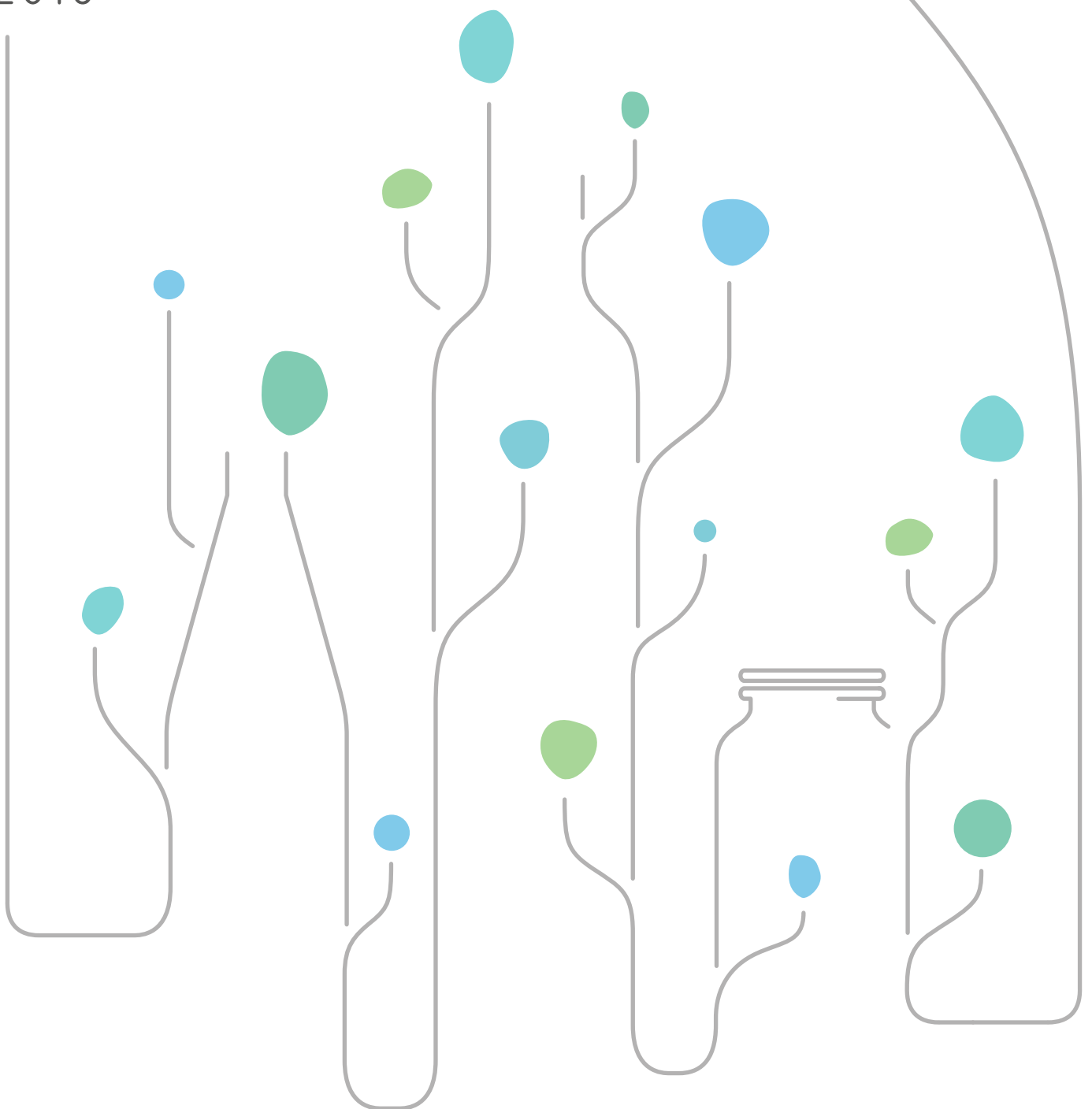




**CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT**

2016



# CONTENTS

3	Message from the President and CEO
4	Verallia, an international player in the glass industry

## 6 POSITIONING

6	Verallia, the benchmark for glass packaging
8	Our ambition
9	Our Code of Conduct
10	Governance, Risk & Compliance

## 12 VERALLIA, A COMMITTED PLAYER

14	Our three priority approaches for attaining our <i>Forever Glass</i> ambition and creating value for our stakeholders
----	---

## 16 1. BE THE BENCHMARK FOR THE CIRCULAR ECONOMY AND MANAGE OUR ENVIRONMENTAL IMPACT

18	Respond to environmental challenges
20	1.1 Be the driver for optimizing cullet use
22	1.2 Reduce energy consumption
24	1.3 Optimize water use
26	1.4 Other initiatives to reduce environmental impact

## 28 2. DEVELOP AND PROTECT OUR HUMAN CAPITAL

30	Engage and recognize Verallia employees
32	2.1 Rigorously apply our Health & Safety policy
34	2.2 Develop talent and encourage collaborative learning
36	2.3 Recruit talents with diverse backgrounds and experiences


## 38 3. BOOST OUR CONTRIBUTION TO COMMUNITIES' ECONOMIC AND SOCIAL DEVELOPMENT

40	Involvement with our communities
42	3.1 Raise public awareness
44	3.2 Support growth of the circular economy
46	3.3 Promote the properties of glass

## 48 APPENDICES

A black and white portrait of Jean-Pierre Floris, an older man with glasses, wearing a suit and tie. He is looking directly at the camera with a slight smile. The background is dark and out of focus.

VERALLIA ASSERTS ITS VOCATION  
TO SUPPORT PROFOUND  
ENVIRONMENTAL CHANGE AND  
UNDERTAKES TO ACT AS AN  
EXEMPLARY STAKEHOLDER.

A large teal arrow pointing to the left, partially visible on the left edge of the page.

Verallia, independent since 2015, is one of the leading international players in the glass industry. As our customers' partner, we are committed to constantly improving the way we serve them by providing quality products and services that best fit their needs. As glass is an endlessly recyclable material and resists the test of time, it logically fits with a perpetual circular economy.

Verallia's model of manufacturing excellence places its environmental and social commitments at the heart of its strategy.

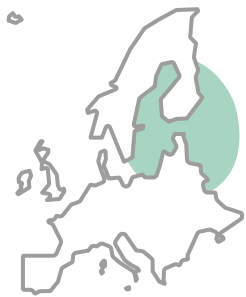
Proud of its ambitions and its values, the Group asserts its vocation to support profound environmental change and is committed to acting as an exemplary, aware and transparent player that is innovative and proactive at each stage in the value chain and with regard to all its stakeholders.

By developing and protecting the Group's human capital, boosting its contribution to the economic and social development of local communities while managing its environmental impact and promoting the circular economy, Verallia acts sustainably and responsibly each and every day. All this is reflected in *Forever Glass*.

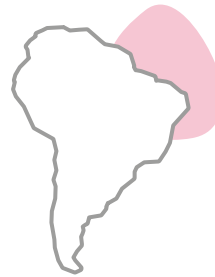
Jean-Pierre Floris,  
Chairman and Chief Executive Officer of Verallia

# VERALLIA, AN INTERNATIONAL PLAYER IN THE GLASS INDUSTRY

Verallia, an independent group, is one of the world's leading producers of glass packaging for food and beverages.



No. 1  
in Western  
Europe

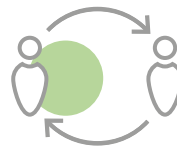


No. 2  
in South  
America



€2.4 billion

revenue in 2016



10,000 employees

serving more than

10,000 customers



1,500 new  
references

each year



16 billion bottles  
and jars

manufactured in 2016





Commercial presence in  
**46 countries**



**33 glass**  
production sites

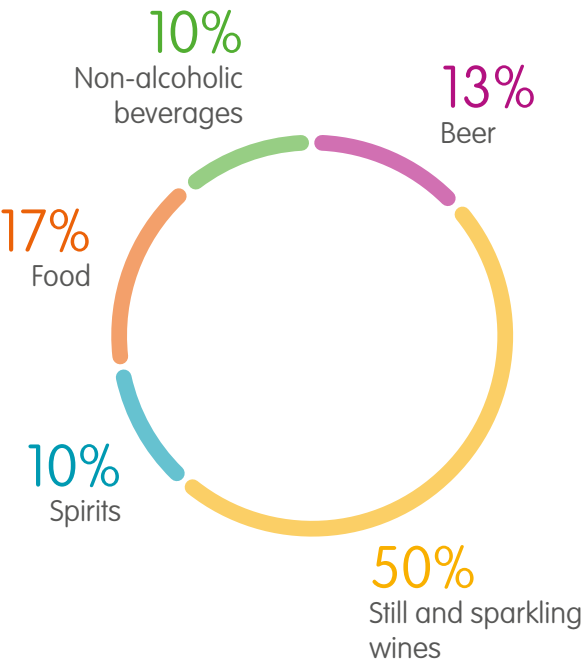


5 technical centers  
and 13 product  
development centers

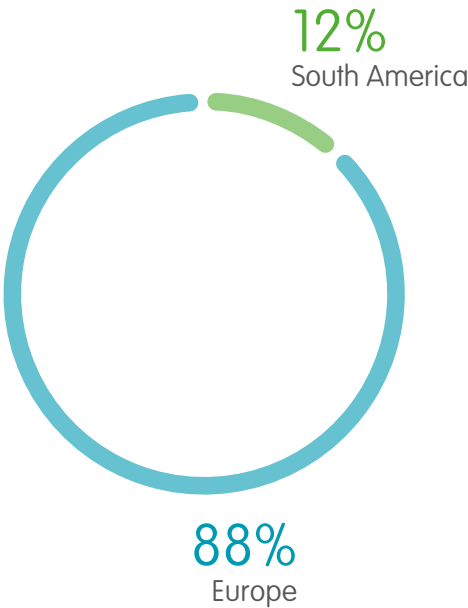


Manufacturing presence in  
**13 countries**

**Sales by market\***



**Sales by region\***



\* 2016 figures

# VERALLIA, THE BENCHMARK FOR GLASS PACKAGING

## Our vision

Glass is the safest and most sustainable choice for attractive food and beverage packaging.



## Our mission

Develop innovative glass packaging solutions for each of Verallia's customers

- by combining the strength of a global leader and the proximity of a local player
- and by continuously improving the quality of the Group's products and services.

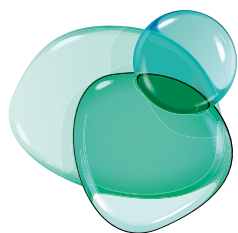
## Our commitments

- Be an exemplary representative of the circular economy, while reducing the impact of Verallia's activities on the environment.
- Recognize, develop and protect the Group's human capital.
- Increase Verallia's contribution to the economic and social development of local communities.









**verallia**  
Forever Glass

## GLASS IS OUR BUSINESS AND WE ARE PROUD OF IT

Glass is an ecological and safe material with intrinsic qualities making it a noble and attractive solution.

It stands the test of time and remains the only 100% and endlessly recyclable packaging material—it is both modern and authentic. These qualities make glass the perfect example of a “permanent” material.

Heirs to centuries-old expertise from 1827, the Verallia teams constantly seek the most innovative glass packaging solutions, while reflecting the values of sustainable development and corporate responsibility.

## OUR AMBITION: BE AN EXEMPLARY REPRESENTATIVE OF THE CIRCULAR ECONOMY

Verallia combines the strength of a global leader with the proximity of a local partner able to meet all its stakeholders’ needs.

By applying and sharing the best social and environmental practices, Verallia wants to inspire all the players in its industry.

The group wants to be exemplary, especially in a field considered as a priority: the circular economy.

# OUR CODE OF CONDUCT

This code asserts our shared values and reflects the attention paid to people, their safety, labor-management dialogue, compliance and respect for the environment. Verallia requires that its employees apply these principles on a daily basis. They are a requirement for belonging to the Group (see appendix 1 for details).

## Principles of Conduct



Respect  
for others



Integrity



Solidarity



Professional  
commitment



Loyalty

## Principles of Action



Respect  
for the law



Caring for  
the environment



Worker health  
and safety



Employee rights

The Principles of Conduct and Action explicitly refer to the applicable Conventions of the International Labour Organization, the OECD Guidelines for Multinationals and the OECD Anti-Bribery Convention. Verallia is a signatory of the United Nations Global Compact.





