



ANNUAL REPORT 2024

Prepared By.

Mariya Tucheveva

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Company Overview

Vision

GOTMAR's goal is to become a world renowned supplier of plastic packaging, while ensuring the highest quality, adhering to industry standards.

We believe in breaking walls and being at the forefront of innovation.

We believe that our people are our most valuable asset and their safety and wellbeing are of utmost importance to all of us.

We offer turn-key solutions - from the birth of an idea, through the creation of the tool, investment in machines, to the delivery of a final product

Mission

We strive to ensure a sustainable growth through personal development and production innovation. It is our goal to create and maintain long-lasting and mutually beneficial partnerships, through which we can learn, improve and create value for our partners and ourselves.

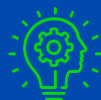
We believe in investing in our personal development and in innovation, ensuring our position as leader on the packaging market

Core values



Integrity

We conduct our business with honesty and uphold the highest ethical standards, building trust with our stakeholders.



Innovation

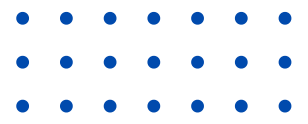
We embrace creativity and innovation, continuously improving our processes, products, and services to stay ahead of the curve.



Customer-Centricity

Our customers are at the heart of everything we do, and we strive to exceed their expectations through exceptional service and value.





Company Overview

Brief introduction

GOTMAR is a privately owned Bulgarian company, specializing in the conversion of thermoplastics. Established in 1992, GOTMAR has been a leader in the field of plastics for over 32 years!

Main areas of expertise include:

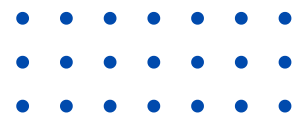
- Production of PET and rPET preforms
- Production of PE and PP caps and closures, tethered and untethered
- Production of technical parts
- Production of PET and HDPE bottles
- Production of containers, caps and closures for luxury cosmetics
- Production of plastic parts for pharma and medicine
- Print, assembly, metallization and decoration
- Production of blow moulds and injection moulds

We offer complex packaging solutions – from the design and manufacturing of moulds to the production of a finished product.

Since it was established, the company follows the same principle – to get better at meeting the needs of its customers. To achieve it, we constantly improve the quality of our products; we strive to maintain a flexible pricing policy and make timely deliveries. Continuous improvement is possible thanks to our highly qualified and motivated employees, who are ready to put all your ideas to practice. Our employees are the company's most important asset.

The strategic location of the company, continuous investments in expanding the product portfolio, implementation of innovations in production technology, continuous quality control and compliance with standards are just some of the advantages that make us a regional leader in the processing of plastics.





Production Capacities

INJECTION MOULDING

GOTMAR has over 100 IMMs for the production of parts for the luxury cosmetics, medical, technical, white goods, and automotive industries, as well as packaging for the food and chemical industries. Our machine park ranges from 35t clamping force to 1650t clamping force.

- Technologies we employ in production:
 - Injection moulding
 - 2K moulding
 - Gas melt
 - In mould labelling
 - Over moulding

COMPRESSION MOULDING

GOTMAR has 13 SACMI compression moulding installations for the production of caps and closures for soft and carbonated drinks, both tethered and untethered, with an annual capacity of approximately 5 000 000 000 pcs.

BLOW MOULDING

GOTMAR has a total of 5 ADS blow moulding machines, 2 ASB one-step injection blow moulding machines with neck finishes for hotel cosmetics and 28/410 and 1 fully electric, high speed automated HDPE/PP 3 layer blow moulding machine, with in mould labelling.

PET rPET PREFORM PRODUCTION

GOTMAR has a total of 20 installations for the production of PET and rPET preforms with annual capacity of over 2 000 000 000 pcs

TOOLING AND R&D

Capacity to construct 500 moulds

- 50 injection moulds
- 450 blow moulds

The department offers:

- Milling machines
- Lathe turning machines
- Erosions
- Grinding machines
- Laser welding machines
- Thermal department





Message from the Management

Our customers rely on us every day to deliver on our promise to them: Innovation for the World. Solutions for You.

Whether across the products we design and develop, our operations, or how we engage people and communities, our results are deeply rooted in meeting customer needs by delivering on the many benefits of plastic in a way that accelerates the transition to a circular, net-zero economy.



Mariya Tucheveva
Manager

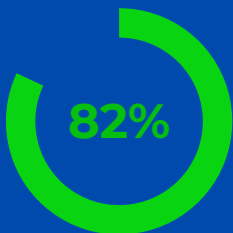
As a result – alongside our customers and other key partners across the value chain – we made significant environmental and social progress in 2024, including:

- Achieved over 80% of our 2030 Scope 1 and Scope 2 GHG emissions reduction target of 50% versus 2021 as a base reporting year
- Completed Internal Operation Clean Sweep audits
- Expanded our diversity, equity, and inclusion reporting

Sustainability moves beyond care for our environment, encompassing care for our employees and communities. By providing support where we can help the most – through donating time, resources, and expertise – we are dedicated to creating a positive impact.

Through our continued commitment to diversity and inclusion, we are fostering a people-first culture that attracts and supports a diverse, skilled, and thriving workforce of over 1300 people. We continually work to ensure the unique identities, talents, skills, and experiences of our employees are welcomed, respected, and fully utilized.

I am deeply humbled and inspired by our valued customers, partners, and each and every GOTMAR team member. And I look forward to pushing the boundaries of what is possible as a corporate citizen to drive value for all of our stakeholders, including the environment.



In 2021, we embarked on our journey of decarbonization by setting the ambitious goal of 50% reduction by 2030. I am happy to announce that as of January, 2025, we have achieved 82% of our overall goal! Our plan is to keep pushing and achieve complete independency before the end of 2030!



About This Report

We take our role as a responsible corporate citizen seriously – throughout our company, across our value chains, and in the communities in which we operate. We are dedicated to delivering sustainability innovations for our customers and minimizing the impact of our operations on the environment. To create positive, lasting change, we put GOTMAR's environmental, social, and governance efforts into practice through the lens of our customer promise, continuous improvement, and responsible growth.

This report represents the period from January 1st, 2024 to January 1st, 2025.



