

# Independent Limited Assurance Report

to the Directors of Klöckner Pentaplast

DNV Business Assurance Services UK Limited (“DNV”, “us” or “we”) were engaged by Linpac Group Holdings Ltd. to provide limited assurance to Klöckner Pentaplast (“kp”) over Selected Information presented in the kp Sustainability Report 2021 (the “Report”) for the reporting year ended 31<sup>st</sup> December 2021.

## Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria. This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.



Our observations and areas for improvement will be raised in a separate report to kp’s Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

- The ‘Progress in 2021’ section found on page 4 of the Report is a useful summary of the ten key objectives that underpin the ‘Investing in Better’ sustainability strategy. We recommend that in future Reports, kp continues to develop and enhance the dialogue associated with these objectives, which will become critical as the deadline year approaches.
- We observed robust processes and systems for compiling Scope 1 and 2 Greenhouse Gas (GHG) emissions data. Calculation methodology was applied appropriately, consistently and with a robust quality control process in place. For the first time, energy intensity was also calculated with a ‘degrees days’ factor applied, to normalise the impact of outside temperature on building heating demand. We recommend kp continues to transparently report this metric, alongside the non-adjusted figure, to allow for more comparable trends year on year.
- Diversity data is collected through one system for all employees. A consistent employee grading and classification system is applied, with local HR management responsible for data quality. We recommend an internal ‘basis of reporting’ document is developed for this KPI to ensure kp maintains a record of how the KPI has been calculated and to maintain consistency in reporting progress year on year.

## Selected information

The scope and boundary of our work is restricted to the key performance indicators included within the Report (the “Selected Information”), listed below:

- Scope 1 GHG emissions (tonnes of CO<sub>2</sub>e)
- Scope 2 GHG emissions, market and location based (tonnes of CO<sub>2</sub>e)
- Energy use intensity (kWh per tonne)
- PCR in our packaging (%)
- Women in management roles (%)

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used kp’s reporting criteria (the “Criteria”), which can be found in the About this report section on page 54 of the Report.

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on kp’s website for the current reporting period or for previous periods.

## Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

## Standard and level of assurance

We performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for Our Conclusion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

## Basis of Our Conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with kp management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Reviewing processes and systems for preparing site level data consolidated at Group level, we were free to select sites and the selection criteria was on the basis of materiality;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by kp for the Selected Information is prepared in line with the Criteria; and
- Assessing the appropriateness of the Criteria for the Selected Information;
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

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## DNV Business Assurance Services UK Limited

London, UK  
23<sup>rd</sup> June 2022

## Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by kp have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

## Responsibilities of the Directors of kp and DNV

The Directors of kp have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to kp in the form of an Independent Limited Assurance Conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

## DNV Business Assurance

DNV Business Assurance Services UK Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. [www.dnvgl.co.uk/BetterAssurance](http://www.dnvgl.co.uk/BetterAssurance)