# GOVERNANCE, RISK & COMPLIANCE

## RESPONSIBLE GOVERNANCE

### **A fully autonomous industrial group...**

With its new shareholders, Apollo Global Management LLC and Bpifrance, Verallia is a fully autonomous industrial group, entirely dedicated to glass packaging. This is a new chapter in the history of the Group, which has been developing its glassmaking expertise since 1827.

### **... that puts the principles of Corporate Social Responsibility at the heart of its governance**

Verallia has appointed its Chief Technical Officer to manage its Corporate Social Responsibility. He is supported in this mission by the Chief Legal Officer for governance and compliance issues. The Secretary General is the guarantor of compliance with the Code of Conduct and steers initiatives and commitments involving employees and communities. All three are members of the Executive Committee.

Each month, the Executive Committee reviews the safety results, and twice a year, it examines the environmental programs. Finally, a committee representing the regions and key functions for Corporate Social Responsibility issues meets each quarter to define the strategy and monitor the implementation of action plans.

## RISK MANAGEMENT CONSOLIDATED OVER TIME

Verallia leverages its lengthy experience and expertise to guarantee the health and safety of its workers at their workplace and minimize the environmental impact of its activities.

To do so, we implement a robust EHS (Environment, Health and Safety) policy with a proven track record, and ensure that the principles are anchored in day-to-day practices by running numerous training and awareness sessions.

Thirty-two Verallia production sites are certified ISO 9001 and ISO 14001, and the majority are also ISO 22000 and OHSAS 18001 certified. Additionally, SMETA 4P protocol social audits are systematically conducted. These certifications ensure that the impact of the Group's activities is managed at several levels:

- employee health and safety
- environment
- quality and food safety
- energy.



## THE REQUIREMENTS AND COMPLIANCE LEVEL OF A MAJOR INTERNATIONAL GROUP

Verallia is underpinned by a number of policies consistent with its Code of Conduct:

- HR policy (combined under the MOVE policy: Mobility, Open mind, Values and Engagement)
- respect for competition law
- anticorruption policies
- purchasing policy
- compliance with economic sanctions and embargoes.

The General Management implements awareness training and follow-up actions to promote the Code of Conduct and these policies within the Group.

In all cases, each of Verallia's senior managers and employees is held personally responsible for implementing these policies.







# VERALLIA, A COMMITTED PLAYER

Verallia participates, contributes and collaborates with various organizations whose purpose is to promote sustainable development and corporate social responsibility.



## GLOBAL COMPACT

The Global Compact is the most important international initiative for voluntary commitment to sustainable development and has almost 14,000 signatories in 160 countries.

Both global and local, public and private, the Global Compact is a forum for commitment and collective action encouraging stable and inclusive societies. The Global Compact is the starting point for all organizations seeking to support the Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015. They are a universal set of goals for building a better world.

They require a top-down approach by companies, leading to deep social and market changes, thereby demonstrating that sustainability and value creation can coexist.



## AIM-PROGRESS

AIM-PROGRESS is a forum of consumer goods companies to facilitate and promote responsible sourcing practices and sustainable production systems.

It is a global initiative supported and sponsored by the European Brands Association (AIM) in Europe and by the Grocery Manufacturers Association (GMA) in North America. It aims to develop and promote the use of shared assessment methods to determine Corporate Social Responsibility performance within the supply chain and to improve the efficiency of all companies. AIM-PROGRESS collects, evaluates and shares noncompetitive information about the supply chain's Corporate Social Responsibility performance.



## SEDEX

Sedex is a non-profit organization that aims to promote responsible and ethical improvement in current practices within supply chains.

Sedex provides access to a secure online database allowing members to store, share and release data in four main areas:

- working conditions
- health and safety
- the environment
- ethical practices.

## OUR THREE PRIORITY APPROACHES FOR ATTAINING THE FOREVER GLASS AMBITION...

### 1. Be the benchmark for the circular economy and manage our environmental impact

To support the *Forever Glass* ambition, Verallia must develop the best environmental practices and influence its entire industry, the ideal symbol of the circular economy. The permanence of glass is one of its major strengths with regard to climate change.



### 2. Develop and protect our human capital based on the MOVE policy

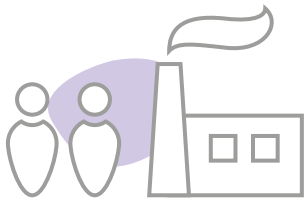
The glass business demands constant commitment and advanced technical expertise. It is crucial to maintain a high level of satisfaction among the Group's employees by supporting the development of their skills. Verallia recruits talents with a wide range of backgrounds and experiences. Diversity helps drive efficiency.

### 3. Boost our contribution to communities' economic and social development

Verallia is proud of the strength of its local roots, and its proximity with its neighboring communities. The Group contributes to supporting these communities by leveraging its strengths as a global leader in the glass packaging industry. Verallia's business provides a unique window into understanding the issues of the circular economy. It is a strategic advantage for helping raise public awareness and supporting civil society as it implements its projects.

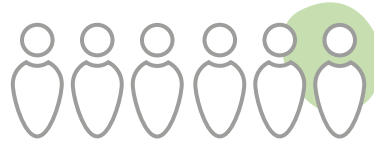


## ... AND CREATING VALUE FOR OUR STAKEHOLDERS



### Employees

The principles of the MOVE (Mobility, Open mind, Values and Engagement) policy reflect the Group's approach to its employees. They aim to strengthen the corporate culture, teamwork and career development, and to recognize, attract, recruit and retain talent.



### Employee Representatives

Verallia takes care to build a constructive dialogue with employee representative bodies. In order to provide tangible responses to social issues, the discussions are conducted locally. At the international level, a group committee regularly brings together the employee representatives of the European companies.



### Customers and consumers

Verallia relies on a proximity strategy to ensure customer satisfaction. Surveys are conducted and regularly followed up. Verallia also places considerable importance on promoting glass, a material that naturally guarantees quality and safety for consumers.



### Suppliers

All suppliers sign the Supplier Charter, which is systematically included in the contracts. The main suppliers are assessed and those deemed to be a risk undergo more detailed audits.



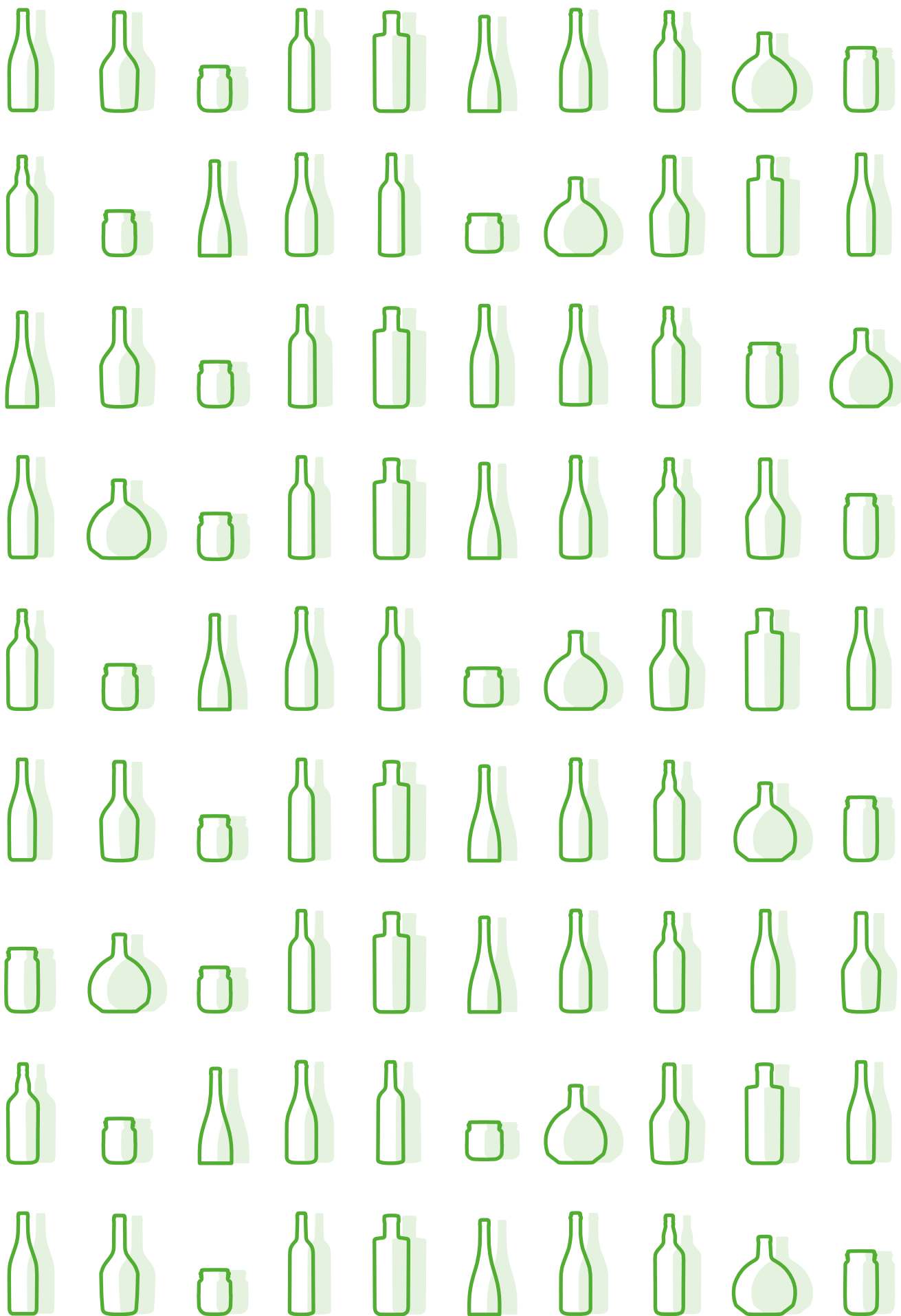
### Public authorities

Verallia develops constructive relations with the public authorities at its industrial sites. The Group adopts an approach based on open and constructive dialogue.



### Local community

Verallia's local involvement is reflected in its strong commitment to the community, whether by preventing the potential impact of its operations or supporting civil society, especially in the area of the circular economy.





1.

BE THE BENCHMARK  
FOR THE CIRCULAR  
ECONOMY AND MANAGE  
OUR ENVIRONMENTAL  
IMPACT



# RESPOND TO ENVIRONMENTAL CHALLENGES

As a player in the glass packaging industry for food and beverages, Verallia is aware that it must address major environmental issues and strive to minimize the impact of its activities. Verallia therefore implements industrial projects based on a responsible approach at each step in the value chain.



Verallia bases its business on an environmental charter and a catalogue of environmental standards. To measure the progress made in implementing these standards, performance indicators have been introduced and environmental targets defined on the basis of three main drivers:

- Set a benchmark for the use of cullet
- Reduce energy consumption
- Manage and limit water use.

Verallia also invests in a series of other initiatives to reduce the environmental footprint of its activities, such as eco-innovation with the ECOVA range, atmospheric emissions reduction and waste recovery.

Verallia's commitment to Manufacturing Excellence also has positive effects by optimizing the use of resources and increasing process efficiency.

Verallia's commitment to the environment helps reduce its carbon footprint. The use of cullet, lowering energy consumption, eco-innovation and waste recovery cut the greenhouse gas (GHG) emissions from Verallia's activities.