Environmental Sustainability

E We design and develop innovative products to help customers meet the growing sustainability demands of today and tomorrow.

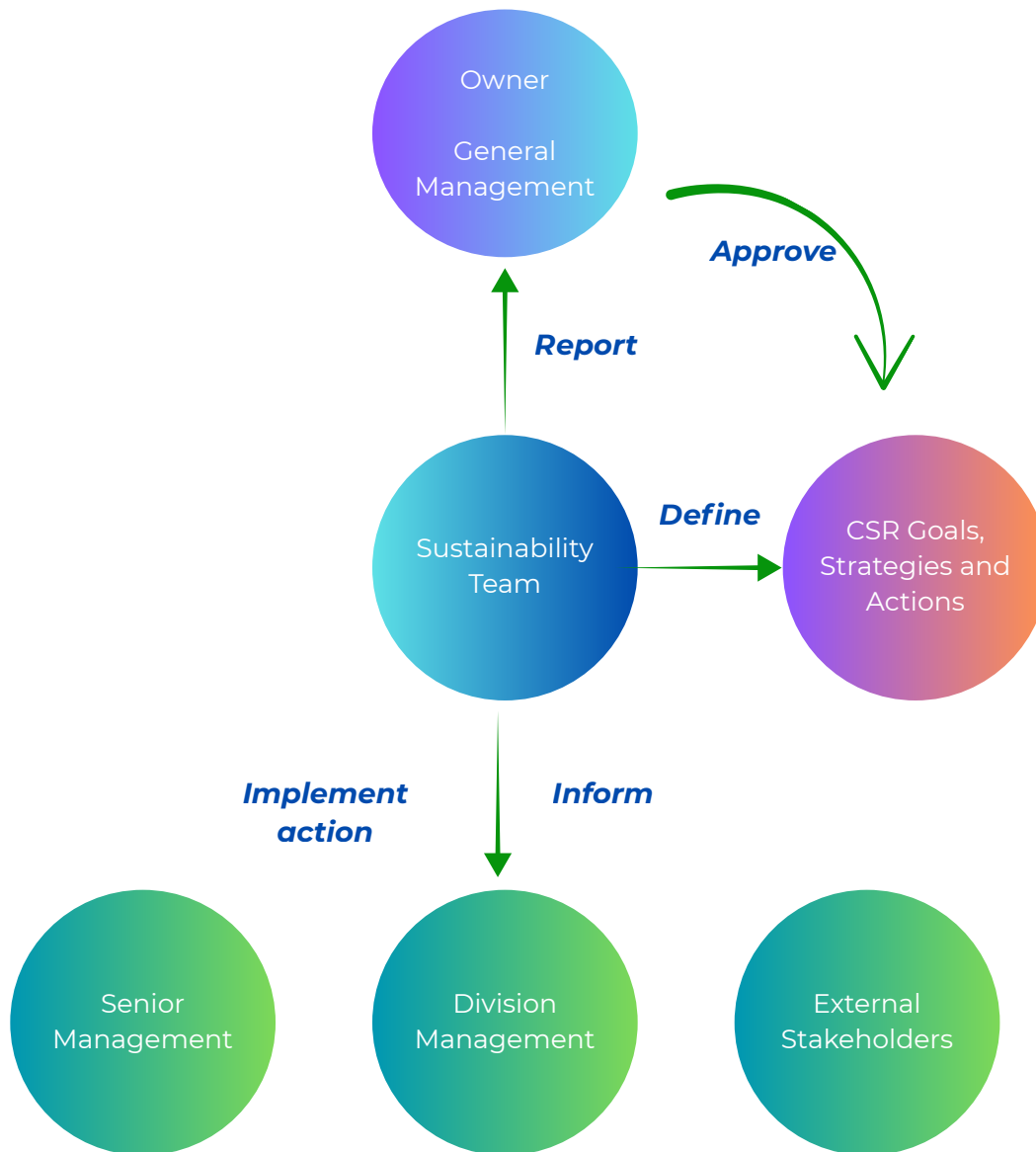
Social Impact

S We are committed to ensuring a safe, ethical, inclusive, engaged, and rewarding work environment and creating a positive impact within our facilities across the globe.

Corporate Governance

G We lead with integrity and prioritize responsible growth, financial stability, increased transparency, and continuous improvement.

Organizational Governance



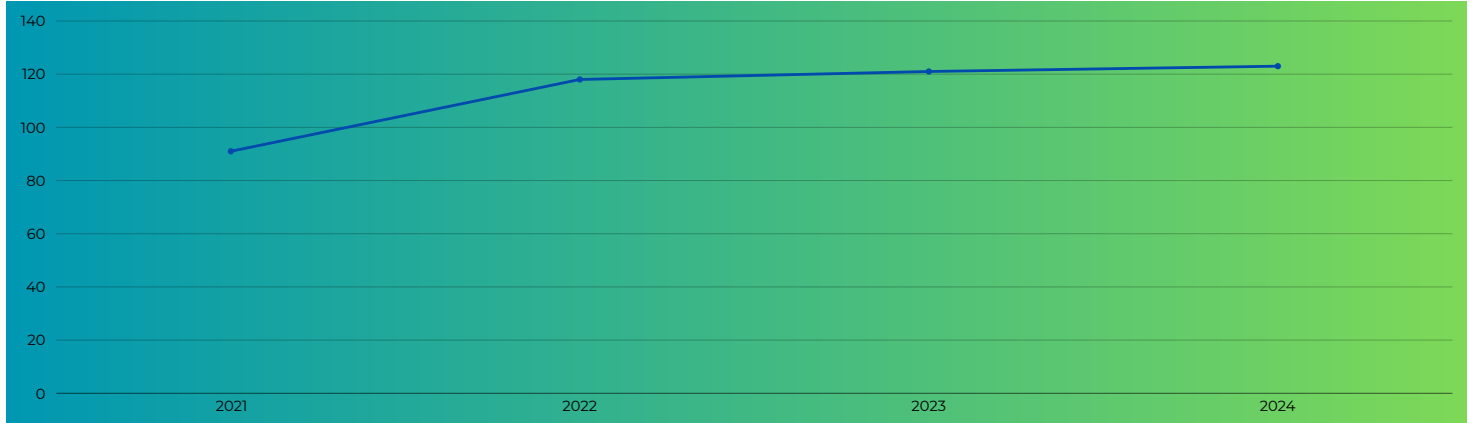
CSR at GOTMAR at company level is managed by a Sustainability Manager, who is responsible for all environmental and social issues, including setting the objectives, strategy, and action plan, as well as coordinating its implementation with the relevant stakeholders and reporting the results.

