that **inappropriate use of the Compliance Channel**, by making false reports intentionally and in bad faith, with harmful intentions towards other colleagues, **will also be subject to disciplinary sanction, without prejudice to any criminal or other liability that may arise.**

## 7. Fight Against Corruption and Bribery

### 7.3 Results

#### 7.3.1 Internal training on compliance

As a result of the compliance system, **mandatory training has been raised for all our employees so that all employees, departments, and different areas are aligned.** This training informs about the Compliance System, explaining what implies, to whom it always applies and the importance of respecting it. The Compliance Officer keeps a detailed follow-up of the people who have taken the course in order to have control, as well as the acceptance of the Policies. During 2021, this course has been available for all employees of Paack Iberia S.L.U. In 2022, the course will be launched for the employees of Paack UK, Portugal, France and later in Italy.

On the other hand, **we are planning to launch specific and personalized training for Executive Directors,**

**Directors and Managers,** so that each one of them is clear about the internal procedures and the risks arising from their own daily activity. In this way, it will be possible to focus on the specific risks of the different departments, providing a more precise and appropriate approach and response to each case. In these training sessions, concrete measures to fight corruption will be discussed in more practical terms. Independently of this and the Anti-Corruption Policy, the Finance Department is taking the necessary steps to prevent money laundering.

During 2021, there were no cases of corruption or bribery confirmed.

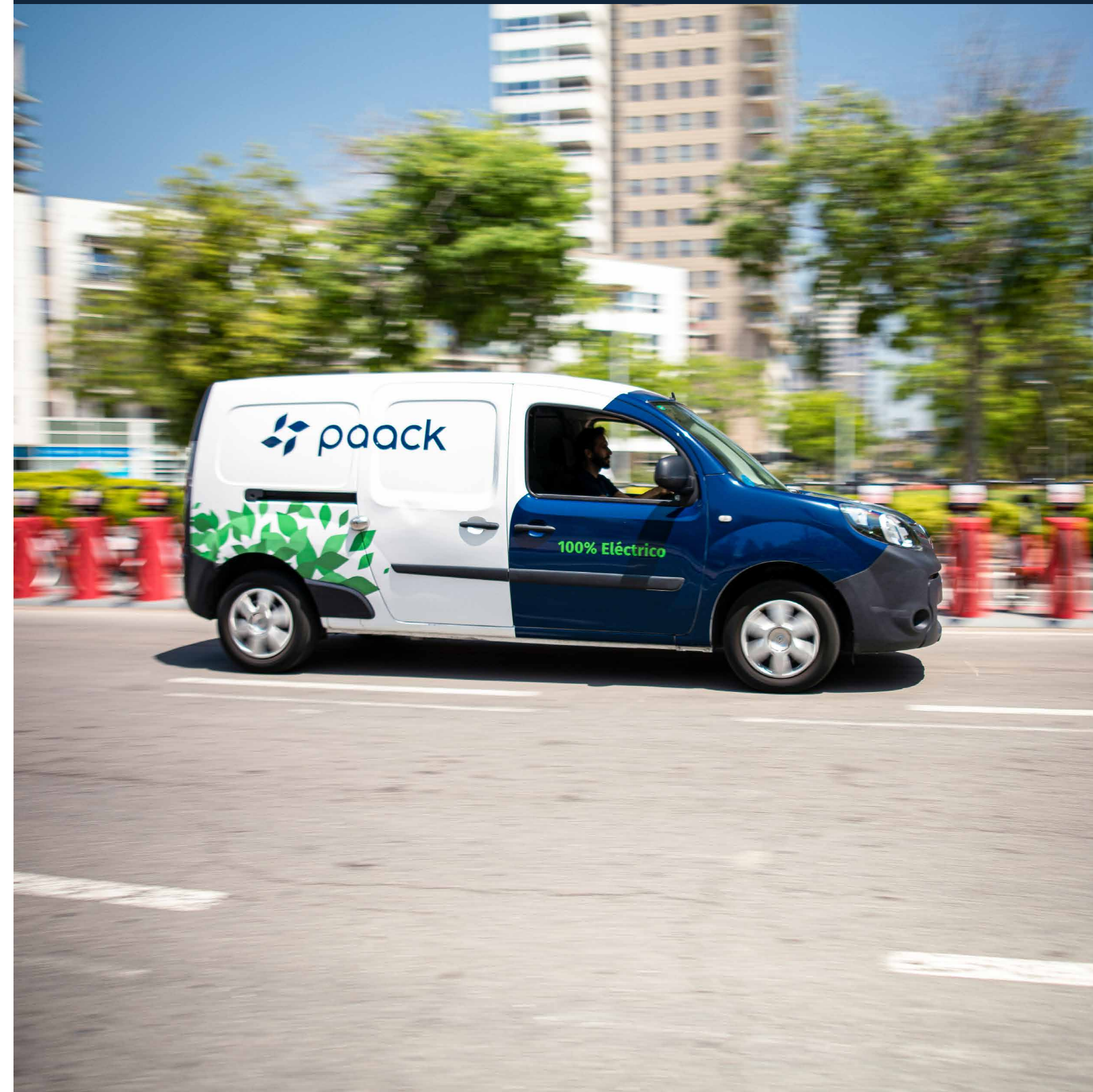
#### 7.3.2 Contributions to foundations and non-profit entities

Paack Anticorruption Policy sets the Sponsorships and donations' rules and guidelines. In this sense, **we do not make contributions to foundations and entities linked to political parties or dependent on them.** If, exceptionally, such contributions are made,

they must be transparent and comply with the requirements of the applicable legislation.