### An ecological material...

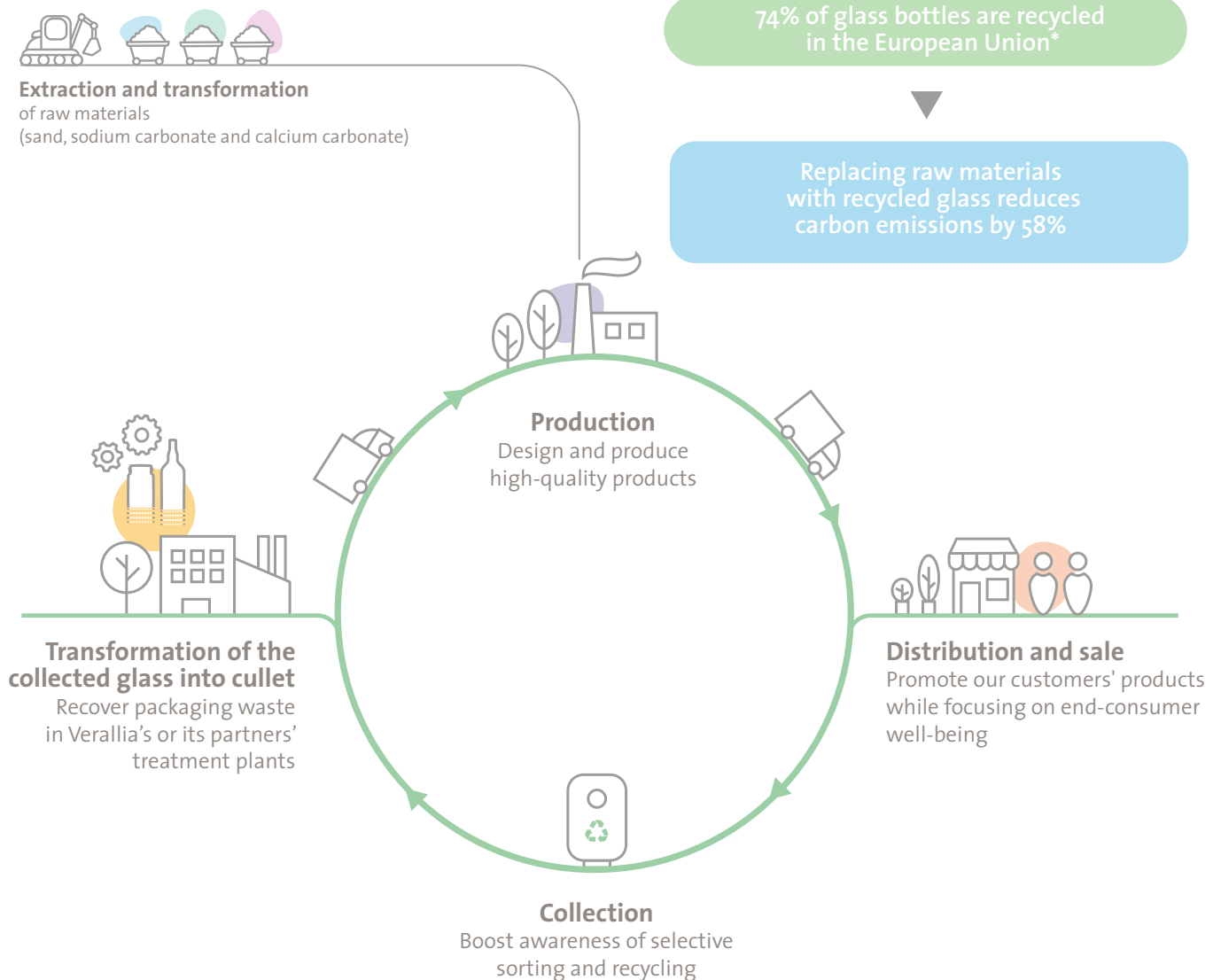
- composed of natural minerals (sand, sodium carbonate and calcium carbonate)
- 100% and endlessly recyclable.

### ... that protects its contents

- inert and impermeable, glass does not interact with its contents, does not alter its taste, scent or composition
- assures optimum conservation
- is the absolute benchmark as witnessed by its use in the pharmaceutical industry.

### ... and shows it to best effect

- transparent
- available in a huge range of colors and shapes.



\* FEVE (European Container Glass Federation) article, November 2016

## 1.1 BE THE DRIVER FOR OPTIMIZING CULLET USE



Today, cullet is the key link in the glass packaging circular economy. It is made up of glass from the selective collection of waste, recycling containers or production waste.

Added to raw materials (sand, sodium carbonate and calcium carbonate), cullet is an optimal solution for recovering waste packaging. It reduces:

- the energy needed to melt the mix of raw materials, and consequently reduces greenhouse gas (GHG) emissions
- the GHG emissions from melting the raw materials
- the consumption of infeed materials, such as sodium carbonate, which requires large quantities of water for its production.



The replacement of 10% of the raw material with recycled glass reduces energy consumption by 3% and carbon dioxide (CO<sub>2</sub>) emissions by 5%\*.

Verallia develops numerous initiatives aimed at optimizing the use of cullet. An international working group is tasked with improving glass recycling and cullet production line yields.

All these local and Group initiatives aim to:

- improve waste collection by boosting recycling rates and limiting the presence of impurities in the flow of collected glass
- improve cullet quality through its treatment
- increase cullet use in glass production (some furnaces use up to 95% cullet).

### 2015-2020 target

- maintain cullet use at more than 50%.

\* Verre Avenir, Thematic report No. 3, 2012-2013 – Verre & Développement Durable (Glass & Sustainable Development).



## OUR ACTIONS

### FRANCE

#### Improved cullet quality

The business of Verallia subsidiary Everglass lies at the heart of the circular economy: waste recovery.

In 2016, Everglass invested almost €7 million at its Rozet-Saint-Albin site in northern France, to improve the quality of the cullet produced by optimizing sorting of impurities and infusible material. This investment allows more efficient and secure use of cullet by glass plants.

Environmentally, the project seeks to reduce waste by separating and recovering ferrous and non-ferrous metals, and infusible and organic material.

Additionally, a new unit produces very fine cullet (between 1-2 mm), cleaned of all organic and infusible pollution, which minimizes the production of end waste.



### ITALY

#### Research programs at the Stazione Sperimentale del Vetro (SSV)

Verallia supports the SSV and works with its teams on their research programs on the cullet production chain in order to improve knowledge, management and recycling. In the past three years, its research has focused on the main problems facing the glassmaking industry:

- the definition of a shared, solid method applicable at the industrial level to manage cullet quality
- the reuse of new fractions of cullet as a raw material.

The SSV is also looking at new areas of research, including increasing cullet recycling rates and maintaining a high level of glass quality.

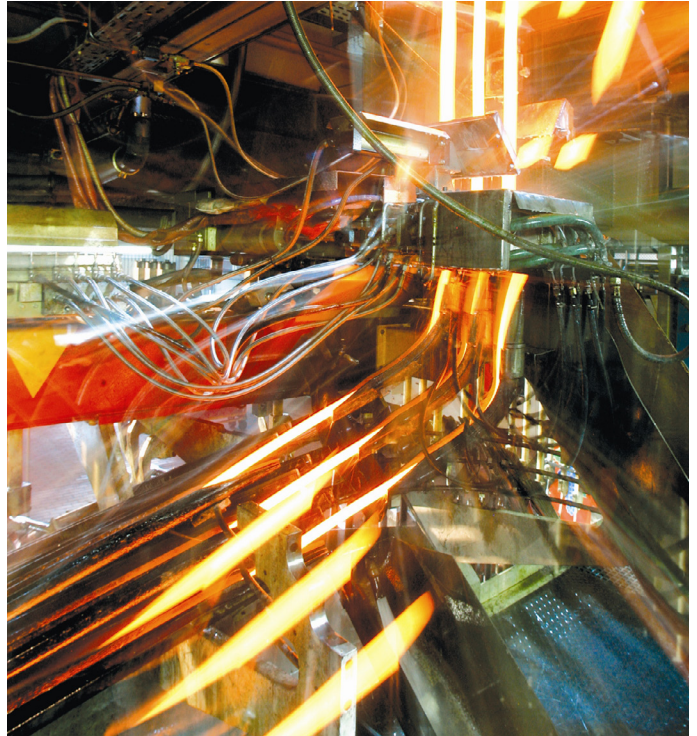
## OUR ACTIONS



## 1.2 REDUCE ENERGY CONSUMPTION



Improving energy efficiency and reducing energy consumption have always been priorities for Verallia.



Verallia invests in Research and Development and engineering projects to reduce its energy consumption.

- Since energy is mainly used to melt glass, every time we shut down a furnace for renovation, we see it as an opportunity to upgrade its design. These changes are the main source of reduced energy consumption.
- Plants also implement actions to reduce furnace energy consumption, e.g., furnace tightness and thermal insulation, optimizing glass temperature or combustion settings and adjusting combustion air volume.
- Finally, other initiatives based on the principles of the circular economy result in the recovery of energy consumed, in particular by extracting the heat from furnaces to heat buildings.

### 2015-2020 target

- reduce energy consumption by 5%.

## OUR ACTIONS

### BRAZIL

#### A new furnace for Compo Bom

Glass fusion furnaces operate 24 hours a day, 365 days a year and are the main source of energy consumption in the Group.

When rebuilding furnaces, every 10 to 14 years, Verallia systematically adopts the most energy-efficient fusion technology.

The Campo Bom plant recently rebuilt its furnace. The use of new technology has led to a significant improvement in the furnace's efficiency and reduced energy consumption by 27%.



### SPAIN

#### Use and save energy efficiently

The Verallia plant in Burgos has opted to install a boiler that recovers heat from the glass fusion furnace flue gas. The steam produced is then used to preheat the raw materials during the mixing stage.

This technology uses energy more rationally by recovering 3,000 MWh per year and avoids the emissions from a standard gas-fired boiler.

## OUR ACTIONS



### 1.3 OPTIMIZE WATER USE



Water is a rare and precious resource. It is therefore crucial to optimize its use in the glassmaking process. The challenge is twofold: reduce the amount of water withdrawn and used to cool or form the molten material, and limit the impact of discharge water on the local environment.



Most Group sites operate in a closed or semi-closed circuit to minimize water consumption. Verallia also relies on the Water Standard, which outlines the minimum requirements that all sites must apply. It aims to reduce consumption, manage water quality and prevent accidents.

It is also worth noting that the use of a higher percentage of cullet reduces water consumption across the entire water cycle (in particular the water needed to manufacture sodium carbonate).

#### 2015-2020 target

→ reduce water consumption by 5%.

## OUR ACTIONS

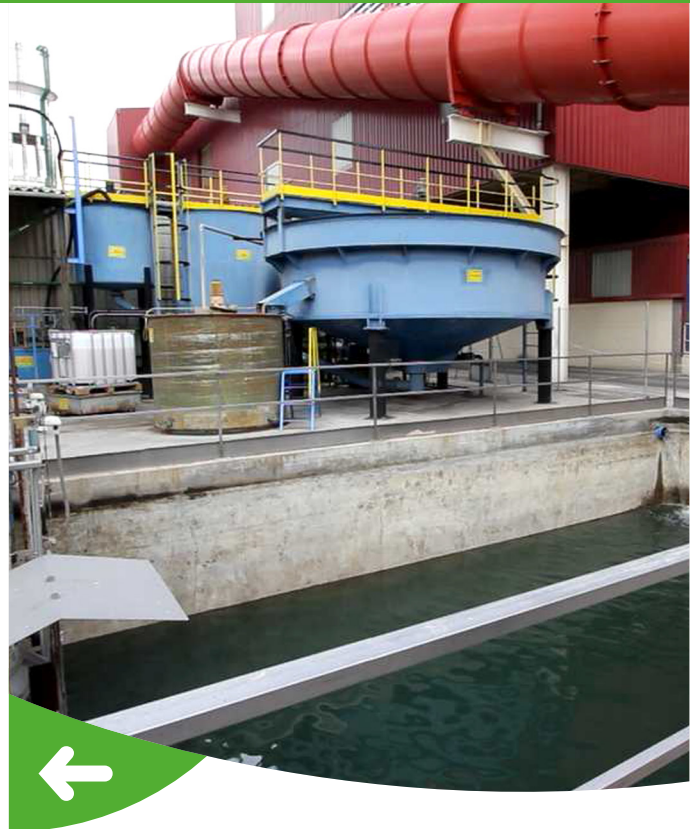
### SPAIN

#### A new water collection and treatment system

At the Azuqueca site, the entire water supply and treatment system is shared with the neighboring Isover and Rocco Bormioli plants. Technical improvements have been added to the water treatment system. As a result, the water from Verallia and Rocco Bormioli cullet cooling circuits can be fed back into the tank that supplies the three sites.

This pilot project run by the Verallia team has led to:

- 23% less water withdrawn
- 50% less discharge.



### ARGENTINA

#### Considerable water savings

The Mendoza plant has implemented numerous projects to ensure the sustainable management of this natural resource.

First, a campaign was run to raise employees' awareness of responsible water consumption. The water treatment system and the cooling towers of the cullet circuit were improved. Water use was also optimized in the laboratory and for cooling the plant's compressors and pumps.

- Together, these actions reduced water consumption by 60% between 2014 and 2016.
- The creation of a pond made it possible to collect snowmelt to water the site's landscaped areas.