The CSR governance and decision-making process at GOTMAR lies at the top executive level of the company: the Sustainability Manager acts on behalf of the top management of the company, who oversee and approve the CSR goals and action plan, and approve the budget.

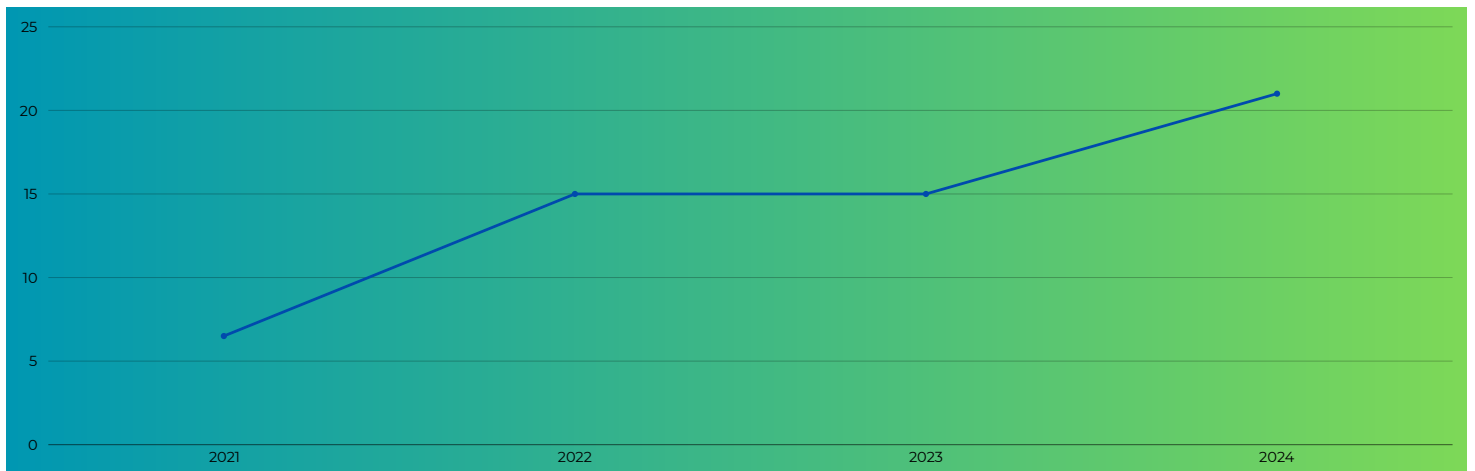
The Sustainability Manager reports to the Owner, General Management, Senior Management and Division Management on a quarterly basis, ensuring CSR is embedded throughout the business and day-to-day operations and everyone is not only informed, but able to contribute.

Financial Results

TO in MEUR



Investments in MEUR



The biggest investments, realized in the past years have been aimed at sustainability and robustness of our production processes. Following the world trend of footprint reduction, and Zero Carbon emissions, we have focused the majority of our strategic investments into water cooling and circulation systems, energy efficient machines and installations, lowering VOCs, as well as solar panels/clean energy.

In 2024 we have built an entirely new energy-efficient production hall for the production of tethered caps for the food industry.

We have also invested in a state of the art air purification system for our Cosmetics and Medicine assembly department, ensuring the highest quality of our products.

Additionally, we have invested in automation of the assembly processes, as well as an additional automated warehouse with capacity of 3000 pallets.

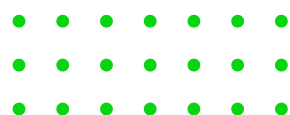


Stakeholder Engagement

Stakeholder engagement is a fundamental feature of GOTMAR's CSR management: the company continuously engages with key stakeholders to understand and address their concerns and expectations, and inform them about sustainability action and progress.

GOTMAR's customers and employees are the most influential stakeholders regarding sustainability. The organization therefore focuses on engagement activities such as an annual customer satisfaction survey and an employee engagement survey together with a periodic materiality assessment and the maintenance of several communications channels.

GOTMAR's main stakeholders



Stakeholder Engagement

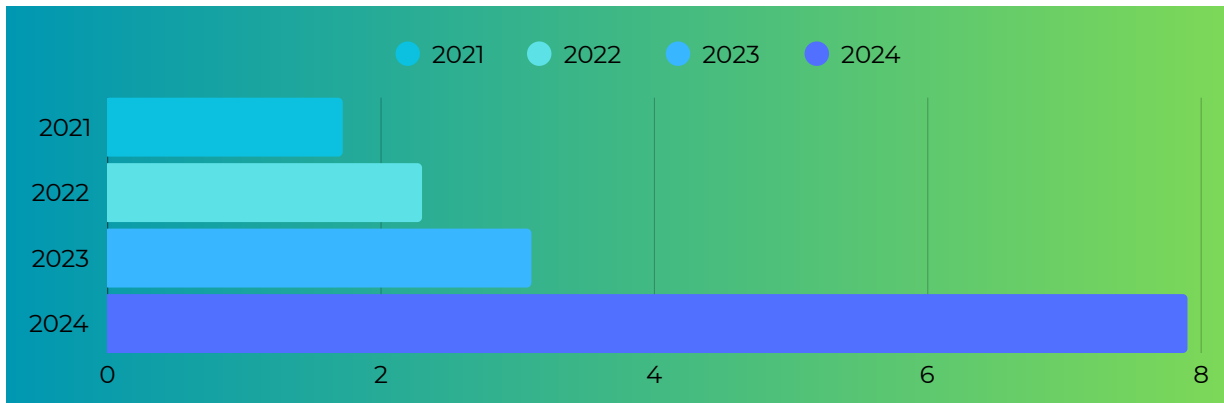
Customer Satisfaction Survey

GOTMAR conducts an annual customer satisfaction survey with customers. The survey includes key topics which provide input on the company's performance and identifies improvement opportunities of its business and operation in the different areas, including sustainability.