In the course of the year 2021, Paack has not made any donations to non-profit organizations and foundations.

# Subcontracting and Suppliers



## 8. Subcontracting and Suppliers

We have two types of suppliers:

### Fleets suppliers

These suppliers are those related to the **procurement of transportation, shuttle and parcel pick-up services**. This category is directly related to operations and consists of local suppliers. We initiate operations with the fleets, going through the following phases: getting to know the supplier, negotiation and formalization. During 2021 this process has been managed through supplier homologation and business activity coordination platforms where we mainly obtained:

- Company mercantile documentation
- Employee documentation
- Vehicle documentation

Paack, during the approval process of fleet suppliers, analyses, and documents information such as supplier's risk assessments, insurance policies, prevention reviews of preventive activities, risk training to the position of their workers, report of workers in high, technical data sheets of vehicles, vehicle inspections, permits circularization, etc.

Likewise, **focused on improving our impact on the environment, during 2021 we have prioritized Green Deliverys deliveries, prioritizing the environmental aspects of the fleet supplier being incorporated to provide services.**

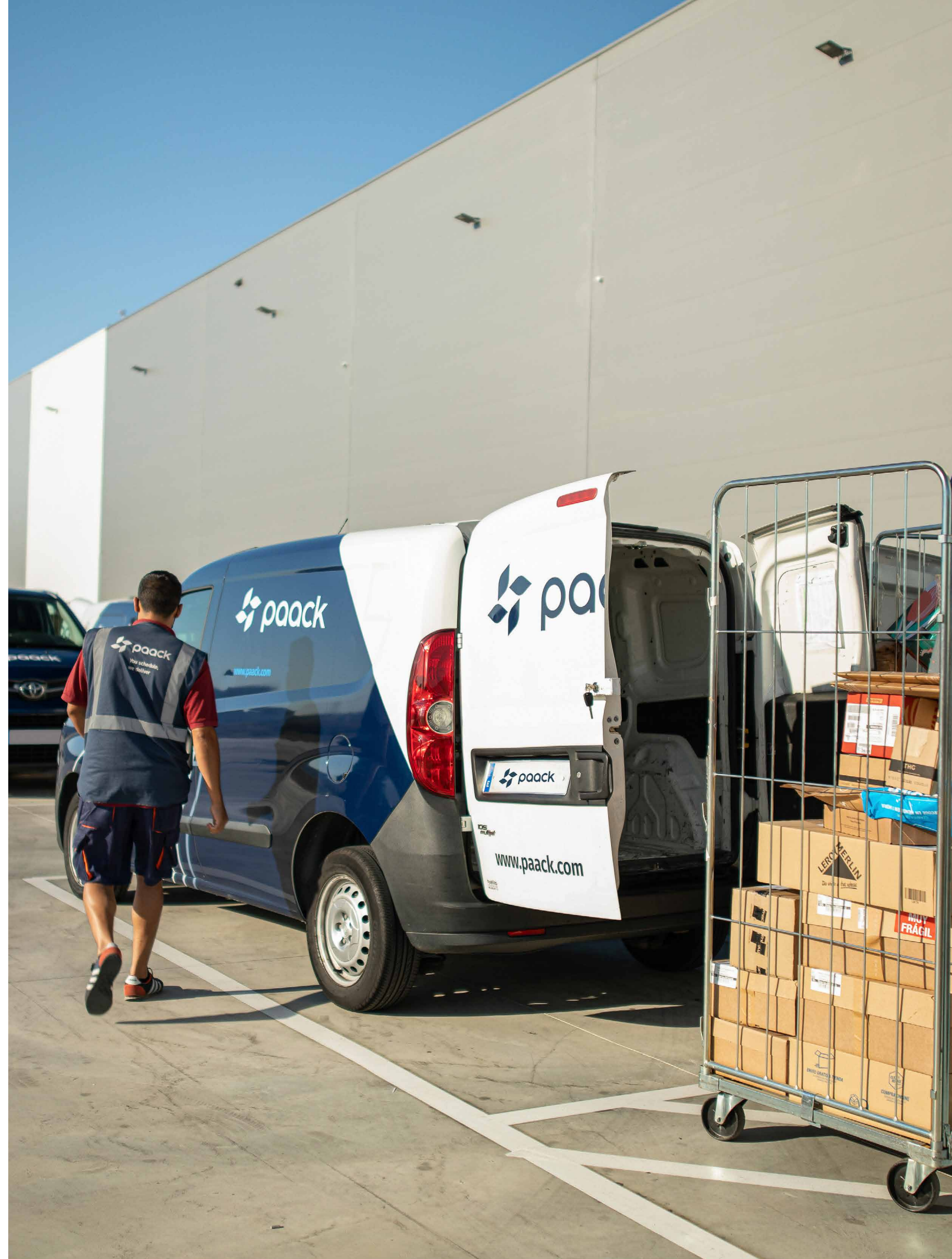
In the table below, one can find the Green Deliveries orders during 2021, which correspond to the deliveries made with electric vehicles by country:

Country	Orders	Percentage
ES	824.569	37,49%
FR	87.437	3,98%
GB	1.280.040	58,19%
PT	7.551	0,34%
	<b>2.199.597</b>	<b>100%</b>

As of December 31st, 2021, not all our active fleets had all their documentation validated.

Purchases of fleet suppliers in 2021 were made in the following markets:

Market	% Volume of purchases
Nacional	99,25%
UE	0,75%
International	0%



## 8. Subcontracting and Suppliers

### Sundry suppliers

**Service or acquisition of goods for operational and administrative activities.** This category includes all suppliers other than freight.