## OUR ACTIONS



## 1.4 OTHER INITIATIVES TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

### Reduce atmospheric emissions

Electro-filters are the main tool for limiting dust and sulfur oxide (SO<sub>2</sub>) emissions.

→ **Dust emissions cut by up to 90%**  
in the past 10 years.

Identifying the optimal energy mix and burner adjustment, combined with a patented process to improve combustion in the furnace (the result of an internal Research & Development project) has also reduced nitrous oxide (NO<sub>x</sub>) emissions.

### Value-creating products

Verallia is developing value-creating products suited to its customers' needs and market changes, while taking into account corporate social responsibility challenges. Worldwide, the company is launching eco-designed glass packaging. These new lighter formats reduce environmental footprints while maintaining aesthetics and the overall appeal of glass.

→ Since the launch of the ECOVA ranges in 2009, **around 15 billion eco-designed bottles have been sold by Verallia.**

### Reduce and recover waste

Production facilities have implemented efficient systems for selective sorting and waste recovery with the support of a best practices guide. As a result, some plants recover up to 90% of their waste.

### 2015-2020 target

→ boost the recovered waste rate by 5%.

## OUR ACTIONS

### FRANCE

#### An eco-designed bottle for Languedoc AOC wines

Attracted by Verallia's eco-design approach, the Conseil Interprofessionnel des Vins du Languedoc selected Verallia to update its Languedoc bottle.

The Ecova Languedoc bottle:

- weighs 90 grams less than the previous model
- its distinctive features have been retained:  
Bordeaux shape and engraved Languedoc cross.

No design or size compromises have been made. The new bottle combines tradition, aesthetics and eco-design.

**ecova**



### CANARY ISLANDS

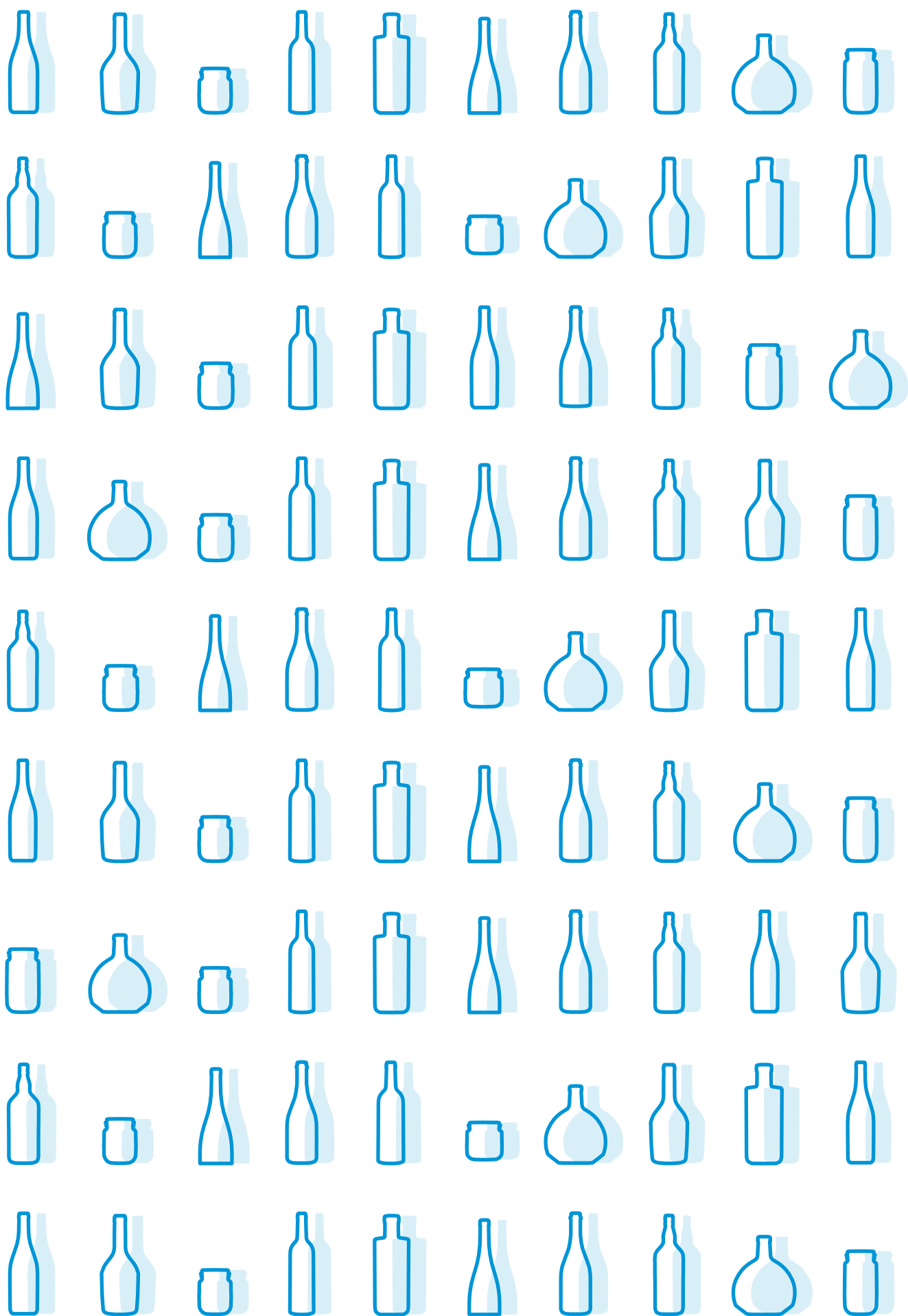
#### CO<sub>2</sub> recovery

The Vicsa plant is a tangible example of the glassmaking industry's contribution to the circular economy.

In 2014, as part of an €11 million investment, the plant added a specific installation on the electro-filter to improve the flue gas treatment and separate the CO<sub>2</sub> from the other gases emitted. This system allows the CO<sub>2</sub> to be reused in other industrial processes, in particular, the production of carbonated beverages in the Canary Islands.

- By recycling CO<sub>2</sub> and significantly cutting NO<sub>x</sub>, SO<sub>2</sub> and dust emissions, this initiative, a first for a glassmaking furnace, has considerably reduced the Vicsa plant's environmental footprint and cut its CO<sub>2</sub> emissions by almost 30%.

## OUR ACTIONS







2.

DEVELOP AND PROTECT  
OUR HUMAN CAPITAL

# ENGAGE AND RECOGNIZE VERALLIA'S EMPLOYEES



Verallia continues to concentrate on developing and protecting its employees by leveraging a high level of engagement and satisfaction as well as a dynamic shared internal culture.

Every two years, Verallia conducts a satisfaction survey and implements action plans reflecting the results in each country. The rollout of all the actions is closely monitored. The most recent survey was conducted at the end of 2016 and action plans will be implemented over the coming two years.



**Employee satisfaction surveys show that the Group has several fundamental strengths, in particular:**

- pride in belonging to the company, based on our Code of Conduct and the nature of our business, further enhanced by glass itself, which is seen as a “noble” and “permanent” material
- satisfying and recognized production work, and a commitment to ongoing skills development in a context of industrial processes requiring experience and technical knowledge
- scope and organization of an international group with broad human and technical resources and the ability to cooperate and share best practices, while maintaining autonomy and humane scale at the local level
- solidarity cultivated to support Verallia’s development, including through the quality of the dialogue between management, employee representatives and the teams, particularly in the current context of the Group’s recently acquired autonomy.

In order to protect these strengths, Verallia implements its “MOVE” (Mobility, Open mind, Values and Engagement) policy, which defines the Group’s approach to its employees. It is based on a three-pronged approach:

- maintain a strong EHS policy anchored in employee practices
- develop talent and encourage collaborative learning
- attract and integrate talents with diverse backgrounds and experiences.







## 2.1 RIGOROUSLY APPLY OUR HEALTH AND SAFETY POLICY



Protection of employee health and safety is fundamental and crucial to Verallia's success. It is a long-standing commitment, inherited from our shared past with Saint-Gobain.

Verallia constantly strives to develop and implement safe industrial processes, to promote a "zero risk" culture and to ensure the best working conditions for its employees.



Verallia's Health and Safety policy revolves around three fundamental approaches: basics, internal tools and internal H&S audits.

The basics refers to:

- a Health and Safety risk assessment for each workstation down to the individual task that leads to ranking the risks and then prioritizing their mitigation or eradication
- the "4 cardinal rules for saving lives": rolled out in 2009, they aim to improve behavior and raise employee safety awareness. The proper application of these rules is regularly monitored in all Verallia's countries
- the safety standards compiled from the analysis of the most frequent accidents.

Verallia has also developed tools to help improve behavior. These tools are often the result of local initiatives and are then deployed throughout the Group as good practices: daily safety meetings, junior auditors, and "one minute to think."

Verallia also pays particular attention to Health and Hygiene issues. Its Health and Hygiene approach takes into account the main issues associated with the industrial process: ergonomics in the workstation, reducing potential exposure to dust, noise and heat, and managing chemical risk.

### 2015-2020 targets

- 100% of operators audited twice a year using the SMAT method.
- 85% of unsafe situations (TF5) reported by Verallia employees resolved.

## OUR ACTIONS

### INTERNATIONAL

#### Safety Management Tool (SMAT)

SMAT is used to work on gradually improving Verallia employees' safety behavior.

This approach involves two managers observing the employee at work. This is followed by a discussion about best practices, any potential risky behavior (unsafe acts) and ways for improving how the employee performs tasks.

SMAT leads to a commitment between the employee observed and the Verallia manager to correct any unsafe behavior or to do everything possible to avoid risky situations.



### SPAIN & PORTUGAL

#### Shared safety

Verallia's plants in Spain and Portugal have introduced several original and innovative interactive initiatives to share the "zero risk" culture and improve internal behavior. From breakfasts to a newsletter, along with internal events, everything is a potential topic for "safety" discussions.

Inspired by an initiative at a Brazilian site, the Burgos plant employees created an entertaining play based on everyday scenes and unsafe behavior. The plant has also organized individual interviews for all employees to make sure everyone understands and applies the rules and foster employee commitment to maintaining exemplary safety standards.

The Azuqueca plant held Safety Olympics, which involved numerous employees who demonstrated their commitment and awareness by participating in this fun event.

All these initiatives were honored at the 2016 EHS Awards ceremony.

## OUR ACTIONS



## 2.2 DEVELOP TALENT AND ENCOURAGE COLLABORATIVE LEARNING



Training and talent development are fundamental and permanent approaches at Verallia. They contribute to employee fulfillment, help employees adapt to changing work practices, develop customer satisfaction and establish a durable competitive advantage.



Verallia strives to engage and empower its employees to enrich their skills, managing a transition from a conventional training model to one where the employees are in charge of their own learning.

Verallia is currently conducting a program aimed at developing skills matrixes for its various professions to improve support for its employees' professional development.

The Group also runs two major talent development programs:

- **Leadership Academy for Talents** (three international programs depending on the level of experience)
- **Verallia Academy for All** (a collection of online e-learning modules covering topics such as cultural diversity, and technical and professional training).

Additionally, Verallia is involved in and contributes to youth training and employment, in particular through the creation of internal glassmaking schools.

### 2015-2020 targets

- 100% of plant or commercial employees will be assessed using a skills matrix suited to their position.
- A training school for glassmaking professions in each region<sup>(1)</sup>.

(1) Verallia is organized into five regions: France, Iberia (Spain and Portugal), Northern Europe (Germany, Poland, Ukraine and Russia), Italy and Algeria, and South America

## OUR ACTIONS

### GERMANY AND FRANCE

#### Evolve through training

Verallia has created an employee training center at its Bad Wurzach plant in Germany, to provide operator training and to allow employees to evolve towards new responsibilities.

The course has several modules: from initial safety training to production and supervision of the various processes, and courses for the plant's future managers. In this way, Verallia is ensuring the continuity of skills for technical positions and the rollout of best practices.

In France, Verallia has created a glassmaking school in Chalon-sur-Saône. It provides work-study diploma courses for future middle management. The aim is to speed up the transfer of the skills required for expert positions, which employees traditionally only rise to after around 10 years of internal training. In 2015, five of these graduates were recruited by Verallia plants.



### FRANCE

#### Co-built well-being

Loyal to its motto "The quality of people makes the quality of glass," VOA - Verrerie d'Albi devotes more than 3.5% of its payroll to training and implements proactive policies to ensure skills transfers and gender balance.