The 2024 survey comprised 180 respondents worldwide and confirmed that GOTMAR is meeting its customers' expectations on the company's CSR activities and performance.

GOTMAR also identified customers who have their own CSR management strategies through this survey and recognizes that they may require additional input from the company on the topic.

Customer Satisfaction Survey Results

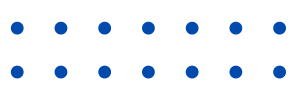
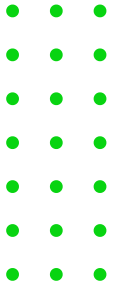


Employee Engagement Survey

GOTMAR initiated an annual anonymous employee survey in 2020 which was managed by an independent internal audit team, covering all employees working at GOTMAR.

The survey provided GOTMAR with valuable feedback from its employees on a wide range of topics such as co-operation, leadership, work-life balance, management performance, and so forth.

The input has supported GOTMAR in further defining actions and measures, which will later be measured, primarily to secure increased job satisfaction and company engagement



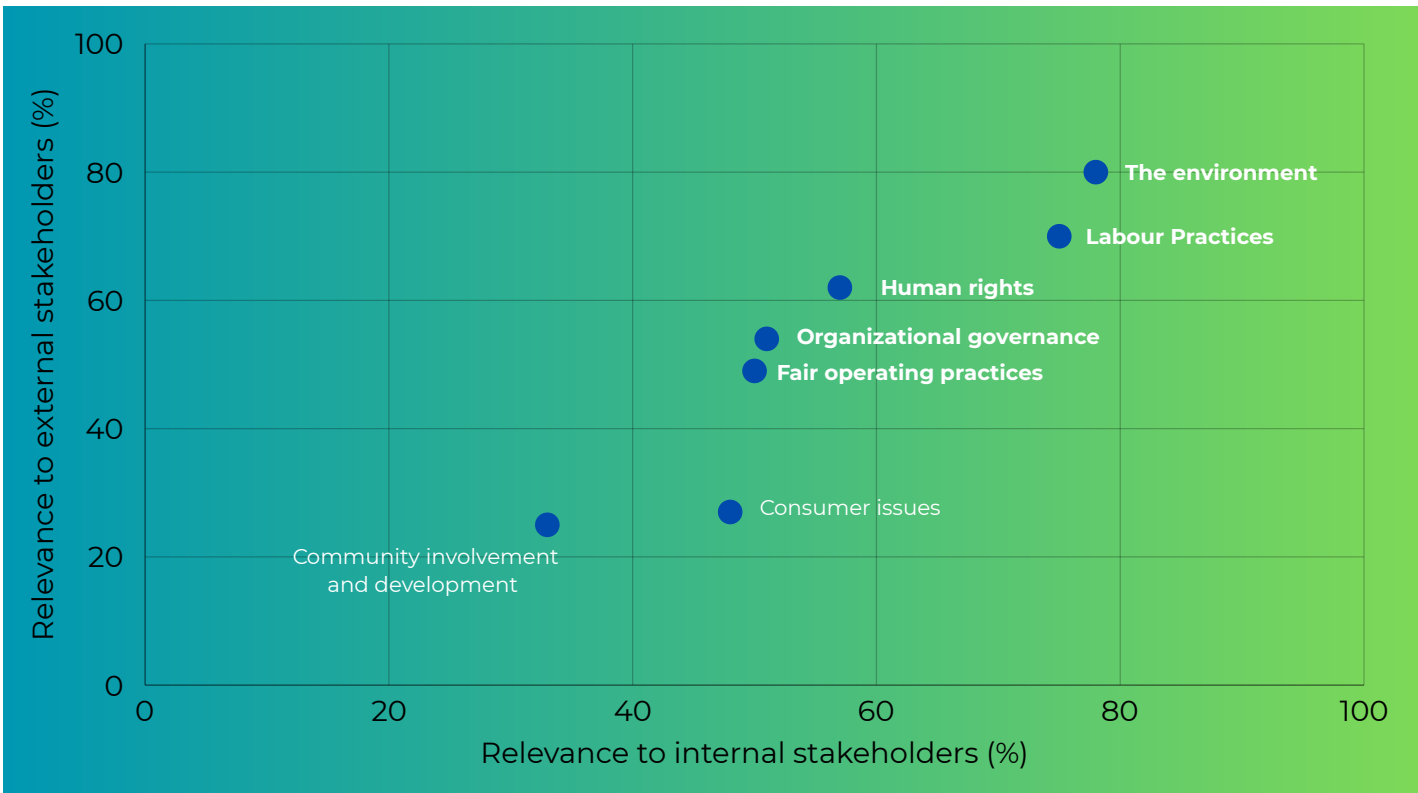
Stakeholder Engagement

Communication Channels

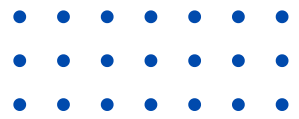
GOTMAR continually updates its stakeholders with its development on sustainability and encourages their direct feedback through different communication channels:

- Sustainability report
- Website news section and newsletter
- Social media
- Articles in industry press and media
- Quarterly internal update meeting
- Whistleblowing channel

Materiality Assessment



Environment



GOTMAR is committed to reducing its environmental footprint in line with the company's environmental policy. The organization's main focus is on the management of climate issues and the reduction of its Greenhouse Gas (GHG) emissions, which have the largest impact.