Paack, during the fiscal year 2021, has implemented a purchasing process to carry out the acquisitions; likewise, **a module has been implemented in the financial system that allows the traceability of the status of the orders to the requesting and purchasing users.**

Purchasing processes begin with the receipt of an order request; the purchasing team processes the request (reviewing the economic clauses and budgets with the surety bonds and the legal conditions with the legal team); they request approval of purchases according to the different approval flows assigned by departments; they launch the order; they review the status of receipt and automatically generate the delivery note after receipt, which is viewed by the accounts payable team for the registration of the invoice and subsequent payment.

**Paack's main policy is to work with local suppliers.** However, due to standardization in operating materials or services, there may be some exceptions for international suppliers or within the EU.

During fiscal 2021, purchases in this category were made in the following markets:

Market	% Volume of purchases
Nacional	64,62%
UE	21,81%
International	13,56%
PT	7,551

In 2021, our suppliers have not been audited and neither we have not been audited.

# Consumers

# 9



## 9. Consumers

### 9.1 Explanation of each material topic related to customers

In Paack the most important topic related to Customers' Health & Safety is the quality of our delivery process where we ask the customers to evaluate 1 to 5 our delivery service and provide the reason for their satisfaction or dissatisfaction.

We also take special attention to the number of contacts in our Customer Support vs the number of orders to understand our customer health and improvement areas.

### 9.2 Explanation of how the organization manages each material topic

Each time an order is delivered the Customer receives an email/sms where can evaluate the delivery service provided. **This information is taken into consideration to drive operational, product and service improvements** in order to maintain our Customer Health & Safety measures.

We also take into consideration all the Customer Support contacts information to drive operational, product and service improvements in order to maintain our Customer Health & Safety measures.



## 9. Consumers

### 9.3 Results

Measures for the health and safety of consumers

Paack has implemented different contactless services to avoid contact between customers and our drivers during the delivery process to make sure we are compliant with health & safety measures.

- **OTP (One Time Password) deliveries** - During the delivery process, the customer will receive an OTP that should be provided to the Driver to confirm the reception of the order. With this technology, we avoid the customer and driver physical interaction.
- **Picture Proof of delivery** - To confirm the delivery has been done correctly the driver will take a picture of the Customer's door with the parcel. With this technology we avoid the customer and driver physical interaction.

We also have been working on a transparent communication channel between the customer and the driver to avoid data privacy violations. In case the driver needs to contact the customer will do it through the Paack Driver App and the caller ID will be Paack Customer Support instead of the Driver's phone number. With this method we make sure the Driver and/or Customer don't have personal data.





## 9. Consumers

### 9.3 Results

Complaint systems, complaints received and resolution thereof

We use the **Freshdesk Omnichannel system to record 100% of our Customer Support contacts**. The Customers & Retailers can contact Paack through Email, Phone and/or Chat and we record a new ticket per each contact.

The contact is managed by a Customer Support (CS) Level 1 agent who will try to resolve the issue with the Customer/Retailer, in case need another type of assistance will escalate it in the system to a CS Level 2 agent who will provide the proper information (after checking with other teams if needed) to the CS Level 1 agent to resolve the Customer/Retailer issue.

	SPAIN	FRANCE	UK	PORTUGAL
<b>Number of complaints received</b>	265.481	34.718	50.007	3.059
<b>% SLAs achievement</b>	87,75%	85,55%	92,75%	93,15%

➤ **Complaints received** - Customer or Retailer complaints received through our Customer Support channels

➤ **% Resolution** - % of tickets resolved within our Service Level Agreement (SLA) policies defined below:

**Email** - 4h during Business Hours

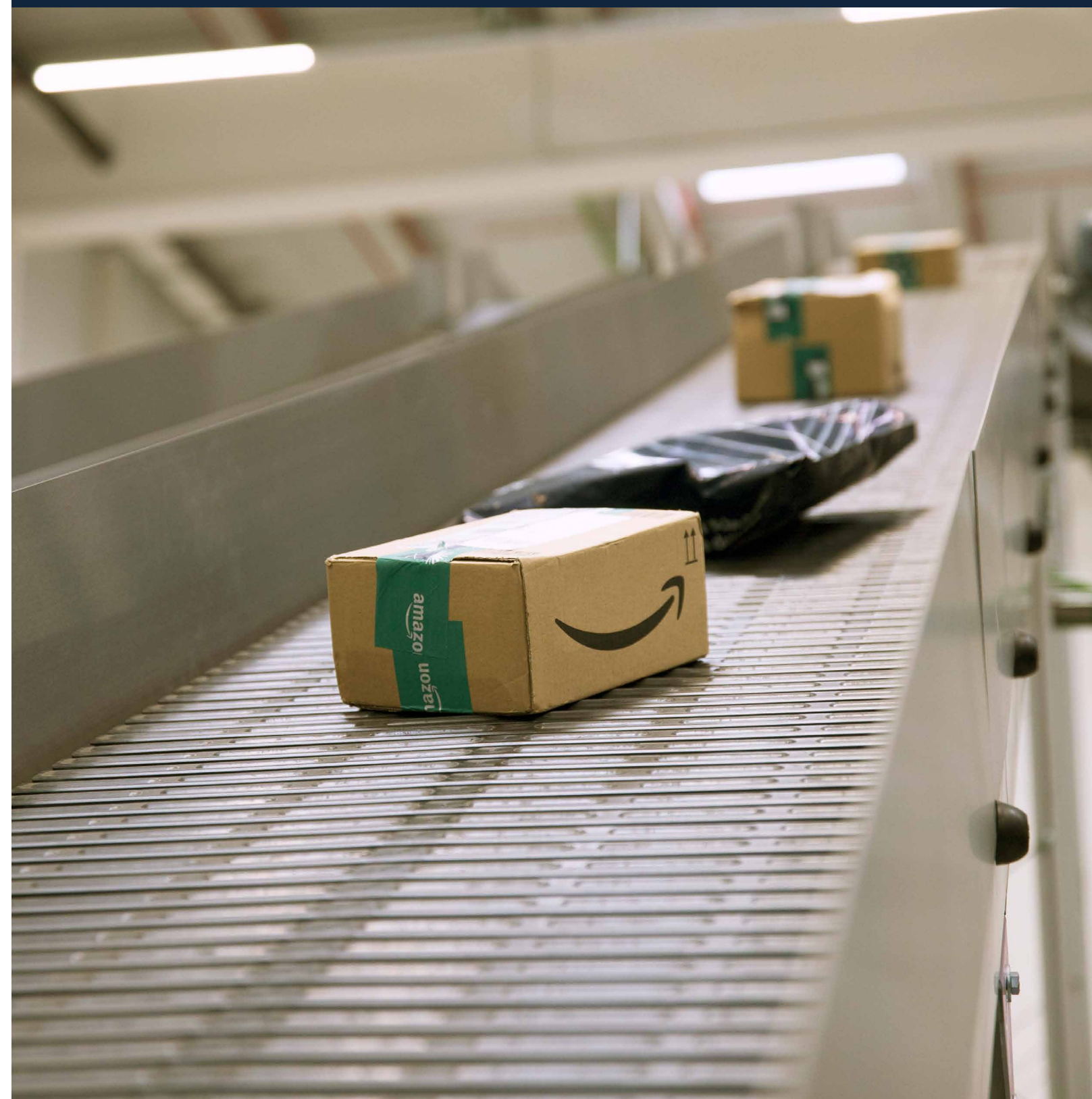
**Phone** - 97,5% of calls answered within 30 seconds