It also maintains its tradition of ongoing dialogue by closely involving the glassmakers in the plant's life. VOA - Verrerie d'Albi has, for example, implemented a Workplace Life Quality Charter, the result of a working group run at a management seminar in June 2015, and an assessment of psychological and social risks by two occupational psychologists.

This charter aims to improve teams' well-being and to enable them to enjoy optimal working conditions.

## OUR ACTIONS



## 2.3 RECRUIT TALENTS WITH DIVERSE BACKGROUNDS AND EXPERIENCES



With its new-found autonomy, Verallia is now recruiting talent from different ecosystems.

The diversity and complementarity of profiles, experience backgrounds, expertise and cultures are a strength that the Group is intent on maintaining and developing.



The diversity of Verallia's teams is a tremendous driver for developing innovative solutions and taking up the new challenges presented by the glass industry.

Verallia is concentrating on developing the diversity of skills at every level in the Group to prepare for the developments ahead.

In particular, it offers training programs for high-potential employees to improve their managerial skills.

Verallia has more than 50 nationalities among its employees at its industrial sites in 13 countries.

### 2015-2020 target

→ 50% women in the high-potential program.



## OUR ACTIONS

### UKRAINE

#### Meeting with Valentina Pugach, Plant Manager

After obtaining her engineering degree from the National Technical University of Ukraine in 1994, Valentina's first work experience was at the Orzhiv timber factory as head of the EHS department.

Attracted by the glass industry, she took up a position as quality engineer at the Zorya plant. In 2000, this plant joined Verallia, which put Valentina in charge of the chemical and raw materials inspection laboratory. Since then, Valentina has continued to progress within the Group. She was named plant manager in 2013. She is now responsible for 430 employees. In particular, Verallia is thankful to her for the plant's ISO certifications, the continuous improvements in quality and performance, lower product costs, and the successful rollout of the manufacturing excellence program in Ukraine.

Valentina considers her finest success to be the professionalism of her team, whose involvement and acceptance of change has allowed them to develop more than 170 new products in less than a year.

She is also very proud of the support of her family and her son, who just recently graduated from the Igor Sikorsky Kyiv Polytechnic Institute, carrying the family tradition of technical engineering into its third generation.



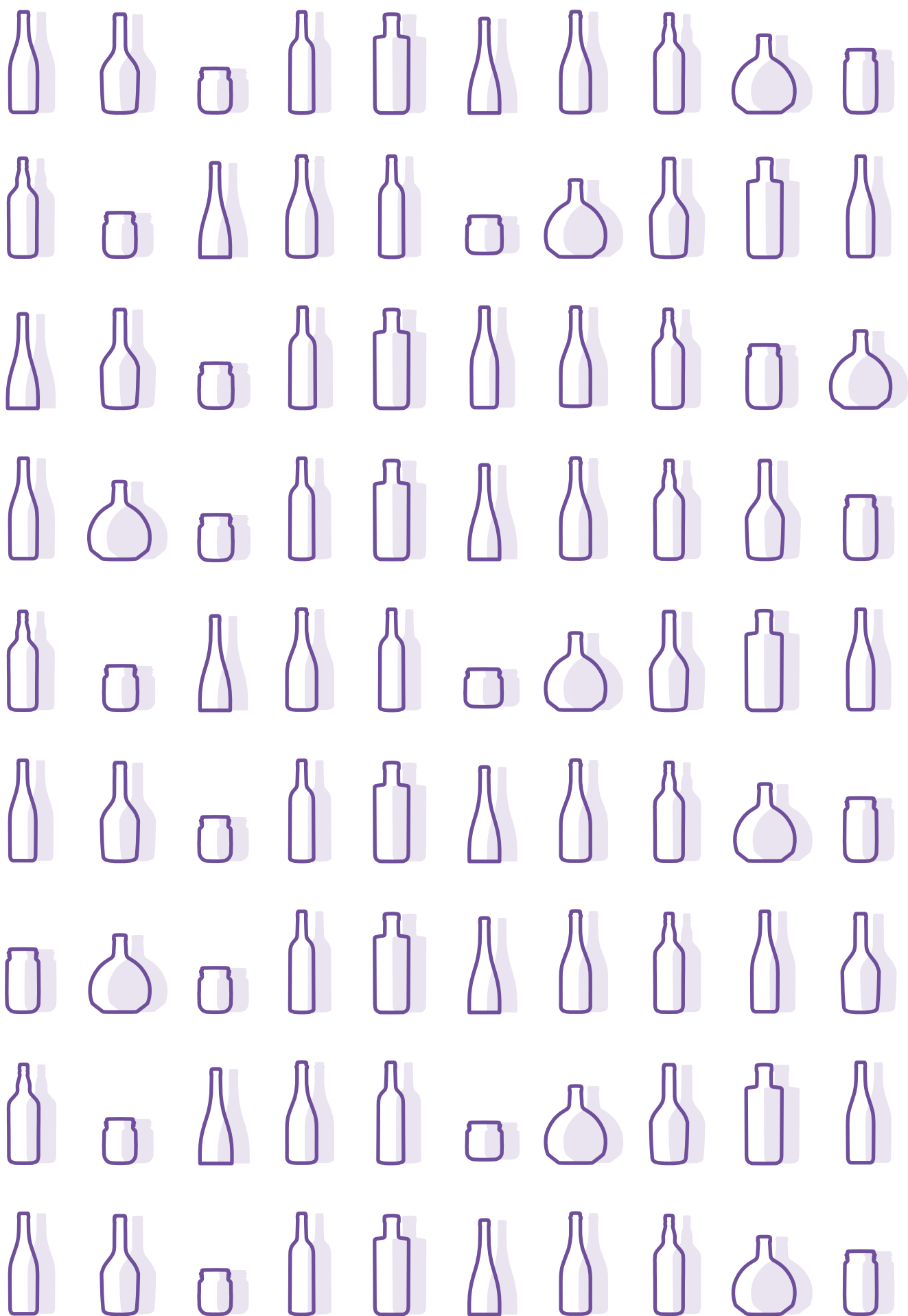
### BRAZIL

#### Promoting diversity

As part of its initiatives to build a diverse workforce, Verallia provides young 15- to 20-year-olds with the opportunity to gain initial work experience and qualifications recognized by the job market.

Verallia is committed to encouraging the integration of young apprentices, generally in a situation of employment insecurity or social vulnerability, and enables them to work and progress alongside its professional experts.

## OUR ACTIONS





3.

BOOST  
OUR CONTRIBUTION  
TO COMMUNITIES'  
ECONOMIC AND SOCIAL  
DEVELOPMENT

# BE INVOLVED IN OUR COMMUNITIES



**Verallia has a long-standing tradition of social engagement at all its sites worldwide.**

**The Group is, for example, recognized by local communities as a responsible and committed stakeholder:**

- in particular by promoting glass recycling
- and more generally by supporting sustainable development initiatives.

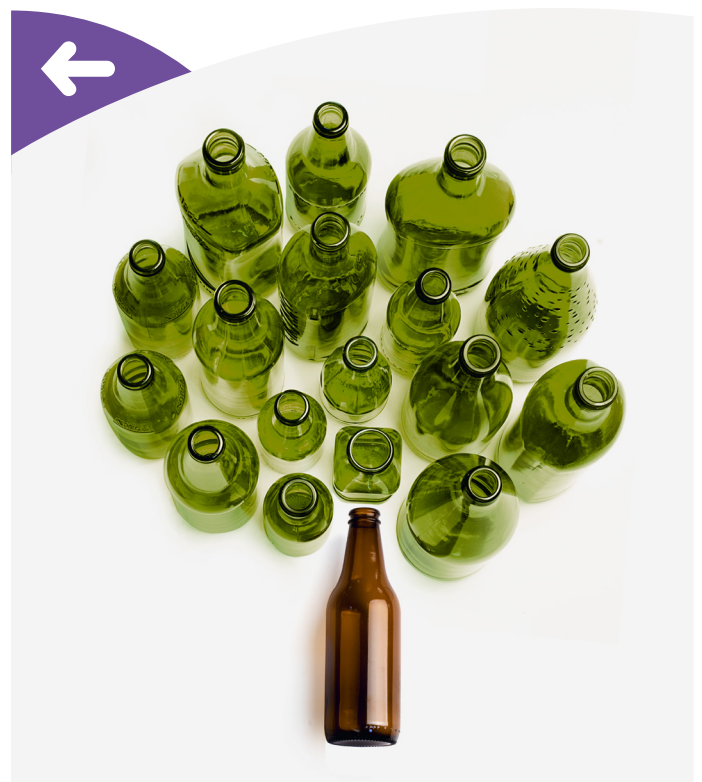
**Verallia's social engagement is reflected in:**

- volunteer actions
- donations
- solidarity campaigns.

Verallia has outlined a framework for community actions in the countries where it operates, to coherently organize the many initiatives and strengthen their impact and visibility.

## 2015-2020 target

- All Verallia sites will be involved in a community action, two-thirds of which will be linked to recycling and sustainable development.









### 3.1 RAISE PUBLIC AWARENESS



As a responsible company, Verallia is committed to raising consumer awareness of the need to recycle glass and the environmental benefits of this material—with a focus on reaching consumers from a young age.



The use of recycled glass as a raw material allows the glass industry to reduce its energy consumption and cut its greenhouse gas emissions.

Through all the initiatives it implements, Verallia forms strong ties with local communities and contributes significantly to promoting its industry and the nobility of glass.

## OUR ACTIONS

### EUROPE

#### Friends of Glass

Friends of Glass is a European community created in 2008 by FEVE (European Container Glass Federation). It supports all actions implemented to promote glass packaging.

In line with its positioning, Verallia works alongside Friends of Glass to encourage consumers to unreservedly adopt glass, a material recognized as the best for health and the environment.

Verallia also supports national associations in the countries where it operates.

→ The community now has 115,000 supporters on social media.



### BRAZIL

#### Jars for mother's milk

Since 2013, Verallia has worked with the "Give glass. Give life." campaign run by the Abividro association. More than just an encouragement to recycle, the campaign raises public awareness about donating glass containers reused for mother's milk.

→ Brazil has 212 human milk banks that help 170,000 premature babies to survive each year.

Abividro, of which Verallia is a member, supplies the collected glass jars which are the safest and most suitable containers for storing mother's milk. The donations garnered by the campaign cover more than 30% of the banks' glass jar requirements.

## OUR ACTIONS



## 3.2 SUPPORT THE GROWTH OF THE CIRCULAR ECONOMY



Efficient resource management and waste recovery lie at the heart of the glass economy model. Numerous actions, in various fields, contribute to the circular economy, in particular by limiting resource wastage.



Verallia constantly strives to optimize its production and seeks to reuse as many products as possible.

By actively supporting circular economy approaches, Verallia also contributes to the economic and social development of the regions where it operates. Numerous projects have been run reflecting the efficient and responsible management of resources and waste.





## OUR ACTIONS

### ARGENTINA

#### Collection for a hospital

Since 2012, Verallia has been sponsoring a campaign to collect and recycle glass bottles called “Glass: a transparent operation.”

With 20 containers in circulation in 2015, Verallia can now collect and buy glass packaging from the city of Mendoza. The funds raised through this recycling campaign are donated to the Humberto Notti pediatric hospital for the construction of a hydrotherapy center.

→ In the last five years, \$250,000 has already been raised, which equates to 240 metric tons of recycled glass.

The aim is to improve the public’s awareness of the need to recycle glass. This is just one example of how Verallia works closely with communities as part of its corporate social responsibility strategy.

Verallia’s commitment to sustainable development practices was singled out for a “Best of wine tourism 2017” award presented by the Mendoza Tourist Bureau.



### GERMANY

#### Redistributed energy

Verallia’s Neuburg plant has been honored by the city for its sustainable district heating project, which has generated energy savings.

The heat given off by the furnaces is recovered and distributed in a network built by the city to heat nearby buildings.

→ This project recovers 23,400 MWh of heat and saves 2.34 million liters of heavy fuel oil and the equivalent of 6,300 metric tons of CO<sub>2</sub> each year.

This award is a further encouragement to strive to meet customers’ needs while at the same time ensuring production increasingly lowers its environmental footprint.

## OUR ACTIONS

### 3.3 PROMOTE THE PROPERTIES OF GLASS

Verallia has unshakeable confidence in the virtues of glass. Endlessly and 100% recyclable in a closed circuit, glass is considered to have unparalleled environmental advantages and is perceived as neutral, pure and attractive.