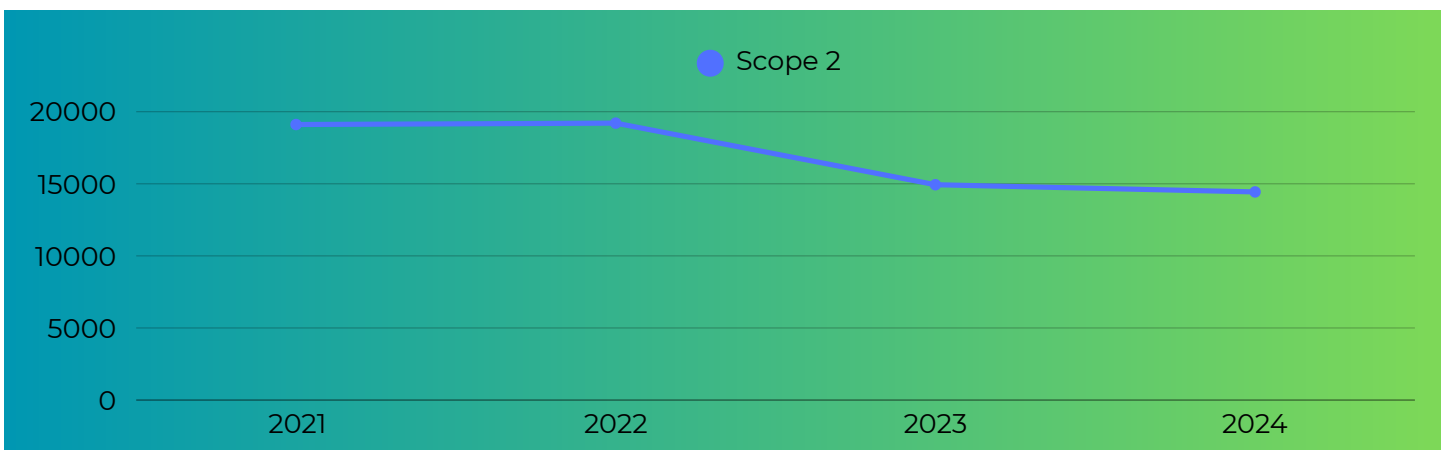
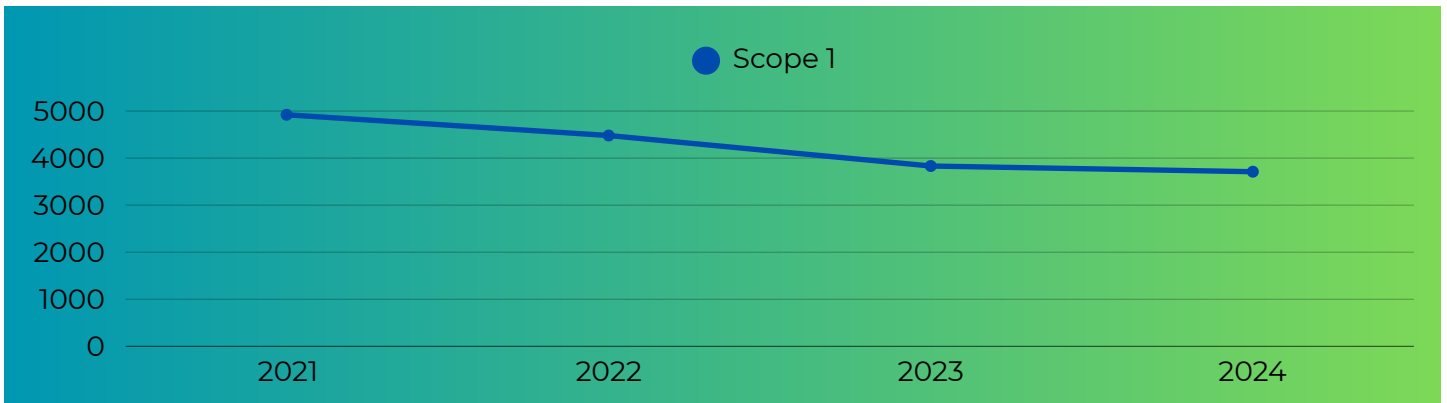
Climate change

GOTMAR has implemented a thorough internal management system to mitigate our impact and adapt our plan to achieving our goals. Our goal, set out in our Environmental policy, is to reduce Scope 1 and Scope 2 emissions by 50% by 2030.

Even though the GHG emissions generated by our production are low, we are still insistent on reducing the impact we have on the environment.

We do not set Scope 3 targets as we have limited influence on reducing the emissions of our suppliers, be it raw material or transport, whose contribution is by far the main factor in calculating our Scope 3 emissions.

The progress against our targets is regularly communicated to our stakeholders via our Annual Company Report.



Environment

Energy efficiency

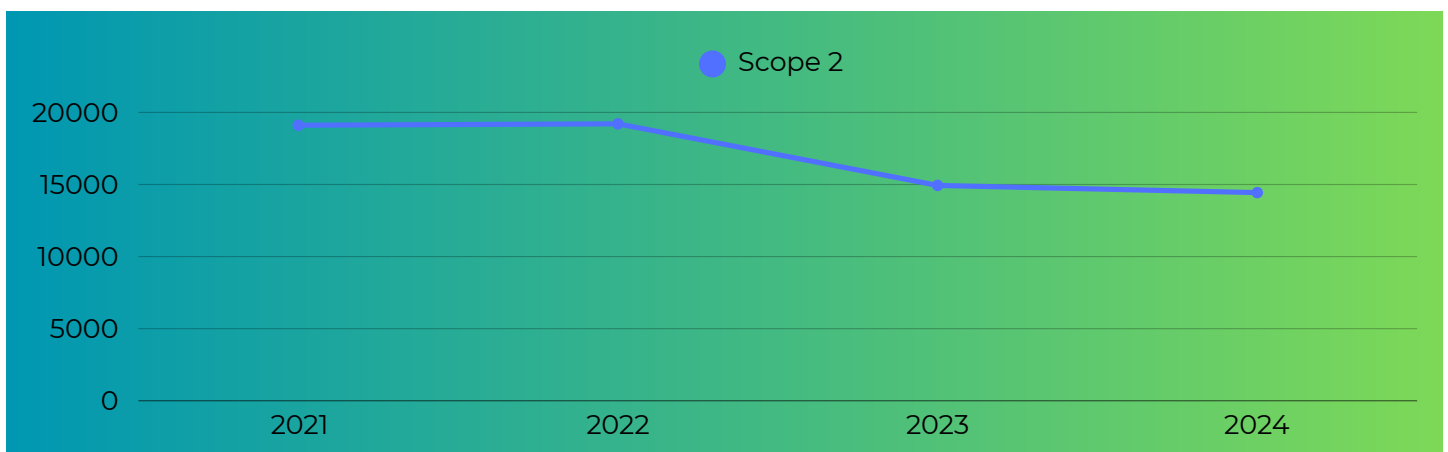
Since 2020, GOTMAR's energy consumption and intensity has remained mostly constant, with electricity representing 100% of our source of energy. Energy efficiency has a much more relevant impact in terms of economic performance, with costs being impacted by constantly rising and volatile energy market prices.