**Chat** - 97,5% of chats answered within 30 seconds  
Ticker

**Resolution (All channels)** - 8h during Business Hours

# Tax Information

# 10



## 10. Tax Information

The income tax expense or income comprises the portion relating to current tax expense or income and the portion relating to deferred tax expense or income.

Current tax is the amount payable by the Company as a result of income tax assessments for a given year. Tax deductions and other tax benefits, excluding withholdings and payments on account, as well as tax losses carried forward from previous years and effectively applied in the current year, resulting in a lower amount of current tax.

**Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities.** These include temporary differences which are identified as amounts expected to be payable or recoverable arising from

differences between the carrying amounts of assets and liabilities and their tax bases, as well as tax loss carryforwards and tax credit carryforwards. **These amounts are recognized by applying to the corresponding temporary difference or credit the tax rate at which they are expected to be recovered or settled.**

Deferred tax assets are reassessed at each balance sheet date and adjusted if there are doubts as to their future recoverability. In addition, off-balance sheet deferred tax assets are assessed at each balance sheet date and are recognized to the extent that it becomes probable that they will be recoverable against future taxable profit.

Tax jurisdiction	(-) Loss / Profit before tax	Taxes on profits
PAACK LOGISTICS IBERIA SLU	3.729.637,65 €	34.718
PAACK LOGISTICS FR, SARL	3.969.414,12 €	-
PAACK LOGISTICS UK, LTD	5.249.216,71 €	-
PAACK LOGISTICS PT, UNIPessoal LDA	407.447,39 €	-
PAACK SPV INVESTEMENT SL	16.081,14 €	-
<b>Total</b>	<b>13.371.797,01 €</b>	<b>1.661.488,51 €</b>

Information obtained from the Profit and Loss Statement for the financial year 1 January to 31 December 2021 in euros.