These intrinsic qualities make it a permanent material at the heart of the circular economy.



- Unlike other packaging materials, glass protects its contents' taste, flavor and quality.
- Its malleability in liquid state means its appearance can be personalized to promote the characteristics of its contents.
- Inert, it does not interact with its contents and so provides a solution to the considerable challenges of protecting consumer health and well-being.
- strength and impermeability allow for sterilization and pasteurization.



## OUR ACTIONS

### INTERNATIONAL

#### Innovating for new consumer trends

By working with customers towards new trends in consumption, Verallia is seen as a benchmark partner whose innovation is at the heart of its approach.

Verallia recently developed a solution that provides, for the first time, heat-sealable, pasteurizable and retortable glass jars.

By developing a new bonding primer deposited on the lip of its jars, Verallia has now extended the application for glass packaging to include new markets: ready meals, baby food and even sauces in the fresh-food aisle.



### INTERNATIONAL

#### Verallia Design Awards

Verallia runs a creation competition in seven countries (France, Spain, Portugal, Italy, Brazil, Ukraine and Argentina), which each year attracts several hundred participants from the best design and packaging schools.

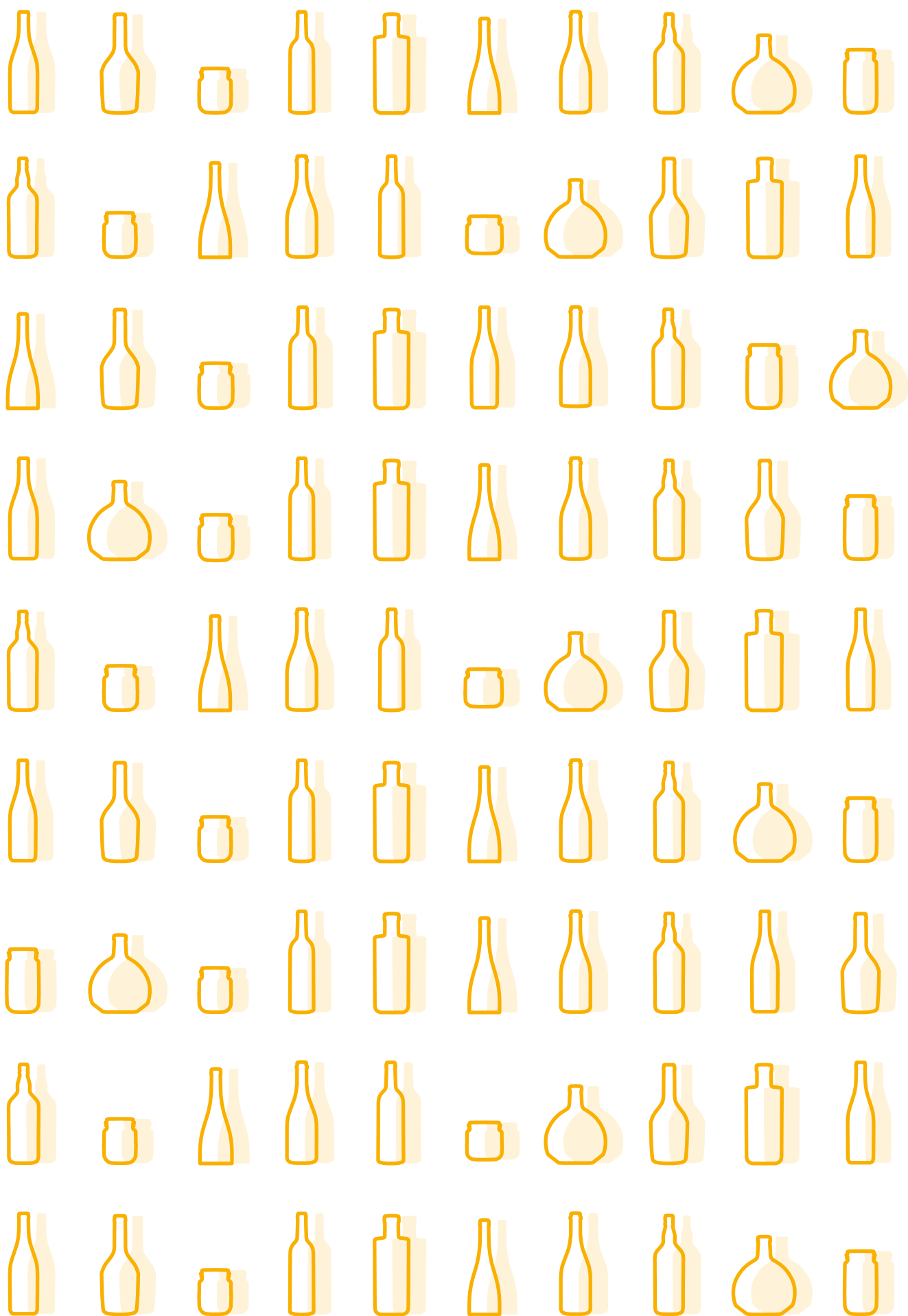
The students are invited to submit projects for glass bottles or jars, thereby paving the way to future food packaging products. By taking part in this competition, they are able to visit a glassmaking site, learn about the bottle and jar manufacturing process and get extensive information about glass.

In France, the 2016 winning project in the wine category caught the attention of Maison du Sud – Jeanjean (Advini group). With its elegant design, facets and chiseled base, this “Sérac” bottle is a premium container. The distributor chose it to launch two new ranges: GEM (IGP Pays d’Oc) and ADIMANT (IGP Saint-Guilhem-le-Désert).

In 2016, the website of French economic and financial daily *Les Echos* included the Verallia Design Awards in the Top 10 competitions to have on your resume.

## OUR ACTIONS





# APPENDICES

# APPENDICES

52	1. CODE OF CONDUCT
54	2. MANUFACTURING EXCELLENCE MODEL
55	3. REQUIREMENTS AND COMPLIANCE
	3.1 The EHS policy
	3.2 The environment charter
	3.3 The 4 cardinal rules for saving lives
	3.4 The MOVE policy
	3.5 Other policies
	3.6 The supplier charter
62	4. SITE CERTIFICATION
64	5. SUMMARY OF EXTRA-FINANCIAL INDICATORS





## APPENDIX 1: CODE OF CONDUCT

# SHARED VALUES THAT REFLECT THE IMPORTANCE GIVEN TO THE PRINCIPLES OF RESPONSIBILITY AND SUSTAINABILITY

## Principles of Conduct



### Respect for others

It is an absolute prerequisite for the professional and personal development of each person. It applies throughout the Group worldwide. It implies an acceptance of pluralism, multiculturalism and all backgrounds. It is reflected by a readiness to listen to others, to take into account others' opinions, and to engage in a respectful dialogue.



### Integrity

It requires a rigorous probity in all professional activities. It means that no individual may compromise the interests of the Group entrusted to that individual in favor of his or her own private interests—whether in dealing within the Group or in dealing on behalf of the Group with third parties, whatever local practices might be. Specific rules of conduct may be adopted for certain professional categories depending on the nature of their responsibilities.



### Professional commitment

It means employees must mobilize their knowledge and know-how to the best of their ability to perform their duties. It requires active personal involvement and a willingness to complete professional tasks, request and acquire necessary knowledge through experience and training offered by the Company, and adapt to evolving challenges. It implies all employees must do their part to protect the environment and promote health and safety.



### Loyalty

It requires honesty and fairness in dealing with superiors, colleagues, subordinates and third parties dealing with the Group. In particular, it is incompatible with the pursuit of self-interest. It implies adherence to the guidelines and internal rules of the Group and its individual companies.



### Solidarity

It is based on a sense of individual responsibility at work, which prevails over self-centered thinking. It encourages teamwork and supporting others. It means rejecting self-serving management or operational methods geared more to self-satisfaction of certain individuals rather than the collective interests of the Group.



## Principles of Action<sup>(1)</sup>



### Respect for the law

All Group companies must apply in all areas all laws and regulations of the countries where they do business. Particular attention is drawn to the areas described below.

All Group companies must prohibit all actions which might breach applicable norms of competition law. All Group companies must refuse any form of financing political parties or activities, even if allowed under local law. They must also reject any form of active or passive corruption whether in domestic or international transactions<sup>(2)</sup>.

Furthermore, Group companies must not exploit loopholes or inadequacies in any such laws or regulations where this would mean non-compliance with the norms of the Verallia Group.



### Caring for the environment

Group companies are to actively promote the protection of the environment.

All company sites belonging to Verallia Group, wherever they are located, must set clear environmental targets and regularly monitor environmental performances against those targets.

Group companies must strive to raise the main relevant environmental performance standards of their own sites to the level of particularly effective performance standards found in best-in-class companies within the Group for comparable sites—even if that means going beyond the requirements of applicable local legislation.



### Worker health and safety

Group companies are to take all measures necessary to ensure the best possible protection against health and safety risks in the workplace.

Group companies must adopt risk reduction policies and ensure they are applied. Results must be continually assessed against relevant standards. Such policies apply both to their own employees and to employees of subcontractors, when the latter are working on a Group site.

Group companies must strive to raise the main relevant health and safety performance standards of their own sites to the levels of particularly effective performance standards found in best-in-class companies within the Group for comparable sites—even if that means going beyond the requirements of local legislation.



### Employee rights

Group companies must scrupulously ensure that employees' rights are respected. They must promote an active dialogue with their employees and their legal representatives.

In addition, they must respect the following non-exhaustive list of rules, even if not provided for by applicable local law.

Group companies must refrain from any form of recourse to forced labor, compulsory labor, or child labor<sup>(3)</sup>, as well as any form of harassment—whether directly or indirectly or through subcontractors when the latter are working on a Group site. Group companies must refrain from any form of discrimination with respect to their employees, whether in the recruitment process, at hiring, during or at the end of the employment relationship.

(1) They are intended to embody the OECD Guidelines for Multinational Enterprises, adopted in June 2000 and revised in May 2011.

(2) Covered by the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of December 17, 1997.

(3) As defined by the applicable Conventions of the International Labour Organization.



## APPENDIX 2: MANUFACTURING EXCELLENCE MODEL

### INTEGRATING THE PRINCIPLES OF CORPORATE SOCIAL RESPONSIBILITY



#### Team

Committed to continuous improvement, we all become involved in sharing our experience and developing our skills for the benefit of our customers.



#### Safety

Our unconditional priority is to protect the health and safety of all employees working at our sites.



#### Reliability

By developing preventive maintenance approaches, optimizing activities and spare parts inventory planning, we maximize the reliability of our manufacturing plant to provide the best products at the best price.



#### Quality

Our commitment is reflected in our attention to thoroughly understanding our customers' quality needs so that we can implement the most appropriate checks from the outset and throughout the process, in order to ensure customers' entire satisfaction.



#### Manufacturing efficiency

We optimize our product costs by improving our level of standardization and managing process losses. To achieve this, we concentrate on increasing our yields and product throughput rates, and on optimizing schedules.



#### Environment

We place the environment at the heart of our priorities, aiming for zero environmental accidents and a maximum reduction in our plants' environmental footprints (energy, CO<sub>2</sub>, water, atmospheric emissions, waste recovery and incorporation of external cullet).



#### Flexibility

Responsive and close to our customers, we can provide them with solutions tailored to their needs, including extended ranges, smaller series runs and reduced deadlines.



#### Innovation

To ensure our enduring manufacturing excellence, we collect and promote best practices, reduce the time-to-market for new products and adopt new technology to constantly improve the performance of our production tools.

## APPENDIX 3: REQUIREMENTS AND COMPLIANCE

### 3.1 THE EHS POLICY

**The Group's Environment, Health and Safety policy is based on a continuous improvement approach with five main principles:**

- prevent and reduce health and safety risks
- manage and reduce the environmental impact of our activities
- comply with legal requirements, our standards and our four cardinal rules
- irreproachable and exemplary conduct, involvement and participation from all employees
- training and information.

**Verallia strives daily to achieve three main goals linked to these principles:**

- ZERO accidents
- ZERO occupational diseases
- ZERO environmental events.

## APPENDIX 3: REQUIREMENTS AND COMPLIANCE

### 3.2 THE ENVIRONMENT CHARTER

**To be the environmental benchmark for glass packaging, Verallia must make sure that:**

- its activities have a minimal impact on the environment
- its activities conserve natural resources
- its activities do not present any risks for stakeholders and meet their requirements.