Since 2022, GOTMAR embarked on a journey of clean energy production and usage by installing solar panels. The whole project is divided into 3 phases, culminating in complete independency from the grid by 2030.

Phase 1 of the project, completed in by the end of 2022, introduced 5Mw of power, produced from solar panels.

Stage 2 introduced an additional 5Mw, bringing the total solar panel production to 10Mw, or approximately 70% of the energy consumption per day, in peak season, by the whole company.

We have noticed a significant decrease in non-renewable energy, as stated in the table below.



Environment

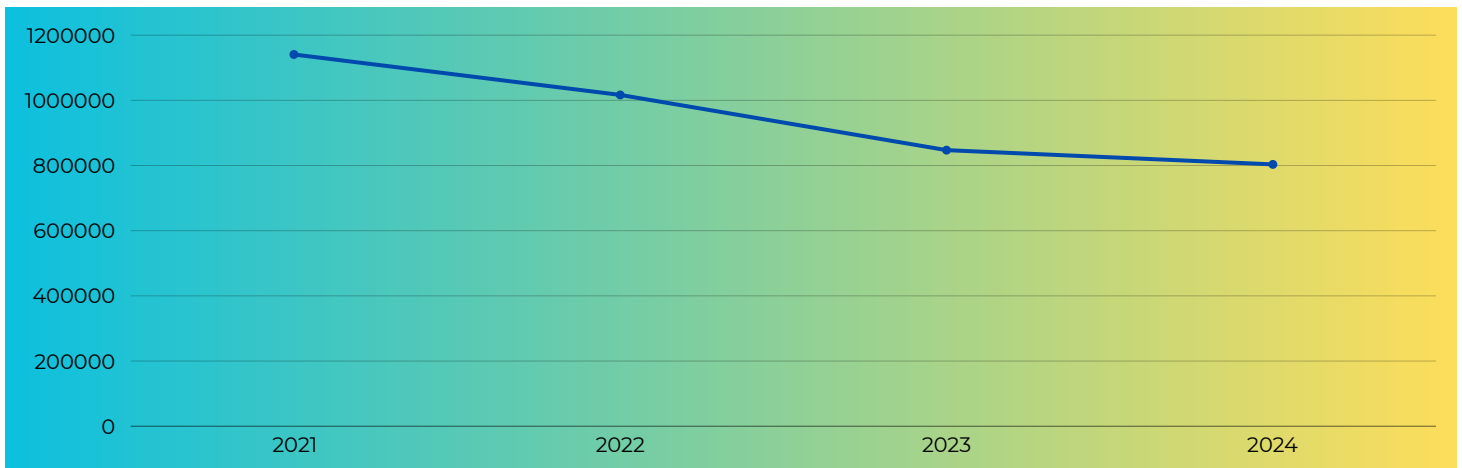
Water consumption

- • • Even though water is not identified as a material topic for GOTMAR due to our impact being relatively low, we still strive to optimize our use of natural resources wherever possible. We have low water consumption and zero water contamination, with no reported cases of contamination since the existence of our company.

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GOTMAR uses water in closed loop circuits for cooling purposes only, in which no evaporation occurs, and all waste water is safely released into the public sewer system.

As a part of our risk mitigation management system, we monitor the water regularly, with inspections and probes done every quarter, to ensure the safety of the public and the environment.



As a part of our investment strategy and midterm growth plans, we are constantly investing in new technologies and increasing our production capacities. That being said, it is of utmost importance for us to not harm the environment and use more resources than necessary, where resources can be spared. The table above shows our water consumption and the significant decrease in the past 3 years, despite our production constantly growing.