## 10. Tax Information

### Pre-tax benefits:

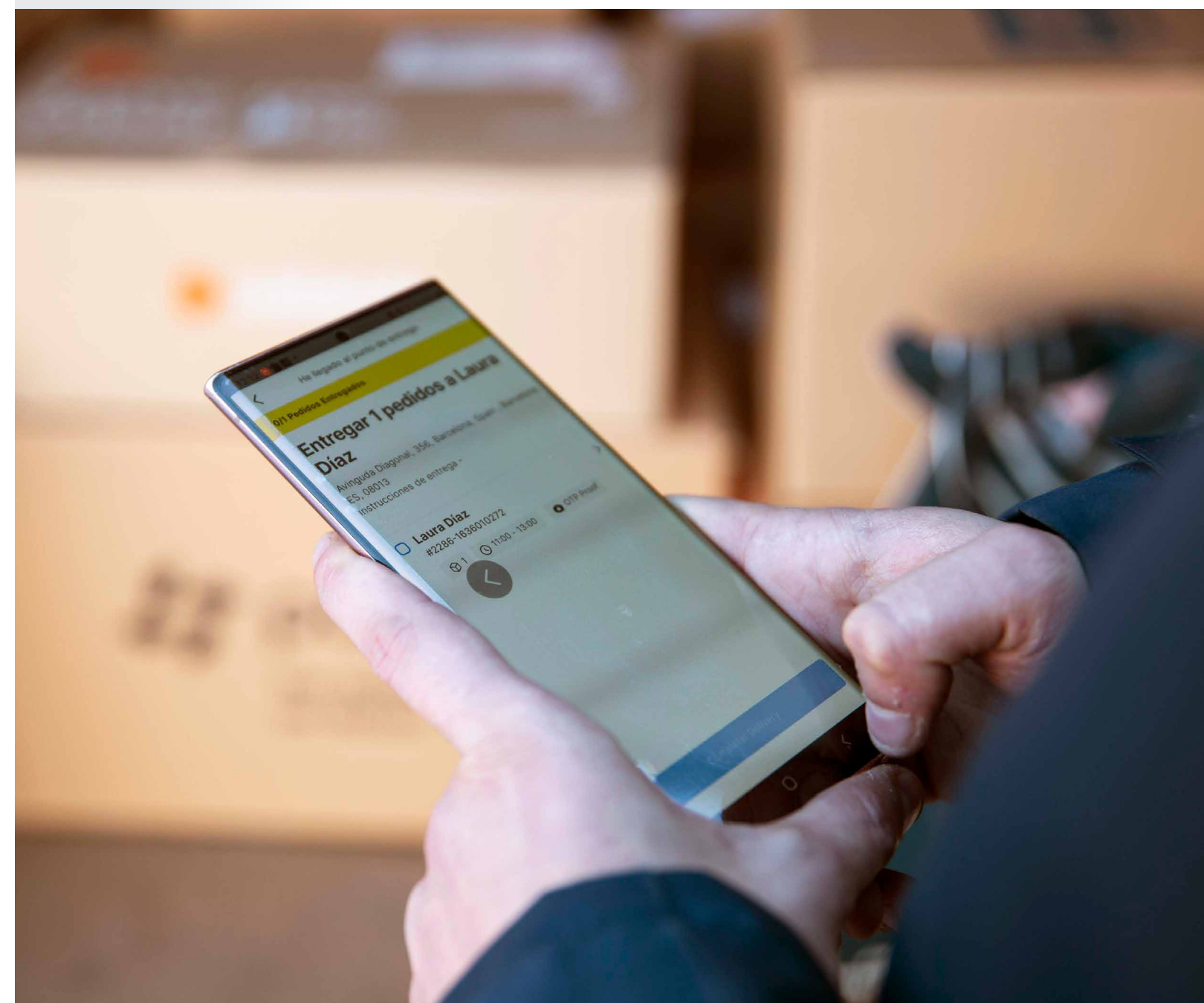
The figures shared correspond to the pre-tax profit or loss, in euros, for each of the entities individually.

The profit or loss of Paack Logistics UK, Ltd. in pounds sterling has been translated at the average of the rates prevailing during the financial year 2021.

### Corporate tax paid during the tax year:

No corporate income tax payments have been made in 2021. However, the company Paack Logistics Iberia, S.L.U., following the certification and approval of the deductions for technological innovation, generated a profit of 166 thousand euros.

In addition, during 2021, we have not received any amounts from applied subventions.



# Annex I

## HUMAN RESOURCES DATA

Total number and distribution of employees age, gender and country (31/12/2021)

SPAIN - 2021			
Age	Woman	Man	Total
Under 30	52	113	165
Between 30 and 50	82	157	239
Over 50	6	5	11
<b>Total</b>	<b>140</b>	<b>275</b>	<b>415</b>

FRANCE - 2021			
Age	Woman	Man	Total
Under 30	3	16	19
Between 30 and 50	3	16	19
Over 50	0	1	1
<b>Total</b>	<b>6</b>	<b>33</b>	<b>39</b>

UK - 2021			
Age	Woman	Man	Total
Under 30	1	10	11
Between 30 and 50	3	18	21
Over 50	0	2	2
<b>Total</b>	<b>4</b>	<b>30</b>	<b>34</b>

## ANNEX I

PORTUGAL - 2021			
Age	Woman	Man	Total
Under 30	0	1	1
Between 30 and 50	0	11	11
Over 50	0	0	0
<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>

Total number and distribution of employees age, gender and country (31/12/2021)

SPAIN - 2021			
Professional classification	Woman	Man	Total
Management	9	40	49
Middle Management	5	24	29
Qualified Personnel	57	98	155
Operational	69	113	182
<b>Total</b>	<b>140</b>	<b>275</b>	<b>415</b>

FRANCE - 2021			
Professional classification	Woman	Man	Total
Management	0	6	6
Middle Management	1	8	9
Qualified Personnel	4	19	23
Operational	1	0	1
<b>Total</b>	<b>6</b>	<b>33</b>	<b>39</b>



FRANCE - 2021			
Professional classification	Woman	Man	Total
Management	0	6	6
Middle Management	1	8	9
Qualified Personnel	4	19	23
Operational	1	0	1
<b>Total</b>	<b>6</b>	<b>33</b>	<b>39</b>

UK - 2021			
Professional classification	Woman	Man	Total
Management	0	5	5
Middle Management	0	7	7
Qualified Personnel	4	18	22
Operational	0	0	0
<b>Total</b>	<b>4</b>	<b>30</b>	<b>34</b>

PORTUGAL - 2021			
Professional classification	Woman	Man	Total
Management	0	0	0
Middle Management	0	2	2
Qualified Personnel	0	4	4
Operational	0	6	6
<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>

### Total number and distribution of employees by country and gender (31/12/2021)

Country	Woman	Man	Total
Spain	140	275	415
France	6	33	39
UK	4	30	34
Portugal	0	12	12
<b>Total</b>	<b>150</b>	<b>350</b>	<b>500</b>

### Total number of employees by type of contract, working day and country (31/12/2021)

FRANCE - 2021		
Type of contract	Full-time	Part-time
Indefinite	37	0
Temporary	2	0
<b>Total</b>	<b>39</b>	<b>0</b>

PORTUGAL - 2021		
Type of contract	Full-time	Part-time
Indefinite	12	0
Temporary	0	0
<b>Total</b>	<b>12</b>	<b>0</b>