**Goals and action plan:**

#### **1. Cover the basics and aim for continuous improvement:**

- assess environmental risks and impacts, taking into account all life-cycle phases
- implement the environmental management system (Verallia and ISO 14001, or equivalent) verified by the E&HS Audit
- comply with regulations and be proactive in factoring in future regulations.

#### **2. Implement state-of-the-art production techniques:**

- Plan and deploy the best available techniques and practices
- apply Verallia's standards
- achieve environmental improvement targets.

#### **3. Empower the teams and raise awareness about the environment:**

- share positive initiatives and promote the benefits of glass as a material
- training and communication to develop environmental awareness.

#### **4. Innovate to be the environmental benchmark for glass packaging:**

- R&D projects for innovative solutions to reduce Verallia's environmental impact
- use local circular economy opportunities.



## 3.3 THE 4 CARDINAL RULES FOR SAVING LIVES

### Rule No. 1

#### **“Do not bypass, neutralize or damage any safety devices.”**

This rule entails:

- periodically checking that safety devices are working correctly
- implementing the procedure following the detection or observation of a safety device malfunction when it proves impossible to immediately restart it. The application of this procedure results in a quick analysis of the risks to define the appropriate corrective and preventive actions in order to prevent any risk of accident.

### Rule No. 2

#### **“Always wear suitable Personal Protective Equipment.”**

Verallia has standardized rules concerning the use of personal protective equipment (PPE) for each area according to a risk analysis. For certain tasks requiring specific permits, the rules must be clearly specified. Each site must ensure that the rules implemented comply with Verallia’s rules, and that they are understood and applied by everyone. They must be displayed in the relevant areas.

### Rule No. 3

#### **“Always follow lockout/tagout procedures.”**

It is mandatory to apply the lockout/tagout procedure for all maintenance, cleaning, adjustment, revision or other non-usual operations performed on machines or equipment using dangerous energy.

To ensure a safe situation, the lockout of a machine, device or facility must include five phases:

- inform
- separate
- immobilize and display signage
- dissipate or purge
- check and identify.

The approach for implementing this rule at our sites is based on the principle of continuous improvement.

Once the work has been completed, it is important to make sure that all the tools are removed, that the safety devices are put back in place and that the controls are switched off. The lockout device can then be removed and the installation started up again. The operators are then advised that the equipment is ready for use again.

### Rule No. 4

#### **“Use proper equipment and tools at all times.”**

Many activities require the use of a specific tool suited to the job to be done. Each site must draw up an inventory of workstations requiring the use of a specific tool and must stipulate the most appropriate tool, taking into account the best practices already applied at Verallia sites. Each tool is provided and stored near the workstation to make sure it is used when required.

## APPENDIX 3: REQUIREMENTS AND COMPLIANCE



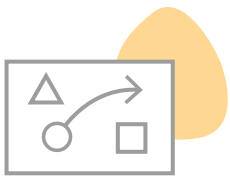
*The MOVE principles define the Group's approach to its employees. They aim to:*

- *develop cooperation between functions and countries to allow for greater work flexibility*
- *attract, integrate and develop talents and learn from their diversity*
- *promote teamwork and drive Verallia's development.*



## 3.4 THE MOVE POLICY

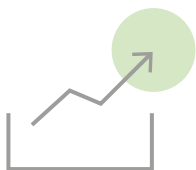
### MOVE: Mobility, Open mind, Values, Engagement



#### Mobility

Have the right person in the right job with a diverse range of backgrounds and experience for everyone's mutual enrichment:

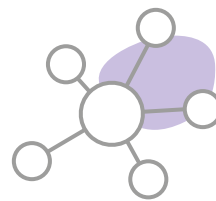
- develop talent
- improve employer appeal
- provide career prospects
- strengthen the corporate culture and cohesion.



#### Values

Implement the Code of Conduct (9 principles):

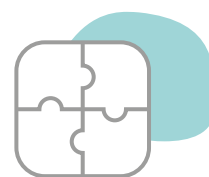
- prerequisite for all Verallia employees and companies.



#### Open mind

Develop agility to seize business opportunities, develop new models, manage and motivate talent and capitalize on diversity:

- develop the ability to adapt to new environments
- ensure respect and trust
- develop a positive and innovative approach to work.



#### Engagement

Develop a culture of exemplary conduct, recognition and empowerment:

- generate the enthusiasm and trust needed to give Verallia a competitive edge.



## APPENDIX 3: REQUIREMENTS AND COMPLIANCE

### 3.5 OTHER POLICIES

**To ensure quality and compliance levels in line with the Code of Conduct, Verallia also implements the following policies:**

#### **Compliance with competition law**

This policy aims to ensure that each employee understands and undertakes to comply with competition law, as any non-compliance may threaten the Group's reputation, financial stability and business.

#### **Anti-corruption policies**

These policies include the Gift and Invitation Policy, Conflict of Interest Policy and the Agents and Intermediaries Policy in order to prevent any risk of corruption.

#### **Purchasing policy**

This policy applies to all employees whose positions require them to deal with one or more external suppliers. It has several sections: integrity, spirit of service, professionalism, confidentiality, Environment-Health-Safety (EHS), competition, and embargoes and economic sanctions.

#### **Economic Sanctions and Embargo Policy**

An economic sanctions and embargo policy details the basic concepts, the potential impact and the system implemented by Verallia to ensure compliance in this area.

## 3.6 THE SUPPLIER CHARTER

**Verallia is also responsible for ensuring that its suppliers conform to the same standards. In addition to being audited, each supplier signs the Supplier Charter.**

### Supplier Charter

This document commits suppliers to comply with the economic, environmental and social standards needed for responsible economic development. This includes compliance with the applicable international standards and rules, as well as respect for the right to development, employee rights, and health & safety norms. They must also undertake to limit their environmental impact.

## APPENDIX 4: SITE CERTIFICATION

### CERTIFICATION: VERALLIA COMMITS

With 32 certified glassmaking production sites, Verallia undertakes to manage the impact of its businesses in terms of the environment, energy, quality and food safety, as well as the health and safety of its employees.



#### ISO 14001 Environment

Certified companies must implement environmental management to limit their impact on the ecosystem by innovating and reducing their energy and waste management costs.

#### OHSAS 18001 Health and safety

This certification encourages companies to take preventive action for occupational risks in order to limit workplace accidents and improve employee performance.

#### ISO 50001 Energy

This certification places companies in a process of continuous improvement to limit their energy expenses and to combat climate change.

#### ISO 9001 Quality

This standard implies taking into account customer and regulatory requirements in product design and manufacture, while implementing a continuous improvement approach.

#### ISO 22000 Food safety

This food safety management system requires companies to ensure their employees are at all times up-to-date with new laws, standards and regulations concerning international requirements for food products.

#### SMETA 4P Corporate Social Responsibility

This tool supports responsible supply practices and sustainable production systems. It is designed to develop and promote the use of shared assessment methods to determine performance from the angle of Corporate Social Responsibility within the supply chain and to improve efficiency for all companies.



ISO 14001  
OHSAS 18001  
ISO 50001  
ISO 9001  
ISO 22000  
SMETA 4P

## France

ALBI	●	●		●	●	●
CHALON-SUR-SAÔNE	●	●		●	●	●
COGNAC	●	●		●	●	●
LAGNIEU	●	●		●	●	●
OIRY	●	●		●	●	●
SAINT-ROMAIN-LE-PUY	●	●		●	●	●
VAUXROT	●	●		●	●	●

## Germany

ESSEN	●	●	●	●	●	●
NEUBURG	●	●	●	●	●	●
WIRGES	●	●	●	●	●	●
BAD WURZACH	●	●	●	●	●	●

## Italy

CARCARE	●	●		●		●
DEGO	●	●		●		●
GAZZO VERONESE	●			●		●
LONIGO	●	●		●		●
PESCIA	●			●		●
VILLA POMA	●			●		●

## Portugal

FIGUEIRA DA FOZ	●	●	●	●	●	●
-----------------	---	---	---	---	---	---

ISO 14001  
OHSAS 18001  
ISO 50001  
ISO 9001  
ISO 22000  
SMETA 4P

## Spain

ALCALA DE GUADAIRA	●	●		●	●	●
AZUQUECA DE HENARES	●	●		●	●	●
BURGOS	●	●		●	●	●
LAS PALMAS GRAN CANARIAS	●	●		●	●	●
MONTBLANC	●	●		●	●	●
ZARAGOZA	●	●		●	●	●

## Russia

KAMYSHIN	●			●	●	●
KMS - STAVROPOLSKY KRAI	●	●		●	●	

## Ukraine

ZORYA	●	●		●	●	
-------	---	---	--	---	---	--

## Brazil

CAMPO BOM	●	●		●		●
PORTO FERREIRA	●	●		●		●
SÃO PAULO FABE	●	●		●		●

## Argentina

MENDOZA	●	●		●		●
---------	---	---	--	---	--	---

## Chile

ROSARIO	●	●		●	●	●
---------	---	---	--	---	---	---

## APPENDIX 5: SUMMARY OF EXTRA-FINANCIAL INDICATORS

### 1. SOCIAL INFORMATION

Indicators	2016	2015	Unit
<b>a) Headcount</b>			
Total headcount	9,806	9,890	number
Managers as a % of the total headcount	9	9	%
Women as a % of managers	27	27	%
Age pyramid - Employees by age bracket:			
- under 26 (as a % of the total headcount)	4	ND	%
- 26 to 55 (as a % of the total headcount)	80	ND	%
- 55 and over (as a % of the total headcount)	16	ND	%
<b>Salaries and changes</b>  Verallia uses market analyses, external and internal comparisons, and salary grids to ensure gender equality and competitive and equitable remuneration for all its employees. Salary grids are regularly reviewed so they remain aligned with market changes. On top of their fixed salary, employees also receive a variable collective and/or personal bonus, depending on the country, to reflect performance.			
<b>b) Work organization</b>			
Absenteeism rate	2	2	%

Indicators	2016	2015	Unit
<b>c) Employee-employer relations</b>			
<b>Organization of labor-management dialogue, in particular employee information and consultation procedures and negotiations</b>			
<p>Labor-management dialogue and respect for employee rights are shared values and one of our principles. Constructive and respectful dialogue occurs at all levels in the company. It is led by the local management of the companies and sites. It is based on employees' involvement, discussions with employee representatives and active communication about the company's life. Verallia formally engages in this labor-management dialogue in the representative bodies in each country and in the European Works Council.</p>			
<b>d) Health and safety</b>			
<b>Health and safety conditions</b>			
<p>Health and safety are a permanent concern with a long-term target of zero workplace accidents and zero occupational diseases. Verallia ensures it provides its employees, wherever they are employed, with a workplace environment and conditions that are compatible with this aim. Verallia implements measures to safeguard the best possible workplace health and prevent safety risks for employees, temporary employees and subcontractors. To this end, the Group relies on its EHS policy, which is acknowledged, shared and adapted when necessary to suit to local conditions (see details on page 32).</p>			
Declared accident frequency rate (TF2) - employees and temporary employees	3.9	3.4	ratio
Number of SMATs per employee and temporary employee per year	2	2	number
Percentage of unsafe situations (TF5) reported by Verallia employees resolved	85	82	%



## APPENDIX 5: SUMMARY OF EXTRA-FINANCIAL INDICATORS

Indicators	2016	2015	Unit
<b>e) Training</b>			
Percentage of payroll devoted to training	2.0	2.2	%
Total number of hours of training	246,179	ND	number
Number of regions with a glass school <sup>(1)</sup>	3	3	number
Percentage of employees assessed using an appropriate skills matrix	60	54	%
<b>f) Equal treatment</b>			
Women as a percentage of managers hired	30	27	%
Percentage of women in the high-potential program	28	15	%
<b>Anti-discrimination policy</b>  Through its Code of Conduct and the MOVE human resources strategy, Verallia undertakes to promote diversity in all its forms: gender equality, diversity of age groups, nationalities, training and careers, and the integration of disabled employees. The equal treatment of employees with regard to hiring, professional training and remuneration is a core aspect of our exemplary managerial approach. The Code of Conduct was developed with the Global Compact—of which Verallia is a signatory—in mind.			

<sup>(1)</sup> Verallia is organized into five regions: France, Iberia (Spain and Portugal), Northern Europe (Germany, Poland, Ukraine and Russia), Italy and Algeria and South America (Brazil, Argentina and Chile).