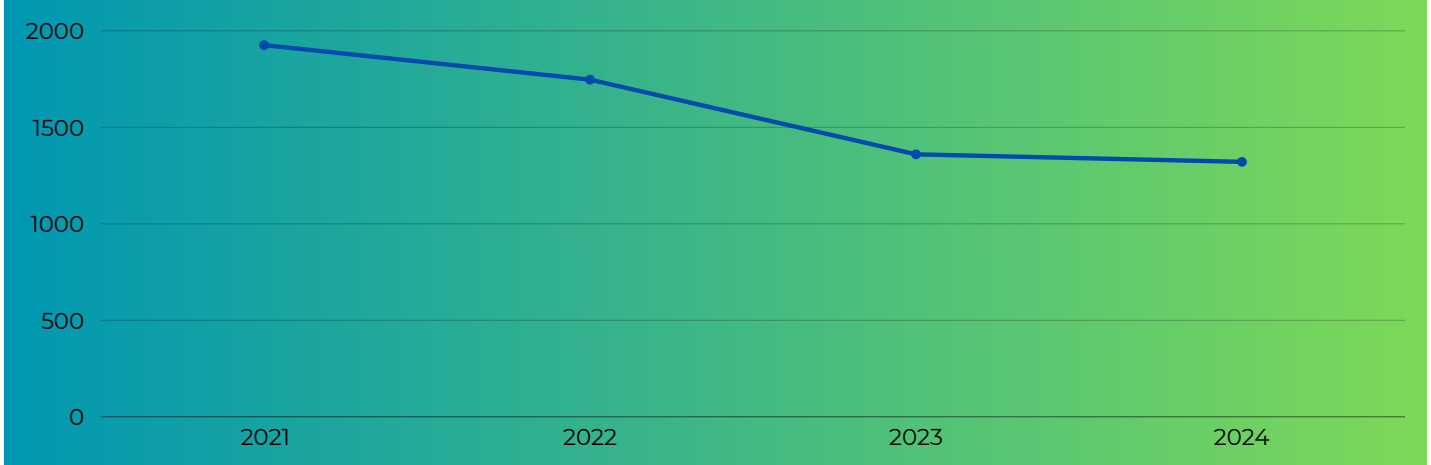
Environment

Waste

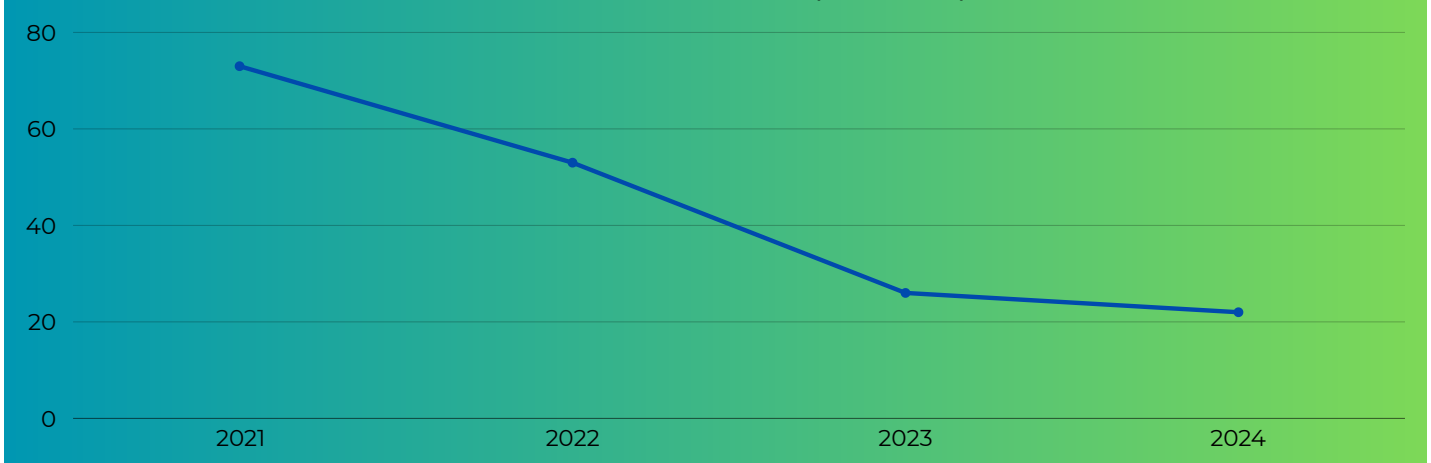
GOTMAR generates very little waste, almost all of which is exclusively non-hazardous, hence the topic of waste is not considered as material for us.

All waste is managed by accredited and authorized waste management companies in accordance with local and European regulations.

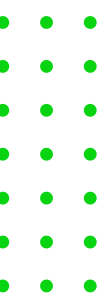
Non-hazardous waste (in tones)



Hazardous waste (in tones)



Environment

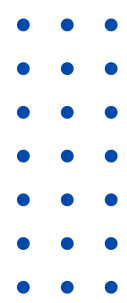


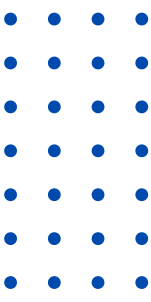
Circular economy

Circular economy is a key materiality topic for our activity, even though GOTMAR has limited ability to control the circularity of our products due to our position in the value chain. GOTMAR produces intermediate plastic packaging products according to customers' specifications, which are then integrated into final, multi-element packaging. It is the design of that final packaging that has the biggest impact on its circularity.

The increasingly stringent regulatory landscape of the Circular Economy (CE) in Europe materialized in the Single Use Plastic Directive (SUPD) and the Packaging and Packaging Waste Regulation (PPWR) impacts GOTMAR, most specifically with the introduction of minimum content of recycled material in plastic packaging and recyclability criteria.

GOTMAR uses recycled PET (rPET) in the production of preforms. Recycled material use is currently only driven by customer demand, as market prices when compared to virgin materials renders it uncompetitive. A lack of availability, specifically for food grade material, is also a contributor. Despite this, our processed volume of rPET is constantly increasing, which is a positive reflection of our customers' ongoing sustainability and circularity commitments.





Labor and Human rights

Our employees are our main asset and the driving force of the company. GOTMAR appreciates that respecting all fundamental labour and human rights, and the quality of the workplace and working conditions provided to our people is integral to our industry-leading performance.

Employee annual survey

Our Employee Annual Survey is a key part of our Labour & Human Rights action, helping us to rate our performance and identify issues and improvement opportunities by engaging directly with our main stakeholders – our people. This survey is completely anonymous, collecting employees’ rating of various topics and their direct feedback.

To guide our action, GOTMAR has set Key Performance Indicators (KPIs) for three topics strongly representative of employees’ work experience, with a target of reaching a 65% score by 2030: Job Satisfaction, Empowerment, and Work Engagement. According to its results, each production hall creates an action plan approved by the management to improve its performance. The survey is a powerful tool that we value and, to maintain their engagement, results and action plans are communicated to all employees.

Workplace and work environment

GOTMAR is committed to providing our employees with best-in class work conditions to create a safe environment that supports their ability to perform and enjoy their role. A fundamental aspect is establishing a constant and fluid social dialogue between the company and employees on working conditions. As stated in our Labour & Human Rights policy and our Code of Conduct, GOTMAR respects our employees’ right to freedom of association, representation and collective bargaining and we provide the necessary means to ensure it. When no official instrument or framework exist, the company still ensures social dialogue on working condition through existing internal structure such as OHS committee meetings, specific formal periodical meetings or annual employee evaluation.

Another major factor in delivering high quality work environment is internal cross-functional communication between management positions and employees, which improves employees’ engagement and performance, and provides important direct feedback from them.