SPAIN - 2021		
Type of contract	Full-time	Part-time
Indefinite	376	1
Temporary	37	1
<b>Total</b>	<b>413</b>	<b>2</b>

UK - 2021		
Type of contract	Full-time	Part-time
Indefinite	34	0
Temporary	0	0
<b>Total</b>	<b>34</b>	<b>0</b>



## Average annual type of employment contract (full-time/part-time) by gender, age and country

		SPAIN - 2021			
		Permanent		Temporary	
	Age	Temporary	Part-time	Full-time	Part-time
Woman	Under 30	24.25	0	2.33	0
	Between 30 and 50	44.08	0	3.25	0
	Over 50	1.67	0	0.41	0
Man	Under 30	61.92	0.58	1.42	0.08
	Between 30 and 50	103.41	0	1.5	0
	Over 50	1.17	0	0.25	0
<b>TOTAL</b>		<b>236.5</b>	<b>0.58</b>	<b>9.16</b>	<b>0.08</b>

		FRANCE - 2021			
		Permanent		Temporary	
	Age	Temporary	Part-time	Full-time	Part-time
Woman	Under 30	3	0	0	0
	Between 30 and 50	2.08	0	0	0
	Over 50	0	0	0	0
Man	Under 30	7.16	0	0.16	0
	Between 30 and 50	10.91	0	0	0
	Over 50	0.25	0	0	0
<b>TOTAL</b>		<b>24.16</b>	<b>0</b>	<b>0.16</b>	<b>0</b>

		UK - 2021			
		Permanent		Temporary	
	Age	Temporary	Part-time	Full-time	Part-time
Woman	Under 30	0.58	0	0	0
	Between 30 and 50	2.08	0	0	0
	Over 50	0	0	0	0
Man	Under 30	7.66	0	0	0
	Between 30 and 50	9.58	0	0	0
	Over 50	1.16	0	0	0
<b>TOTAL</b>		<b>20.33</b>	<b>0</b>	<b>0</b>	<b>0</b>

		PORTUGAL - 2021			
		Permanent		Temporary	
	Age	Temporary	Part-time	Full-time	Part-time
Woman	Under 30	0	0	0	0
	Between 30 and 50	0	0	0	0
	Over 50	0	0	0	0
Man	Under 30	0.16	0	0	0
	Between 30 and 50	4.58	0	0	0
	Over 50	0	0	0	0
<b>TOTAL</b>		<b>4.75</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Average annual type of employment contract (full-time/part time), by professional classification and country

Professional classification	SPAIN - 2021			
	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time
Management	40	0	0	0
Middle Management	24.5	0	0	0
Qualified Personnel	95	0	1.33	0.08
Operational	76.83	0.58	7.83	0
<b>Total</b>	<b>236.33</b>	<b>0.58</b>	<b>9.16</b>	<b>0.08</b>

Professional classification	FRANCE - 2021			
	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time
Management	5.58	0	0	0
Middle Management	3.25	0	0	0
Qualified Personnel	14.41	0	0.16	0
Operational	1	0	0	0
<b>Total</b>	<b>24.24</b>	<b>0</b>	<b>0.16</b>	<b>0</b>

Professional classification	UK - 2021			
	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time
Management	3.58	0	0	0
Middle Management	3.75	0	0	0
Qualified Personnel	13.16	0	0	0
Operational	0	0	0	0
<b>Total</b>	<b>20.33</b>	<b>0</b>	<b>0</b>	<b>0</b>

Professional classification	PORTUGAL - 2021			
	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time
Management	0	0	0	0
Middle Management	0.83	0	0	0
Qualified Personnel	1.58	0	0	0
Operational	2.33	0	0	0
<b>Total</b>	<b>4.75</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Number of dismissals by gender, age and country.

SPAIN - 2021			
Age	Woman	Man	Total
Under 30	3	6	9
Between 30 and 50	5	12	17
Over 50	0	0	0
<b>TOTAL</b>	<b>8</b>	<b>18</b>	<b>26</b>

There were 2 dismissals (two males under 30) in the UK in 2021, were in France or in Portugal.

## Number of dismissals by gender, occupational classification and country

UK - 2021			
Professional classification	Woman	Man	Total
Management	0	0	0
Middle Management	0	0	0
Qualified Personnel	0	1	1
Operational	0	1	1
<b>TOTAL</b>	<b>0</b>	<b>2</b>	<b>2</b>

SPAIN - 2021			
Professional classification	Woman	Man	Total
Management	0	3	3
Middle Management	0	0	0
Qualified Personnel	4	9	13
Operational	4	6	10
<b>TOTAL</b>	<b>8</b>	<b>18</b>	<b>26</b>

There were no dismissals in France and in Portugal.



## Average remuneration by age, gender, and country

FRANCE - 2021			
Age	Woman	Man	Total
Under 30	29.333 €	31.906 €	31.500 €
Between 30 and 50	35.667 €	46.000 €	44.368 €
Over 50	-	(*)	(*)
<b>TOTAL</b>	<b>32.500 €</b>	<b>(*)</b>	<b>(*)</b>

Calculations include annualized fixed annual base and performance bonus of all employees active by 31st December 2021. (\*) Data is not included for confidentiality reasons. The number of employees in this category is less than three.