Indicators	2016	2015	Unit
<b>g) Promotion and compliance with ILO provisions and conventions</b>			
<b>Promotion and compliance with the provisions of the ILO's fundamental conventions</b>  As a responsible company, Verallia undertakes to comply with workers' fundamental rights: freedom of association and the right to collective bargaining, elimination of employment and professional discrimination, elimination of forced or compulsory labor, and the effective elimination of child labor. It is for these reasons Verallia is a signatory to the Global Compact.			
Number of freedom of trade union incidents reported	none	none	number
Number of discrimination incidents reported	none	none	number
Number of forced labor incidents reported	none	none	number
Number of cases of child labor reported	none	none	number

## APPENDIX 5: SUMMARY OF EXTRA-FINANCIAL INDICATORS

### 2. ENVIRONMENTAL INFORMATION

Indicators	2016	2015	Unit
<b>a) General environmental policy</b>			
<p><b>Company's organization to take environmental issues into account and, if applicable, the environmental evaluation and certification approaches</b></p> <p>The Environment, Health and Safety (EHS) policy is inscribed in the Group's Code of Conduct and reflected in its support of the Global Compact. The Code of Conduct and the EHS policy are made available to all employees and set the targets and requirements for all. The long-term targets include "zero environmental accidents" and "minimum impact of our activities on the environment." These targets serve as a reference for the sites, which compile their action plan accordingly. Our sites are also ISO 14001 certified (see page 62). The introduction of an environmental management system compliant with this standard's requirements ensures efficient management of our activities' environmental impact.</p> <p>Finally, Verallia has made developing the circular economy and management of its environmental impact one of its CSR strategy priorities, as described in the chapter "Boost our contribution to communities' economic and social development."</p>			
<b>b) Pollution and waste management</b>			
SO <sub>2</sub> emissions	7,315	6,836	metric tons
NO <sub>x</sub> emissions	9,523	8,825	metric tons NO <sub>2eq</sub>
Dust emissions	365	427	metric tons
Number of significant environmental accidents	3	1	number
Total volume of water discharged	2,095,955	1,888,983	m <sup>3</sup>
Quantity of waste produced	65,525	59,739	metric tons
Percentage of waste recovered	64	66	%
<p><b>Noise and any other activity-specific pollution</b></p> <p>Verallia has outlined an environmental event management standard called "EvE" that was introduced in 2013. It identifies and addresses all events that may occur at Group sites (accidents, incidents, etc.). All Verallia companies and sites thus have a shared method for working towards the target of zero environmental accidents. Attached to its production sites' local roots, Verallia is dedicated to reducing any nuisances generated by its activities and addressing any claims made by the stakeholders near its plants.</p>			



Indicators	2016	2015	Unit
<b>c) Sustainable use of resources</b>			
Total water withdrawn	3,394,201	3,397,812	m <sup>3</sup>
Consumption of primary raw materials (other than water, energy, scrap metal, cullet and glass)	3,805,250	4,016,297	metric tons
Consumption of raw materials sourced from recycling (other than water and energy)	2,710,583	2,650,924	metric tons
Total consumption of energy	11,009,049	10,940,061	MWh
Total consumption of indirect energy	1,847,517	1,843,883	MWh
Total consumption of direct energy	9,161,533	9,096,177	MWh
<b>d) Climate change</b>			
Direct CO <sub>2</sub> emissions	2,605,144	2,541,509	metric tons
Indirect GHG emissions (purchase of electricity, steam and hot water)	553,926	548,211	eq CO <sub>2</sub> emission

#### Adapting to the effects of climate change

Climate and energy issues are among the leading challenges facing the planet in the coming decades. Verallia places these issues at the center of its strategy, along with the day-to-day management of its sites and buildings. Climate change will very likely increase the frequency and intensity of natural disasters, such as floods, precipitation and storms. The Group manages these risks through its Industrial Risk Prevention Policy. Prevention managers conduct an annual assessment of all sites using in-house scoring software. This tool assesses the risks, including natural risks, and each site's level of protection and prevention. It is updated annually. The data collected is used to update the risk database for determining whether sites are exposed and vulnerable to extreme events, especially floods and storms.

## APPENDIX 5: SUMMARY OF EXTRA-FINANCIAL INDICATORS

### 3. INFORMATION REGARDING SOCIETAL COMMITMENTS TO PROMOTE SUSTAINABLE DEVELOPMENT

#### a) Regional, economic and social impact of the activity on society in terms of employment and regional development for the local and neighboring communities

As mentioned in the present report on page 6, through its positioning as a responsible company, Verallia creates value for all its stakeholders. As a significant employer in the regions where it operates, and a company proud of its local roots, Verallia is committed to contributing to regional economic and social development. The Group maintains excellent relations, in a spirit of open dialogue, with its neighbors and local public authorities.

Through its Corporate Social Responsibility priorities (see page 14), Verallia is committed to managing its environmental footprint, developing its human capital and boosting its contribution to communities' economic and social development. This involves, for example, work on managing environmental events and working towards achieving the target of zero environmental accidents, supporting local initiatives, especially in the area of the circular economy, and raising public awareness.

#### b) Relations with people or organizations interested in the company's activity

##### Conditions for discussions with people or organizations interested in the company's activity

For each stakeholder and depending on the issues involved, the discussion is arranged through the relevant information channels and by implementing, if needed, an appropriate framework, and selecting a venue at the relevant level within the organization (headquarters, Group business or site), applying the principle of subsidiarity.

Additionally, relations with people or organizations interested in Verallia are guided by all the Group's policies (anti-corruption policy, for example).

##### Partnership and sponsorship

In line with its positioning as a player with local roots and that is committed to the circular economy and sustainable development in general, Verallia aims to support initiatives in the communities it operates in. By 2020, all sites will be involved in a community action (partnership, sponsorship, volunteering skills, etc.), two-thirds of which will be related to recycling and sustainable development (see page 40).

#### c) Environmental and social issues factored into the purchasing policy Importance of subcontracting and factoring into relations with subcontractors their social and environmental responsibility

As a leading international glassmaking company, Verallia has a duty to set an example and be influential in ensuring its stakeholders, especially its suppliers, conform to the same social and environmental standards relevant to their business.

For this reason, as described on page 15 of this report, Verallia requires all its suppliers to sign a charter committing them to Corporate Social Responsibility principles. Verallia may also take the necessary steps to ensure compliance with this charter, in particular by sending out questionnaires or conducting specific audits at suppliers' and subcontractors' premises. Finally, a purchasing charter has been sent to all Group employees who may have dealings with a supplier (see Policy and Charters annexed).

## d) Fairness of commercial practices

### Actions to prevent all forms of corruption

Verallia consistently reminds its employees of the need to comply with the initiatives and procedures implemented to prevent commercial transaction risks and has established an anti-corruption policy. Finally, a new training tool has been created and made widely available as part of the renewal of the specific training program.

### Consumer health and safety measures

As part of its commitment to the community, Verallia helps promote the qualities of glass. The focus is on glass as a permanent and inert material that preserves the taste and quality of its contents (see page 46). Glass is a unique material that both protects consumer health and ensures their well-being. Finally, the innovations made to the appearance of glass packaging open up vast possibilities for personalization to promote its contents.

### Actions to promote human rights

The Code of Conduct (see Appendix 1) includes principles derived from the International Labour Organization's conventions and consistent with the principles of the Global Compact, which in particular aim to ensure compliance with Human Rights in the workplace.

Indicators	2016	2015	Unit
Number of incidents relating to cases of corruption	none	none	number

All employees at all levels in the Group are provided with a copy of this Code of Conduct. Managers in particular are made aware of the Code and its contents through an online training program and must commit in writing to comply with it. The application of these principles is a condition for belonging to the Group.



Publication managers:  
Pierre Balian, Marie Segondat

—

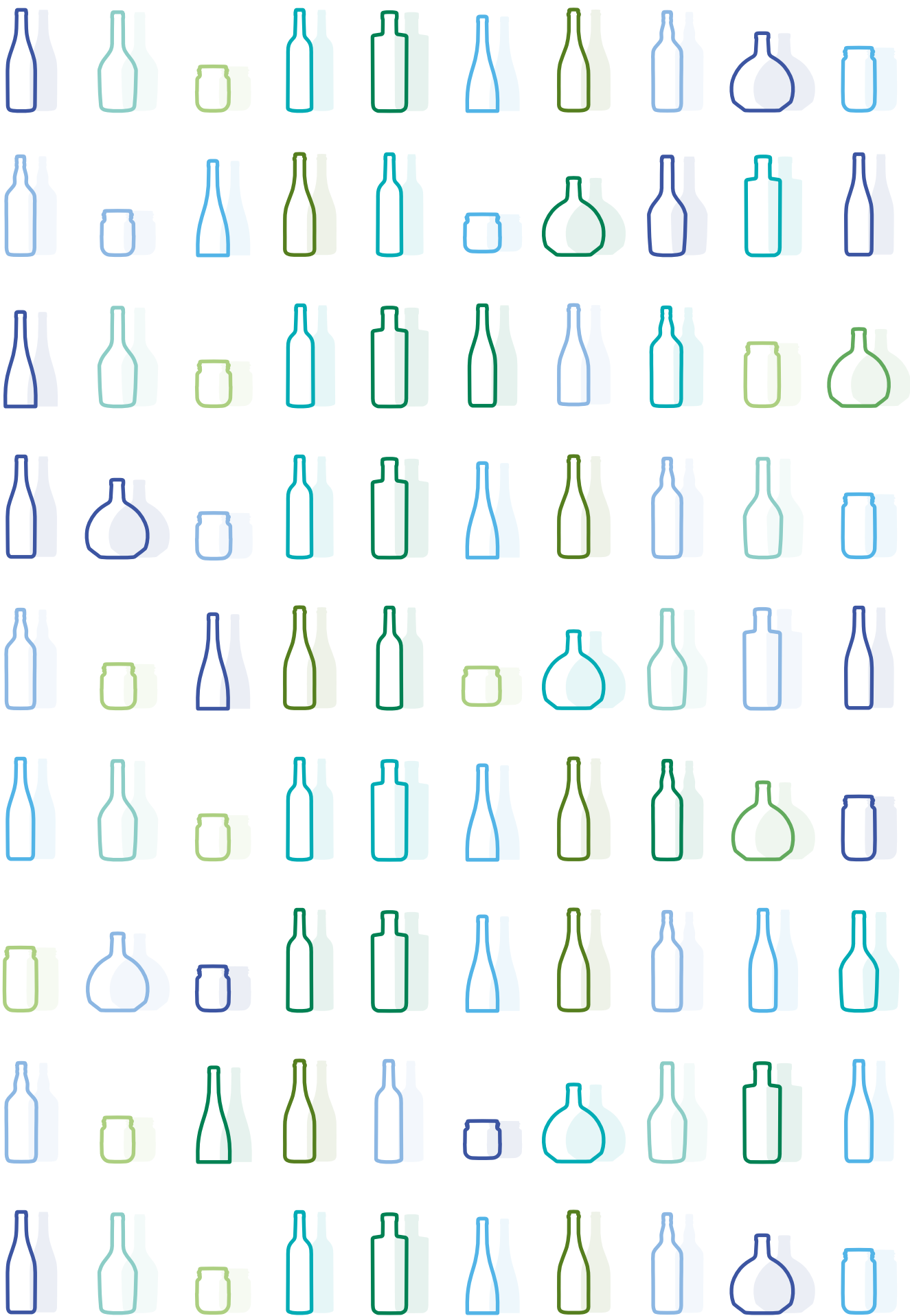
Photos credits:  
Médiathèque Verallia, Offset, Franck Dunouau - May 2017

—

Design and production:  
Teal Green

—

Translation:  
Sémantis



## AN EXTENSIVE SALES AND INDUSTRIAL PRESENCE

TealGreen\_



**Verallia Packaging headquarters:**  
Tour Carpe Diem – Place des Corolles  
92400 Courbevoie - France

Tel: +33 (0)1 71 13 11 00  
[www.verallia.com](http://www.verallia.com)

S.A. with a capital of 5,852,811 euros  
Nanterre commercial registry: B 811 530 302  
VAT No.: FR 438 115 303 02

- Verallia
- @verallianews
- Verallia, Forever Glass
- VeralliaNews

[www.verallia.com](http://www.verallia.com)

Excessive alcohol consumption can harm your health. Consume with moderation.  
Verallia supports its customers' campaigns to promote sensible drinking.