Employment and remuneration

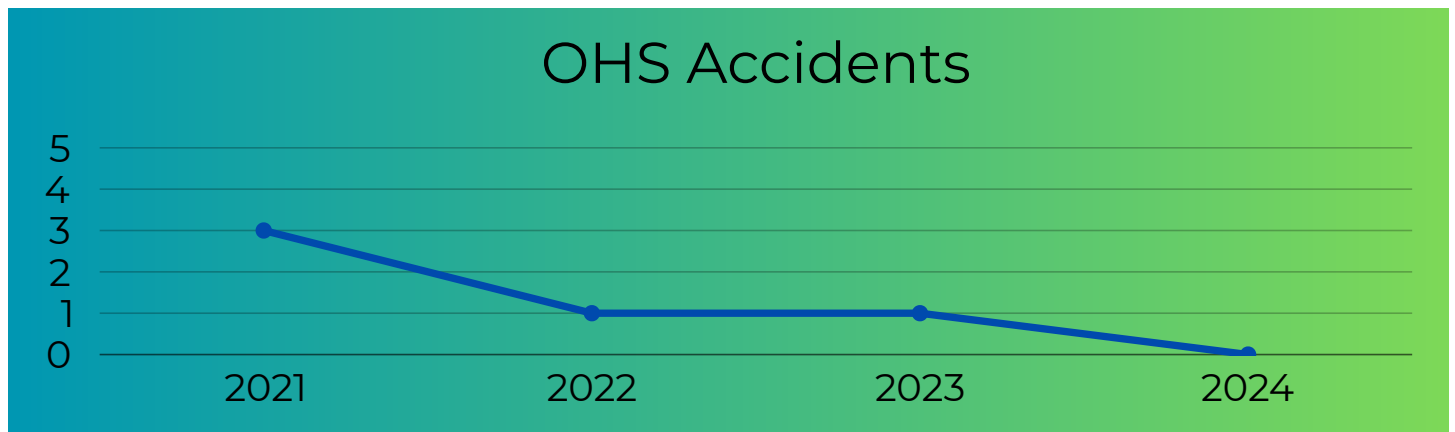
GOTMAR provides stable employment, with 100% of our workforce in permanent, full-time contracts along with competitive economic compensation. Remuneration packages are regularly revised and adapted according to market conditions so that GOTMAR remains a fair and attractive employer. We commit to paying well above living wages to all our employees to ensure a decent standard of living.

We actively promote employees' work-life balance through, for example, facilitating partial and full-time homeworking when the role allows. These factors, along with our effort on other Labour aspects, contribute to maintaining GOTMAR's employee turnover well below average values compared to industry and sector standards.

Occupational health and safety (OHS)

The Health & Safety of our employees is a material topic and a paramount, non-negotiable moral obligation for GOTMAR. We have integrated as a key value our responsibility to ensure our people's physical and mental health and are determined to fulfill it. We promote a zero-accident approach and provide appropriate resources so OHS is managed beyond legal compliance to prevent any accidents and minimize their subsequent impact when they occur.

We also aim at building a true OHS culture at group level ensuring that OHS is a key topic within GOTMAR's internal communication with periodical publications, on-line meetings and working groups to raise awareness, share results, good practices and learnt lessons amongst plants and the company's management.



*** In 2024, we had 0 accidents therefore no lost hours**



Career management and talent development

Delivering the relevant training for our employees is critical to ensure their safety, to maintain and improve their competence, job satisfaction and personal development, and our reputation for excellence in our field. GOTMAR's objective is to benefit the business through developing our human capital.

In that respect, GOTMAR aims to conduct annual employee evaluations for 100% of our people to assess performance, identify individual training needs, and capture each employee professional objectives. In 2024, we substantially increased the share of employee evaluated (71%) compared to 2023 (60%) and aim to reach the 100% target by 2028.

In 2024, we increased the total number of hours of training provided to our employees compared to 2023, as well as the total number of employees trained. Over the last three years, more than 60% of our employees have received training every year.

We provide the relevant training to ensure that our employees maintain and improve their competence and performance to a high standard to keep GOTMAR at the forefront of our industry.

We maintain and capitalize on our extensive in-house technical knowledge and experience around our production processes delivering internal training and continuously updating it through external training.

In addition to training, we strategically favor internal promotion over external recruitment to build and maintain competence and experience within the company, while realizing each employee's true potential and personal goals.

Human rights

The respect and preservation of Human Rights in our operations and sphere of influence is of paramount importance for GOTMAR and it is a material topic to the company. While we focus our action on building inclusive and equal opportunity workplace without discrimination, we will ensure we take all the necessary steps to periodically assess and manage risks of Human Rights violation.

As mentioned in our internal policies and procedures, GOTMAR performs an Human Rights risk assessment covering our operations, the local communities where we operate and our supply chain.

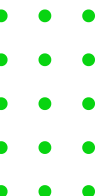




Anti-discrimination and harassment

With no major risk detected, GOTMAR has centered our work in Human Rights around promoting anti-discrimination and antiharassment within our operations through raising awareness, delivering training, and incorporating relevant clauses into the company Human Resource procedures.

20 individuals from the management attended a specific one day training session delivered by a specialized consulting company. The training was designed to clarify the concepts of Diversity, Inclusion, and Anti-discrimination, highlight the benefits of being a more inclusive company, and map out the legal landscape in which GOTMAR operates.



Fair operating practices

Sustainable procurement

GOTMAR's supply chain is a key sustainability risk. As a plastic converter, we rely heavily on raw materials, making any supply disruption a significant business impact on our operations.

Alongside standard supplier diversification strategies, GOTMAR incorporates sustainability performance into supplier selection and purchasing decisions, choosing partners that align with our values and responsibly manage their environmental and social impacts. Our Code of Conduct for Suppliers (CoCS) includes our expectations towards our suppliers regarding ESG topics.

Anti-bribery and corruption (ABC)

Although Anti-Bribery and Corruption (ABC) is not classified as a material topic, it remains a critical focus for GOTMAR. We are firmly committed to conducting our business ethically and responsibly, with zero tolerance for bribery and corruption throughout our operations and our sphere of influence; corruption can have serious financial consequences and damage our reputation and that of our stakeholders'.

This commitment is embedded in our ABC Policy and Code of Ethics.



Community outreach

GOTMAR has always been a strong supporter of the local community, with annual participation in multiple traditions throughout the year, both through donations, and through physical presence of employees and management to events.

Additionally, yearly the Ecology department organizes drives to clean the surrounding of our company, as well as several of the cities where employees live.

A notable mention goes to the support the company gives to our local football club, where GOTMAR is the main sponsor of both the youth and teenage teams.

Since 2020, GOTMAR has also been a proud partner of the Red Cross and the Humane Society in Bulgaria, by placing a textile container at the entrance of the company and helping raise food donations for different local and national campaigns.