PORTUGAL - 2021			
Age	Woman	Man	Total
Under 30	-€	(*)	(*)
Between 30 and 50	-€	19.545 €	19.545 €
Over 50	-€	-€	-€
<b>TOTAL</b>	<b>0 €</b>	<b>(*)</b>	<b>(*)</b>

SPAIN - 2021			
Age	Woman	Man	Total
Under 30	22.857 €	27.471 €	26.017 €
Between 30 and 50	26.737 €	37.768 €	33.967 €
Over 50	32.083 €	34.063 €	33.073 €
<b>TOTAL</b>	<b>25.507 €</b>	<b>33.456 €</b>	<b>30.781 €</b>

UK - 2021			
Age	Woman	Man	Total
Under 30	(*)	34.246 €	(*)
Between 30 and 50	35.280 €	60.808 €	57.161 €
Over 50	-	(*)	(*)
<b>TOTAL</b>	<b>(*)</b>	<b>(*)</b>	<b>(*)</b>

## Average remuneration by occupational classification, gender, and country.

SPAIN - 2021			
Professional classification	Woman	Man	Total
Management	54.333 €	76.620 €	72.527 €
Middle Management	32.800 €	34.375 €	34.103 €
Qualified Personnel	27.997 €	32.822 €	31.048 €
Operational	19.198 €	18.532 €	18.784 €
<b>Total</b>	<b>25.507 €</b>	<b>33.456 €</b>	<b>30.781 €</b>

FRANCE - 2021			
Professional classification	Woman	Man	Total
Management	-	81.167 €	81.167 €
Middle Management	(*)	45.375 €	(*)
Qualified Personnel	32.500 €	31.395 €	31.587 €
Operational	(*)	-	(*)
<b>Total</b>	<b>(*)</b>	<b>43.833 €</b>	<b>(*)</b>

UK - 2021			
Professional classification	Woman	Man	Total
Management	-	99.561 €	99.561 €
Middle Management	-	62.649 €	62.649 €
Qualified Personnel	35.475 €	37.866 €	37.431 €
Operational	-	-	-
<b>Total</b>	<b>35.475 €</b>	<b>53.931 €</b>	<b>51.759 €</b>

PORTUGAL - 2021			
Professional classification	Woman	Man	Total
Management	-	-	-
Middle Management	-	(*)	(*)
Qualified Personnel	-	22.000 €	22.000 €
Operational	-	15.000 €	15.000 €
<b>Total</b>	<b>-</b>	<b>(*)</b>	<b>(*)</b>

Calculations include annualized fixed annual base and performance bonus of all employees active by 31st December 2021

(\*) Data is not included for confidentiality reasons. Number of employees in this category is less than three.





**Pay gap by country**

The company's wage gap measures the difference in the salary of men and women, if the result is greater than zero, it indicates that women receive a lower remuneration than men.

The pay gap in all the tables below has been calculated with the formula:

average male remuneration-average female remuneration)/male remuneration

As mentioned in chapter 4.1 (Human Resources - Recruiting), we are aware that we have a way to go regarding the representation of women and especially in senior roles, which is something quite challenging in technology, logistics and start-ups. This impacts our Global Pay Gap.

2021				
	SPAIN	FRANCE	UK	PORTUGAL
<b>Pay gap by country</b>	23,76%	25,90%	34,20%	NA (*)
<b>Global Pay Gap</b>	27%			

**Remuneration of equal or average jobs in society by country**

2021				
Professional classification	SPAIN	FRANCE	UK	PORTUGAL (*)
<b>Management</b>	29,1%	NA	NA	NA
<b>Middle Management</b>	4,6%	22,9%	NA	NA
<b>Qualified Personnel</b>	14,7%	-3,5%	6,3%	NA
<b>Operational</b>	-3,6%	NA	NA	NA

(\*) NA means no women in that country or category.

# Annex II

## CONTENTS OF LAW 11/2018 AND GRI STANDARDS

The selected GRI standards listed below refer to those published in 2016, except those that have undergone updates and in which case the year of publication is indicated.

Contents	Reporting/GRI criteria	Page
<b>Overview</b>		
<b>Description of the business model</b>	GRI 102-1, GRI 102-2, GRI 102-7	4-8
<b>Organization and structure of the company</b>	GRI 102-3	5
<b>Geographical presence</b>	GRI 102-3, GRI 102-4, GRI 102-6	5
<b>Objectives and strategies</b>	GRI 102-15	7-8
<b>Main factors and trends that may affect its future evolution</b>	GRI 102-15	7
<b>Reporting framework used</b>	GRI Standards	3
<b>Materiality analysis</b>	GRI 102-44, GRI 102-47	4
<b>Social and personnel issues</b>		
<b>Management approach</b>	GRI 102-15, GRI 103-2, GRI 103-3	13-18
<b>Employment</b>		
<b>Number and distribution of employees by country, gender, age, and occupational classification</b>	GRI 102-8, GRI 405-1	26
<b>Number and distribution of types of employment contract and annual average of contracts by gender, age, and occupational classification</b>	GRI 102-8	27
<b>Number of dismissals by gender, age, and occupational classification</b>	GRI 401-1	28
<b>Average remuneration by gender, occupational classification, and age</b>	GRI 405-2	29
<b>Pay gap</b>	GRI 405-2	31
<b>Average remuneration of directors and directors</b>	GRI 103-3	N/A
<b>Implementation of labor disconnection policies</b>	GRI 103-2	17
<b>Percentage of employees with disabilities</b>	GRI 405-1	18



Contents	Reporting/GRI criteria	Page
<b>Organization of work</b>		
Organization of working time	GRI 103-2	17
Hours of absenteeism	GRI 103-3	17
Measures to facilitate conciliation	GRI 103-2	17
<b>Health &amp; Safety</b>		
Occupational safety and health conditions	GRI 403-1, GRI 403-2, GRI 403-4 (2018)	18-19
Accident rate indicators	GRI 403-9 (2018)	19
Occupational diseases	GRI 403-10 (2018)	19
<b>Social Relations</b>		
Organization of the social dialogue	GRI 103-2	16-18
Percentage of employees covered by collective bargaining agreements by country	GRI 102-41	18
Stocktaking of collective bargaining agreement, particularly in the field of health and safety at work	GRI 103-2, GRI 403-4 (2018)	18
<b>Formation</b>		
Policies implemented in the field of training	GRI 404-2	14-15
Universal accessibility for people with disabilities	GRI 103-2	18
<b>Equality</b>		
Measures taken to promote equal treatment and opportunities for women and men	GRI 103-2	17-18
Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men), measures adopted to promote employment, protocols against genderual and gender-based harassment	GRI 103-2	17
Integration and universal accessibility of persons with disabilities	GRI 103-2	18
Policy against all types of discrimination and, where appropriate, diversity management	GRI 103-2, GRI 102-16	17-18
<b>Environmental issues</b>		
Management approach	GRI 102-15, GRI 103-2, GRI 103-3	9-13



Contents	Reporting/GRI criteria	Page
<b>Environmental management</b>		
Current and foreseeable effects of the company's activities on the environment	GRI 103-2	9-13
Environmental assessment or certification procedures	GRI 103-2	9-13
Resources dedicated to the prevention of environmental risks	GRI 103-2	9
Application of the precautionary principle	GRI 102-11	9
Quantity of provisions and guarantees for environmental risks	GRI 103-2	9
<b>Contamination</b>		
Measures to prevent, reduce or repair any form of air pollution, including noise and light pollution	GRI 305-1, GRI 305-2, GRI 103-2	9-13
<b>Circular economy, sustainable use of resources and waste prevention</b>		
Measures related to the prevention, recycling, reuse and other forms of waste recovery and disposal	GRI 103-2, GRI 301-2	10
Actions to avoid food waste	No material	10
<b>Sustainable use of resources</b>		
Water consumption and water supply according to local constraints	GRI 303-5 (2018)	9
Consumption of raw materials and measures taken to improve the efficiency of their use	GRI 301-1 (2016)	10
Direct and indirect energy consumption	GRI 302-1	9
Measures to improve energy efficiency	GRI 302-4	9, 12-13
Use of renewable energies	GRI 302-1	9
<b>Climate change</b>		
Greenhouse gas emissions	GRI 305-1, GRI 305-2	11-13
Measures to adapt to climate change	GRI 103-2	13
Greenhouse gas reduction targets	GRI 305-5	12-13
<b>Biodiversity</b>		
Measures to preserve or restore biodiversity and impacts caused by the activity	No material	13

Contents	Reporting/GRI criteria	Page
<b>Respect for human rights</b>		
<b>Management approach</b>	GRI 102-15, GRI 103-2, GRI 103-3	20
<b>Implementation of human rights due diligence procedures</b>	GRI 103-2, GRI 102-16	20, 22
<b>Prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy possible abuses committed</b>	GRI 103-2, GRI 102-16	20, 22
<b>Complaints of human rights violations</b>	GRI 103-3	20
<b>Promotion and enforcement of the provisions of the fundamental ILO Conventions related to respect for freedom of association and the right to bargain related to respect for freedom of association and the right to collective bargaining</b>	GRI 103-2, GRI 102-16	20
<b>Elimination of discrimination in employment and occupation</b>	GRI 103-2, GRI 102-16	17-18, 20
<b>Elimination of forced or compulsory labour</b>	GRI 103-2	20
<b>Effective abolition of child labour</b>	GRI 103-2	20
<b>Fight against Corruption and Bribery</b>		
<b>Management approach</b>	GRI 102-15, GRI 103-2, GRI 103-3	20-22
<b>Measures to prevent corruption and bribery</b>	GRI 102-16, GRI 205-2, GRI 205-3	20-22
<b>Measures to combat money laundering</b>	GRI 103-2	20-22
<b>Contributions to foundations and non-profit entities</b>	No contribution has been made	22
<b>Social commitment</b>		
<b>Management approach</b>	GRI 103-2, GRI 103-3	
<b>The company's commitments to sustainable development</b>		
<b>Impact of society's activity on employment and local development</b>	GRI 103-2	7-8
<b>Impact of the activity of society on local populations and the territory</b>	GRI 103-2	7-8
<b>Relations maintained with the actors of local communities and the modalities of dialogue with them</b>	GRI 103-2	7-8
<b>Partnership or sponsorship actions</b>	GRI 103-2	7-8



Contents	Reporting/GRI criteria	Page
<b>Subcontracting and suppliers</b>		
<b>Inclusion of social, gender equality and environmental issues in purchasing policy</b>	GRI 103-2, GRI 102-9	22-23
<b>Consideration in relations with suppliers and subcontractors of their social and environmental responsibility</b>	GRI 103-2, GRI 102-9	22-23
<b>Supervision systems and audits and their results</b>	GRI 103-2	23
<b>Consumers</b>		
<b>Measures for the health and safety of consumers</b>	GRI 103-2, GRI 416-1	23-25
<b>Claim systems</b>	GRI 103-2	24-25
<b>Complaints received and resolution thereof</b>	GRI 103-3	24-25
<b>Tax information</b>		
<b>Benefits obtained country by country</b>	Accounting criteria	24
<b>Taxes on profits paid</b>	Accounting criteria	24
<b>Public subsidies received</b>	Accounting criteria	24



**Non-financial statement 2021**  
Paack Logistics Iberia, S.L.U. and its subsidiaries